

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Jeanne A. Lufrano, and Joan Marchant as Trustee for the John J. Lufrano Unified Credit Trust (Claimants) vs. Kirlin Securities Inc. and Edward P. Deicke (Respondents)

Case Number: 05-03318

Hearing Site: New York, New York

Nature of the Dispute: Customers vs. Member and Associated Person

REPRESENTATION OF PARTIES

Claimants Jeanne A. Lufrano ("J. Lufrano"), and Joan Marchant as Trustee for the John J. Lufrano Unified Credit Trust ("Lufrano Trust") hereinafter collectively referred to as "Claimants": Tricia L. Leggittino, Esq. and Christopher N. Messina, Esq., Simmons Cooper, LLC, East Alton, IL.

Respondent Kirlin Securities Inc. ("Kirlin"): Isaac M. Zucker, Esq., Law Offices of Isaac M. Zucker, PLLC, Mineola, NY.

Respondent Edward P. Deicke ("Deicke"): Michael P. Gilmore, Esq., Sims Moss Kline & Davis, LLP, Mineola, NY.

CASE INFORMATION

Statement of Claim filed on or about: June 28, 2005.

J. Lufrano signed the Uniform Submission Agreement: May 29, 2005.

Lufrano Trust signed the Uniform Submission Agreement: May 29, 2005.

Statement of Answer and Motion to Dismiss filed by Kirlin on or about: September 2, 2005.

Kirlin signed the Uniform Submission Agreement: September 2, 2005.

Statement of Answer and Motion to Dismiss filed by Deicke on or about: August 2, 2005.

Deicke signed the Uniform Submission Agreement: September 13, 2005.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty, breach of contract, violation of the New York Deceptive Trade Practices-Consumer Protection Act, and negligence. The causes of action relate to high-tech growth stocks.

Unless specifically admitted in its Answer, Respondent Kirlin denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

Unless specifically admitted in his Answer, Respondent Deicke denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages in an amount in excess of \$144,782.00, punitive damages in an amount in excess of \$434,346.00, costs, attorneys' fees, pre-judgment interest, and whatever additional relief that the Panel believes just and within their authority.

Respondent Kirlin requested dismissal of the Statement of Claim in its entirety.

Respondent Deicke requested dismissal of the Statement of Claim in its entirety, costs, forum fees, expungement of this matter from Deicke's CRD records, and such other and further relief as the Panel deems appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

By letter dated July 11, 2006 Claimants informed NASD Dispute Resolution that the parties settled this matter.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. The parties entered into a confidential settlement agreement.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Deicke's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Deicke must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure, the arbitration panel has made the following affirmative findings of fact:

The registered person was not involved in the alleged investment-related sales

practice violation, forgery, theft, misappropriation, or conversion of funds.

3. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$	375.00
--------------------------	------	--------

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Kirlin Securities Inc. is a party.

Member Surcharge	= \$	2,250.00
Pre-hearing Process Fee	= \$	750.00
Hearing Process Fee	= \$	4,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Decisions on discovery-related motions on the papers with (1) one arbitrator @ \$200.00	= \$	400.00
Claimants submitted one discovery-related motion		
Respondent Deicke submitted one discovery-related motion		

One (1) Pre-hearing session with single arbitrator @ \$450.00	= \$	450.00
Pre-hearing conference: June 15, 2006 1 session		

Four (4) Pre-hearing session with the Panel @ \$1,200.00	= \$	4,800.00
Pre-hearing conferences: November 16, 2005 1 session		
November 28, 2005 1 session		
January 17, 2006 1 session		
August 10, 2006 1 session		

Total Forum Fees	= \$	5,650.00
------------------	------	----------

1. Regarding the August 10, 2006 pre-hearing conference, the Panel assessed \$1,200.00 of the forum fees to Respondent Deicke.
2. Pursuant to Rule 10306, the remaining forum fees are assessed as follows:
 - a. Claimants' are assessed \$1,483.33 of the forum fees.
 - b. Respondent Deicke is assessed \$1,483.33 of the forum fees.

c. Respondent Kirlin is assessed \$1,483.33 of the forum fees.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 1,483.33
Total Fees	= \$ 1,858.33
Less payments	= \$ 1,575.00
Balance Due NASD Dispute Resolution	= \$ 283.33

2. Respondent Kirlin is solely liable for:

Member Fees	= \$ 7,000.00
Forum Fees	= \$ 1,483.33
Total Fees	= \$ 8,483.33
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 1,483.33

3. Respondent Deicke is solely liable for:

Forum Fees	= \$ 2,683.33
Total Fees	= \$ 2,683.33
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 2,683.33

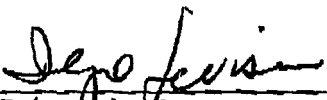
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Ilyse Roberta Levinson	-	Public Arbitrator, Presiding Chairperson
David Kramer, Esq.	-	Public Arbitrator
Matthew D. Parott, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.



Ilyse Roberta Levinson
Public Arbitrator, Presiding Chairperson

8/10/06

Signature Date

David Kramer, Esq.
Public Arbitrator

Signature Date

Matthew D. Parott, Esq.
Non-Public Arbitrator

Signature Date

August 15, 2006

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Ilyse Roberta Levinson	-	Public Arbitrator, Presiding Chairperson
David Kramer, Esq.	-	Public Arbitrator
Matthew D. Parott, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Ilyse Roberta Levinson
Public Arbitrator, Presiding Chairperson

Signature Date

David Kramer

David Kramer, Esq.
Public Arbitrator

August 10, 2006

Signature Date

Matthew D. Parott, Esq.
Non-Public Arbitrator

Signature Date

August 15, 2006

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Ilyse Roberta Levinson	-	Public Arbitrator, Presiding Chairperson
David Kramer, Esq.	-	Public Arbitrator
Matthew D. Parott, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Ilyse Roberta Levinson
Public Arbitrator, Presiding Chairperson

Signature Date

David Kramer, Esq.
Public Arbitrator

Signature Date



Matthew D. Parott, Esq.
Non-Public Arbitrator

8/10/06

Signature Date

August 15, 2006

Date of Service (For NASD Dispute Resolution use only)