

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Donna Marie Koepfler
Francis X. Koepfler

Claimants

CASE #88-01549
AWARD

vs.

Merrill Lynch, Pierce, Fenner & Smith, Inc.
Mark Maiorella

Respondents

CASE SUMMARY

Claimants maintain their account with Respondent, Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch"). Respondent, Mark Maiorella ("Maiorella") was their account executive. Claimants allege that, upon Maiorella's recommendation, they purchased interests in tax advantage limited partnerships sold by Merrill Lynch. Claimants assert that Maiorella failed to disclose, or misrepresented risks of the limited partnership investments and that these investments were non-liquid and unsuitable. Respondent denies any misrepresentation or omission and asserts that these investments were recommended after consultation with Claimants and based upon the financial objectives Claimants disclosed to Maiorella.

RELIEF REQUESTED

Claimants' original claim asserted damages of \$45,000.00. That claim was reduced during the hearing first to \$42,000.00 and thereafter, upon disclosure that Claimants' investment in one of the limited partnerships was sold to or through Merrill Lynch, to \$33,350.00. Respondents requested dismissal of the claim.

AWARD

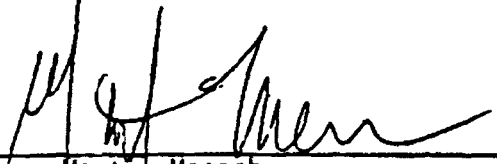
On July 11, 1989, the undersigned arbitrators heard the controversy in New York, NY between the parties as set forth in submissions to arbitration signed by Claimants on April 21, 1988, and by Respondents on July 20, 1988 and July 22, 1988. The initial claim was filed on May 12, 1988. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. The claim of the Claimants is hereby dismissed in its entirety;
2. The parties shall each bear their respective costs including attorney's fees.


DATED: August 9, 1989

3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund the \$400.00 filing fee previously deposited by the Claimants for the two hearing sessions held in this matter.

ARBITRATORS CONCURRING


Martin Mensch


Clare Reckert


Jonathan Frede