

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)

JACK GENOVA)

Claimant(s))

and)

MERRILL LYNCH, PIERCE, FENNER &
SMITH, INC. AND RONALD KRAUSE)

Respondents)

CASE NO. 88-01762

CASE SUMMARY

Jack Genova ("Claimant") alleged as follows:

1. Merrill Lynch, Pierce, Fenner & Smith, Inc. and Ronald Krause ("Respondents") misrepresented the commission arrangements regarding the American Cap Comstock Fund and the Delcap Fund in the months of May and September respectively of 1987.

2. Respondents failed to properly execute Claimants order of August 31, 1987 to sell all positions in Delaware and Delcap Funds and place the proceeds in Respondent's cash management account.

3. Respondents failed to properly execute the Claimants order to purchase shares in Government Bond Funds instead purchasing shares in the Delchester Bond Fund.

4. The above acts constituted violations of federal and state securities laws.

Respondents denied each and every claim of the Claimant.

RELIEF REQUESTED

Claimant requested damages of \$48,932.28 plus costs' and attorneys' fees. Respondent requested that all of the Claimants' claims' be dismissed with prejudice and an award from the Claimant for its cost and attorney's fees.