

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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IN THE MATTER OF THE ARBITRATION BETWEEN	:
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T. Scott Richter, individually and as a	:
for the Sprayberry Animal Hospital Pension	:
Trust...	:
	:
Claimants	: Case #88-02790
	:
	: AWARD
	:
vs.	:
	:
	:
	:
Merrill Lynch, Pierce, Fenner & Smith, Inc.	:
John F. Fisher	:
	:
Respondents	:
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CASE SUMMARY

This proceeding was commenced initially on August 30, 1988 by Claimants T. Scott Richter individually and as Trustee for the Sprayberry Animal Hospital Pension Trust Defined Benefit Plan and Strawberry Animal Hospital, P.C., Profit Sharing Plan and Trust and Sprayberry Animal Hospital, P.C. against Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch") and John F. Fisher ("Fisher"), and arises out of certain accounts held by Claimant from May, 1984 through November 1987. Claimants assert that Respondents are liable for certain losses incurred in these accounts while Fisher was employed at Merrill Lynch. Specifically, Claimants allege that Fisher breached his fiduciary duty to Claimants by excessively trading the accounts in order to generate commissions, by making unauthorized trades in the accounts and by concealing the adverse effects of their activities to Claimants.

Claimants assert state law claims for conversion, common law fraud, negligence, breach of fiduciary duty, breach of contract and allege violations of the Federal Racketeering Influenced Corrupt Organization Act arising out of the accounts.

Respondents deny each and every allegation set forth in the statement of claim with respect to the accounts. Respondents essentially contend that Dr. Richter understood investment matters and both Dr. Richter and Dean P. Bellmoff, an accountant enlisted by the Claimant, were involved in the trading decisions concerning the accounts. The Respondents further assert that none of the transactions took place without express authorization of either Dean Bellmoff or Dr. Richter.

RELIEF REQUESTED

Claimants request compensatory damages, together with costs, interest and attorney fees.

Respondents request a dismissal of all claims. Respondents also request judgement on its counterclaim including attorney fees.

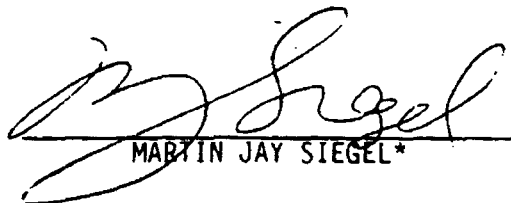
AWARD

On October 26, October 27, December 18, December 29, 1989 and February 1 and February 2, 1990, said dates representing 12 hearing sessions in

Atlanta, Georgia, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant and Respondents hereto. 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 Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. shall be liable and shall pay to Claimant the sum of Fifty One Thousand Four Hundred Eighty Nine Dollars and No Cents (\$51,489.00).
2. The Respondent John F. Fisher shall be liable and shall pay to Claimant the sum of Twenty Thousand Dollars and No Cents (\$20,000.00).
3. The Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. shall be liable for attorney fees and shall pay to Claimant the sum of Seventeen Thousand Eight Hundred Seventy Two Dollars and No Cents (\$17,872.00).
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$750.00 filing fee previously deposited by the Claimant as costs of the initial hearing session conducted in this matter.

CONCURRING ARBITRATORS


MARTIN JAY SIEGEL*

DAVID GULDEN

JOHN PORTER

*The arbitrator, Martin J. Siegel, agrees with the above decision except as to the liability of the broker, John F. Fisher. Mr. Siegel did not find the broker liable to the Claimant with respect to the allegation made in the claim.

DATED: , 1990

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