

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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| In the Matter of the Arbitration Between | x |
| | x |
| Rade Sekulovski, Cveta Sekulovska, | x |
| Vera Sekulov and Ljupco Sekulovski | x |
| | x |
| Claimants | x |
| | x CASE NO. |
| vs. | x 89-00440 |
| | x |
| Merrill Lynch, Pierce, Fenner & Smith, Inc., | x AWARD |
| John B. Glancy and David E. Miazgowicz | x |
| | x |
| Respondents | x |
| | x |

CASE SUMMARY

Claimants, Rade Sekulovski ("Rade"), Cveta Sekulovska, Vera Sekulov ("Vera"), and Ljupco Sekulovski, alleged that the level and type of trading in their accounts was unsuitable for them in that the Respondents, John B. Glancy, David E. Miazgowicz, and Merrill Lynch, Pierce, Fenner & Smith, excessively traded their accounts and invested the accounts in speculative investments purchased on a maximum margin basis. The Claimants further alleged that their lack of sophistication and language limitations further facilitated the Respondents in their abuse of the Claimants' accounts.

The Respondents contended that Rade knowledgeably directed most transactions in the Claimants' accounts based upon recommendations from Value Line, his daughter (Vera), the Wall Street Journal and other sources. The Respondents further contended that Rade approved each transaction in the Claimants' accounts before execution with full knowledge of the risks involved, and that the Respondents properly serviced the Claimants' accounts.

RELIEF REQUESTED

The Claimants requested actual damages of \$57,467.00, plus interest of \$33,626.00, plus attorneys' fees of \$30,000.00 and return of the filing fee. The Respondents requested dismissal of all claims made against them, plus costs.

AWARD

On November 20, 1990, January 7 & 8, 1991 and February 9, 1991, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimants Rade Sekulovski, Cveta Sekulovska, Vera Sekulov, and Ljupco Sekulovski on February 7, 1989, by Respondent Merrill Lynch, Pierce Fenner & Smith, Inc. on June 13, 1989, by Respondent John B. Glancy on June 14, 1989, and by Respondent David E. Miazgowicz on June 28, 1989. The initial claim was filed on February 14, 1989. The hearing was conducted in Southfield, MI, and consisted of eight (8) hearing sessions. 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:

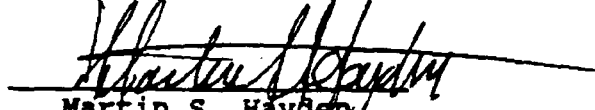
1. Respondents Merrill Lynch, Pierce, Fenner & Smith, Inc., John B. Glancy, and David E. Miazgowicz be and hereby are jointly and severally liable and shall pay to the Claimants, Rade Sekulovski, Cveta Sekulovska, Vera Sekulov, and Ljupco Sekulovski the total sum of Twenty Thousand Dollars and No Cents (\$20,000.00), inclusive of interest.
2. The parties each shall bear their respective costs including attorneys' fees.
3. 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 Claimants, and the Claimants be and hereby are jointly and severally liable and shall pay to the National Association of Securities Dealers, Inc. the sum of TWO THOUSAND FOUR HUNDRED FIFTY DOLLARS AND NO CENTS (\$2,450.00), and Respondents be and hereby are jointly and severally liable and shall pay to the National Association of Securities Dealers, Inc. the sum of THREE THOUSAND DOLLARS AND NO CENTS (\$3,000.00), as costs of the eight (8) hearing sessions conducted in this matter.

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NASD No. 89-00440
Sekulovski Award

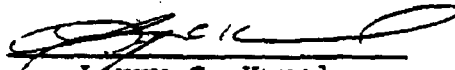
CONCURRING ARBITRATORS



William Dobreff



Martin S. Hayden



Larry C. Krue

Dated: February 27, 1991