

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)	
Henry Blair)	
)	
Claimant)	
)	AWARD
vs.)	
)	NASD #89-01508
Merrill Lynch, Pierce, Fenner)	
& Smith, Inc.)	
Randall Stender)	
James T. Quade)	
Respondents)	

SUMMARY OF ISSUES

Claimant alleged Respondents misrepresented certain facts concerning his margin account, particularly the buying power it held on specific dates and the time period within which margin maintenance calls must be met. Claimant alleged the misrepresentations caused him to suffer losses in his account when, during the October 1987 market crash, maintenance calls were shortened to 24 hours, causing his account to be liquidated at a loss.

Respondents denied all allegations of wrong-doing and further denied liability for losses in Claimant's account, asserting that any losses were the result of market conditions. Respondents also asserted that Claimants had failed to state a cause of action upon which relief could be granted.

DAMAGES AND RELIEF REQUESTED

Claimant requested damages of at least \$180,000.00, plus interest and commissions paid.

Respondents requested dismissal of all claims.

DAMAGES AND RELIEF AWARDED

This claim was filed with the NASD on May 23, 1989. On December 6 & 7, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on May 4, 1989, by an authorized representative of Merrill Lynch on July 24, 1989, and by Randall Stender on July 20, 1989. Respondent James Quade did not file a submission agreement, by answered the claim, appeared at the hearing and submitted to the jurisdiction of the panel at that time. The hearing was conducted in Portland, Oregon and lasted

four (4) 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 as follows:

1. All claims brought by Claimant are dismissed.
2. The parties shall each bear their respective costs including attorneys' fees.
3. In accordance with Section 43 of the NASD Code of Arbitration Procedure, the NASD shall retain the \$750.00 filing fee previously deposited by the Claimant as an assessment of forum fees. Claimant is also assessed additional forum fees of \$1,500.00.

OTHER ISSUES

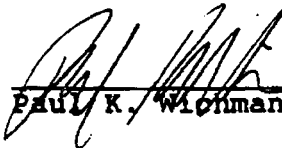
None.

ARBITRATORS CONCURRING

DATE SERVED: 12/31/90

Thomas P. Joseph, Jr.

Justine Fischer



Paul K. Wichman