

N.A.S.D. AWARD**NATIONAL ASSOCIATION OF SECURITIES DEALERS****National Association of
Securities Dealers, Inc.**
NASD Financial Center
33 Whitehall Street
New York, N.Y. 10004
FAX (212) 858-4389

In the Matter of the Arbitration Between**Name of Claimant****Marvin M. Tamaroff, individually and as Trustee****90-00497****Name of Respondents****Merrill Lynch Pierce Fenner & Smith Inc
Robert F. Sui**

REPRESENTATION**For Claimant: Anthony V. Trogan, Esq. of Weisman, Trogan, Young & Schloss,
P.C.****For Respondents: Douglas G. Graham, Esq. of Butzel Long.****CASE INFORMATION****Statement of Claim filed: February 16, 1990.****Claimant Marvin M. Tamaroff's ("Claimant") Submission Agreement signed as an
individual and as Trustee on: January 30, 1990.****Joint Statement of Answer filed by Respondents, Merrill Lynch, Pierce,
Fenner & Smith, Inc. ("Merrill Lynch") and Robert F. Sui ("Sui"), on: June
26, 1991.****Respondents did not execute submission agreements.****HEARING INFORMATION****Pre-Hearing Conference held on: September 4, 1991.
September 25, 1991.****Hearing Dates/Sessions: December 16, 1991, 2 sessions
December 17, 1991, 2 sessions
February 13, 1992, 2 sessions
March 2, 1992, 2 sessions
March 4, 1992, 2 sessions****Hearing Location: Tucker & Rolf Law Offices, Southfield, Michigan**

CASE SUMMARY

Claimant alleged that Respondent Sui induced Claimant to trade with Respondents by telling the Claimant if he invested with Respondents they would dispose of Claimant's Polar Molecular stock and obtain for Claimant a minimum of 15% annual return. Claimant alleged that as soon as Sui obtain control of Claimant's funds, that Sui commenced a program of trading that was hazardous, speculative and unsuitable for the Claimant. Claimant, in addition, alleged that Sui engaged in a significant number of unauthorized trades and also churned Claimant's account. Claimant alleged that the actions of Respondents were willful or in negligent disregard for the Claimant's stated investment objective and were in furtherance of Respondents desire to generate commission income. Claimant further alleged that Merrill Lynch failed to supervise its agent, Sui, and that Merrill Lynch did not properly supervise the trading activity in Claimant's account. Claimant alleged that Respondents violated the NASD Rules of Fair Practice, the Federal and State Securities Laws and Common Law Fraud.

Respondents jointly and severally denied each and every allegations of wrongdoing and liability stated or implied by the Claimant. Respondents maintained that all transactions in Claimant's account were suitable. Respondents maintained that all transactions were approved by Claimant prior to the transaction. Respondents maintained that Claimant's account was not churned. Respondents maintained that Tamaroff and Walter W. Kerrigan, II ("Kerrigan") controlled the trading in Claimant's account. Respondents maintained that Sui never promised Claimant that his account would have a minimum of a 15% annual return. Respondents maintain that they did not breach any New York Stock Exchange or NASD rules. Respondents maintain that there was no misrepresentation, no fraud and no violations of state or federal securities laws.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$580,000.00, an award of actual costs and attorneys fees, an award of interest on the award from account opening in 1986 and exemplary and punitive damages in an amount that the panel deems appropriate.

Respondents requested that the arbitrators dismiss in full the claims of Claimant and assess costs against him.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that a handwritten, signed Award may be entered. In this case, the parties have agreed to receive a conformed copy of the Award while the original remains on file with the NASD.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions (if any), the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Pursuant to the by-laws of the NASD, the arbitrators determined that Sui and Merrill Lynch were required to submit this arbitration, notwithstanding their failure to submit an executed submission agreements. Therefore, Sui and Merrill Lynch are bound by this panel's rulings and determinations.
2. Judgment in the amount of \$30,000.00, is awarded in favor of the Claimant Marvin M. Tamaroff, individually and as Trustee against Respondents Merrill Lynch and Robert S. Sui, jointly and severally.
3. Judgment shall be paid within thirty (30) days from the date of this Order. No interest or attorney's fees are awarded to the Claimant.
4. Costs and forum fees are awarded to the NASD against Merrill Lynch and Sui, jointly and severally in the amount of \$10,600.00 which reflects forum fees for the 10 hearing sessions and forum fees for the two pre-hearing conferences. Fees are payable to the NASD.
5. All other claims are denied in their entirety.

Arbitrator's Signature:

Name



Robert E. Parker, Esq.
Public Arbitrator/Chairman

4/13/92

Date of Decision: April 23, 1992

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions (if any), the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Pursuant to the by-laws of the NASD, the arbitrators determined that Sui and Merrill Lynch were required to submit this arbitration, notwithstanding their failure to submit an executed submission agreements. Therefore, Sui and Merrill Lynch are bound by this panel's rulings and determinations.
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5. All other claims are denied in their entirety.

Arbitrator's Signature:

Name

Donald F. Tucker
Donald F. Tucker, Esq.
Public Arbitrator

Date of Decision: April 23, 1992


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Arbitrator's Signature:

Name


Gail E. Faulk
Industry Arbitrator

Date of Decision: April 23, 1992