

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Francis Kogen, Trustee of MBK Profit Sharing Plan

Claimant

vs.

Case #91-00467  
AWARD

Bruce Bielfield  
Merrill Lynch, Pierce, Fenner and Smith, Inc.

Respondents

CASE SUMMARY

Pro Se Claimant, Frances Kogen as Trustee, in a claim filed with the National Association of Securities Dealers, Inc. on February 12, 1991, alleged that Respondent, Bruce Bielfield, while a financial advisor with Merrill Lynch, Pierce, Fenner & Smith, Inc. disregarded the objectives of the Trust and recommended a high risk investment that resulted in a loss of principal. Claimant states that Mr. Bielfield misrepresented the American Savings Bank of New York Preferred Stock as a conservative investment and at no time endeavored to protect the investment by suggesting Claimant cut losses and sell the stock.

Respondents, in a joint Statement of Answer submitted by Christopher D. Cavuoti, New York, New York, maintained that Respondents acted in a commercially reasonable manner consistent with their obligations to Claimant, that all trades were authorized by Claimant who was fully aware of all risks involved and that Claimant received confirmations and monthly account statements which kept her informed of her investment decisions.

Claimant supplied a detailed reply to the Answer.

RELIEF REQUESTED

Claimant requests Eight Thousand Four Hundred Seventy Dollars and No Cents (\$8,470.00) in damages less any remaining value of the stock in question and One Thousand One Hundred Forty One Dollars and No Cents (\$1,141.00) in interest less dividends received.

Respondents request denial of the Claim and costs assessed against the Claimant.

AWARD

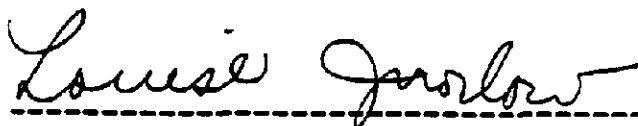
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Louise T. Jeroslow, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on February 8, 1991 and by the Respondent on April 23, 1991 and May 6, 1991, respectively;

And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondents Merrill Lynch, Pierce Fenner and Smith, Inc. and Bruce Bielfield are liable and shall pay to the Claimant the sum of Two Thousand Eight Hundred Five Dollars and No Cents (\$2,805.00);
2. The parties shall bear their respective costs;
3. The One Hundred Fifty Dollar and No Cents (\$150.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. and is assessed against the Respondents who shall jointly pay directly to the Claimant the sum of One Hundred Fifty Dollars and No Cents (\$150.00) as reimbursement.

AFFIRMATION

I, LOUISE T. JEROSLOW, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



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Signature of Arbitrator

Dated: November 19, 1991