

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
One East Broward Boulevard
Suite 1000
Ft. Lauderdale, Florida 33301
(305) 522-7391

In the Matter of the Arbitration Between)

Name of Claimant(s))

John B. and Thelma R. Latil)

Name of Respondent(s))

Merrill Lynch Pierce Fenner & Smith Inc)

John C. Bikle)

Case No. 91-02002

REPRESENTATION

For Claimants, John B. and Thelma R. Latil ("Latil"): John C. Martin, Esq.
of Maxwell & Hutson, P.A.

For Respondents, Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill
Lynch") and John C. Bikle ("Bikle"): Arthur H. Sobel, Esq. of Merrill Lynch.

CASE INFORMATION

Statement of Claim filed on: July 2, 1991.

Claimants' Submission Agreement signed on: June 17, 1991.

Respondents, Merrill Lynch and Bikle, Joint Statement of answer filed on
August 12, 1991.

Respondent, John C. Bikle's Submission Agreement signed on: August 15, 1991.

Respondent, Merrill Lynch's Submission Agreement and Corporate Acknowledgment
signed by Arthur H. Sobel on behalf of the firm on: August 12, 1991.

HEARING INFORMATION

On May 22, 1992, in Raleigh, North Carolina, a hearing lasting two (2)
sessions was conducted.

CASE SUMMARY

Claimants alleged that Respondent, John C. Bikle, an Account Representative
at Merrill Lynch, failed to follow Claimants instructions and engaged in
unsuitable and unauthorized trades in their account. Claimants further
alleged that Merrill Lynch is vicariously liable for the misconduct of its
employee in making unsuitable and unauthorized transactions. Additionally,
Claimants alleged that Merrill Lynch failed to supervise its employee,
Bikle.

AWARD-#91-02002

Respondents denied all allegations of wrongdoing and alleged that all securities purchased in Claimants account were suitable and that all purchases and sales which were recommended or suggested were discussed with Claimants before the trades were made and that no trades were made without the specific consent of Claimants who exercised complete authority over their account.

RELIEF REQUESTED

Claimants requested an Award of actual damages of \$100,000.00, plus interest from September of 1988 through the date of judgment, plus costs, expenses and disbursements, including reasonable attorney's fees in pursuing this arbitration.

Respondents requested that an Award be rendered dismissing the Claim in its entirety and granting Respondents the amount of their costs, fees and disbursements.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

At the hearing the Panel denied Respondents' Motion to Dismiss.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent, John C. Bikle, is found not liable and, therefore, all claims against him are hereby dismissed;
2. Respondent, Merrill Lynch, is found liable and shall pay to the Claimants the amount of \$5,020.00 including interest;
3. Claimants' request for attorney's fees, costs and expenses are denied;
4. The parties shall each bear their own costs including attorneys' fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure the Arbitration Panel has assessed forum fees in the amount of \$1,500.00. (Two (2) Sessions X \$750.00).

AWARD-#91-02002

Respondent, Merrill Lynch, is hereby assessed forum fees in the amount of \$1,500.00 \$750.00 of which shall be paid directly to Claimants which represents a total refund of the hearing session deposit previously deposited by Claimants. The remaining \$750.00 shall be paid to the NASD.

The NASD, Inc. shall retain the \$200.00 non-refundable deposit previously deposited by Claimants.

ARBITRATION PANEL

Concurring Arbitrators' Signatures

/s/

H. Victor Schwimmer, Esq.
(Public/Chairman)

/s/

Thomas C. Borthwick
(Industry/Panelist)

/s/

John R. Canada
(Public/Panelist)

Date of Award: August 17, 1992