

N.A.S.D. AWARD

Arbitration

<sup>©</sup>  
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) )

Paul Brorstrom )

Name of Respondent(s) )

Merrill Lynch Pierce Fenner & Smith Inc )  
Stephen Unger )

Case No. 92-00381

REPRESENTATION

For Claimant, Paul Brorstrom ("Brorstrom"): pro se.

For Respondents, Merrill Lynch, Pierce, Fenner and Smith, Inc. ("MLPFS") and  
Stephen Unger ("Unger"): Charles L. Henderson, Esq. of MLPFS.

CASE INFORMATION

Statement of Claim filed: December 13, 1992.

Claimant's Submission Agreement signed: January 28, 1992.

Respondents' Joint Statement of Answer filed: April 6, 1992. Respondents'  
Submission Agreements signed by John R. Cummings on behalf of MLPFS on  
April 3, 1992, and by Unger on March 13, 1992.

HEARING INFORMATION

On October 2, 1992, in Fort Lauderdale, Florida, a hearing lasting two  
sessions was conducted.

CASE SUMMARY

Claimant alleged that Respondents, through Unger, made unauthorized sales of  
equity securities; that Claimant bought Blockbuster ("BB") as a long term  
investment against the advice of Unger; and, as a result of the unauthorized  
sale, suffered a loss.

Respondents denied all allegations of wrongdoing and alleged that Claimant  
agreed to sell BB if it increased \$1.00 per share; that Claimant gave the  
sell order on June 5, 1991; and, that Claimant failed to timely complain  
about the sale.

Respondents alleged the affirmative defenses of failure to state a claim;  
authorization and ratification; any losses caused by Claimant's own  
investment decisions; Respondents acted properly and in good faith;

compliance with all applicable rules and regulations; no losses; and, failure to mitigate.

RELIEF REQUESTED

Claimant requested rescission of the sale of BB, the return of 2,000 shares to his account plus the sale charges of \$420.84.

Respondents requested dismissal, and costs.

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 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.

AWARD

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

Respondents, Unger and ML, are found not liable and, therefore, all claims against them are hereby dismissed.

OTHER COSTS

The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including attorney's fees.

FORUM FEES

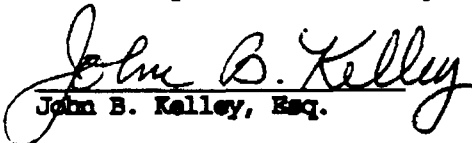
1) Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Arbitrator has assessed forum fees in the amount of \$400.00 (two sessions x \$200.00).

2) Claimant is hereby assessed \$200.00 for which the NASD shall retain the \$200.00 session deposit previously paid in full satisfaction thereof.

3) Respondents are hereby assessed \$200.00, jointly and severally, payable to the National Association of Securities Dealers, Inc.

Fees are payable to the National Association of Securities Dealers, Inc.

Concurring Arbitrator's Signature

  
John B. Kelley, Esq.

Public Arbitrator

Date of Decision: October 8, 1992