

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Elizabeth Danziger

94-00276

Name of Respondent

Merrill Lynch Pierce Fenner & Smith Inc

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 25, 1994, Claimant Elizabeth Danziger, who appeared Pro Se, alleged that Respondent, Merrill Lynch, Pierce, Fenner and Smith, Inc. ("MLPFS") fraudulently gave her advice which caused her a loss. Claimant further alleged that Respondent urged her to sell 1000 shares of American Cap, Inc. Tr. SBI, 10 shares of Corporate Income Fund High Yield Ser. 26, and 500 shares of Cigna High Income SH. SBI. Claimant contended that Respondent never informed her that this sale would cause her to realize a loss of \$9,713.43. Claimant further contended that Respondent's motivation was to generate a commission for itself and it should be held liable for her loss.

Respondent, Merrill Lynch, Pierce, Fenner and Smith, Inc., through its representative, Christopher D. Cavuoti, Esq., New York, N.Y., maintained that during the time that the Claimant owned the three Funds in question, she received monthly account statements which reflected the principal fluctuation and decline in value of her investments. Respondent further maintained that the Funds were sold pursuant to Claimant's instructions with her full knowledge and consent that a principal loss would be realized and that it should not be held liable for Claimant's loss.

RELIEF REQUESTED

Claimant, Elizabeth Danziger, requested \$9,713.43 in actual damages.

Respondent, Merrill Pierce, Fenner and Smith, Inc., requested that the claims of the Claimant be dismissed.

AWARD

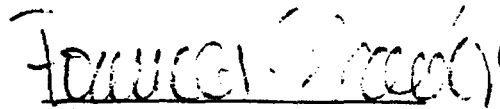
Pursuant to Section 13 of the NASD, Inc., Code of Arbitration Procedure, an Arbitrator, Frances E. Scanlon, Esq., was selected to review the matter in controversy, the parties set forth in submissions to Arbitration signed by the Claimant on January 13, and by the Respondent on May 23, 1994.

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. The claims of the Claimant, Elizabeth Danziger, against the Respondent, Merrill Lynch, Pierce, Fenner and Smith, Inc., are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc., by Claimant Elizabeth Danziger, shall be retained by the NASD, Inc. Respondent Merrill Lynch, Pierce, Fenner and Smith, Inc. is liable and shall pay to the Claimant \$150.00 as reimbursement of the filing fee.

AFFIRMATION

I, FRANCES E. SCANLON, ESQ., 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.


Frances E. Scanlon, Esq.

Date of Decision: June 23, 1995