

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant(s)

Isaac M. Levy, also known as
Zaki M. Levy

NASD Arbitration
No. 94-01881

Name of Respondent(s)

Merrill Lynch, Pierce, Fenner & Smith, Inc.
Jay Gelbart

REPRESENTATION

For Claimant: Robert W. Blanchard, Esq., Blanchard, Krasner &
French, La Jolla, California

For Respondents: Stephen Young, Esq., Keesal, Young & Logan, Long
Beach, California

CASE INFORMATION

Statement of Claim filed: May 11, 1994

Claimant's Submission Agreement signed: May 11, 1994

Joint Statement of Answer filed by Respondents: August 15, 1994

Respondents' Submission Agreements signed as follows:

Merrill Lynch, Pierce, Fenner & Smith, Inc.: August 16, 1994

Jay Gelbart: August 15, 1994

HEARING INFORMATION

Pre-Hearing Conference Date(s)/Session(s):

April 10, 1995 (one session)

Hearing Date(s)/Session(s): April 24, 1995 (two sessions)

Hearing Location: San Diego, California

CASE SUMMARY

Claimant alleged that his recommended investment in the California Portfolio of the Alliance Municipal Income Funds, Inc. was not suitable based on Claimant's expressed investment objectives. Claimant further alleged misrepresentations with respect to his investment.

Respondents denied each and every allegation of wrongdoing and liability set forth in, or implied by, Claimant's Statement of Claim and alleged that Claimant is a wealthy and sophisticated investor who understood the nature of his investment. Respondents also asserted affirmative defenses.

RELIEF REQUESTED

Claimant requested damages in the amount of \$10,166.66 plus interest, costs and attorneys' fees.

Respondents requested dismissal of Claimant's claims and costs.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either 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 National Association of Securities Dealers, Inc. (NASD).

AWARD

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

1. All claims by Claimant are dismissed.

2. The parties shall each bear their respective costs including attorney's fees.


FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall retain the \$400.00 hearing session deposit previously deposited by Claimant as costs of this proceeding.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
William R. Newsome	Public Arbitrator
George Hubner	Public Arbitrator
Lewis C. Brown	Industry Arbitrator

Concurring Arbitrators' Signatures


William R. Newsome, Esq.

George Hubner

Lewis C. Brown

Served 5/25/95

Date of Decision: April 24, 1995

2. The parties shall each bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall retain the \$400.00 hearing session deposit previously deposited by Claimant as costs of this proceeding.

ARBITRATORS

Name Public / Industry

William R. Newsome

Public Arbitrator

George Hubner

Public Arbitrator

Lewis C. Brown

Industry Arbitrator

Concurring Arbitrators' Signatures

William R. Newsome Esq.

George Hubner

Lewis C. Brown

Served 5/25/95

Date of Decision: _____

2. The parties shall each bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall retain the \$400.00 hearing session deposit previously deposited by Claimant as costs of this proceeding.


ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
William R. Newsome	Public Arbitrator
George Hubner	Public Arbitrator
Lewis C. Brown	Industry Arbitrator

Concurring Arbitrators' Signatures

William R. Newsome, Esq.

George Hubner



Lewis C. Brown

Served 5/25/95

Date of Decision: _____