

N.A.S.D. AWARD -

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimants

Ronald Merenbach
Ellen Merenbach

NASD Arbitration
No. 94-01978

Name of Respondents

Bear Stearns & Company, Inc.
Stanley Zuckerman

REPRESENTATION

For Claimants: Paul N. Young - Securities Arbitration Group, Inc. - Marina del Rey, California

For Respondents: Philip A. McLeod, Esq. - Keesal Young & Logan - San Francisco, California

CASE INFORMATION

Statement of Claim filed: May 26, 1994

Claimants' Submission Agreement signed: April 27, 1994

Joint Statement of Answer filed by Respondents: August 22, 1994

Respondents' Submission Agreement signed: August 22, 1994

HEARING INFORMATION

Hearing Dates / Sessions: July 18, 1995 Two Sessions
July 19, 1995 Two Sessions

Hearing Location: San Francisco, California

CASE SUMMARY

Claimants, Mr. Ronald Merenbach and Dr. Ellen Merenbach (Merenbach), alleged that Respondent, Stanley Zuckerman (Zuckerman), while employed by Respondent, Bear Stearns & Co. (BSC), sold to the Claimants high risk investments in "junk bonds" when Zuckerman knew or should have known, that said investments were unsuitable in light of Merenbach's investment objectives of low risk and long term income flow. Said funds were to be used for Claimants' retirement incomes and were not for purposes of speculation.

Respondents, answering jointly, alleged that the evidence will show that the Claimants were suitable for their purchases and that Respondent, Zuckerman, accurately represented the purchases to them and that the Claimants were given prospectuses which provided them with a complete and accurate explanation of the company and the risks of their investments..

RELIEF REQUESTED

Claimants seek to recover damages according to proof, interest, punitive damages, fees and costs.

Respondents seek dismissal of the claim in its entirety.

OTHER ISSUES CONSIDERED AND 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 original remains on file with the 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. Each and every claim of Claimants, Ronald and Ellen Merenbach against Respondent, Bear Stearns & Co., is dismissed.
2. Each and every claim of Claimants, Ronald and Ellen Merenbach against Respondent, Stanley Zuckerman, is dismissed.
3. The parties shall each bear their respective costs and fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall retain all fees and deposits.

Forum fees are assessed as follows:

4 hearing sessions @ \$750.00 each	\$3,000.00
Claimants' one-half share	\$1,500.00
Credit for deposit	<u>750.00</u>
Balance Due	\$750.00
Respondents' one - half share	\$ 1,500.00

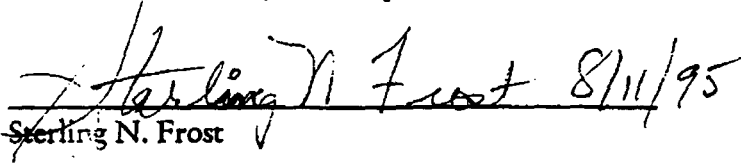
Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Thomas C. McNally, III, Esq	Public
Sterling N. Frost	Public
Frank Weaver	Industry

Concurring Arbitrators' Signatures

Thomas C. McNally, III, Esq.



Sterling N. Frost

Frank Weaver

Date of Decision:

Date Served: 08/21/95