

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant(s)

Vector Aeromotive Corporation

NASD Arbitration
No. 94-02390

Name of Respondent(s)

Merrill Lynch, Pierce, Fenner & Smith, Inc. and Michael McCall

REPRESENTATION

For Claimant:

Harold A. Ducote, Jr., Esq.
Aprahamian & Ducote, P.C.
Costa Mesa, California

For Respondents:

Thomas L. Taylor, III, Esq.
Jones, Bell, Simpson & Abbott
Los Angeles, California

CASE INFORMATION

Statement of Claim Filed:

June 23, 1994

Claimants' Submission Agreement Signed:

June 14, 1994

Joint Statement of Answer Filed by Respondent:

On or about November 3, 1994

Respondent Merrill Lynch Pierce Fenner
& Smith, Inc.'s Submission Agreement Signed:

September 24, 1994

HEARING INFORMATION

Pre-Hearing Conference Date / Session: April 1, 1996 (1 session)

Hearing Date(s) / Session(s): April 29, 1996 (2 sessions)
April 30, 1996 (2 sessions)
May 1, 1996 (2 sessions)
May 2, 1996 (2 sessions)
October 14, 1996 (2 sessions)
October 15, 1996 (1 sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged Respondents committed conversion, negligence, fraud in the inception, conspiracy to convert and defraud, breach of contract and constructive fraud in connection with two accounts opened by Gerald Weigert on behalf of Claimant and funds disbursed in those accounts by Mr. Wiegert.

Respondents generally and specifically denied each and every claim by Claimant.

RELIEF REQUESTED

Claimant sought compensatory damages of no less than \$400,000.00, punitive damages, and reasonable attorneys' fees.

Respondents sought dismissal of Claimant's claims in their entirety.

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 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. Claimant's claims are denied in their entirety.
2. Each side shall bear its own costs including attorneys' fees.
3. Forum Fees are assessed against Respondents.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

One (1) Pre-Hearing Conference @ \$750.00/Session	= \$750.00
<u>Eleven (11) Hearing Sessions @ \$750.00/Session</u>	<u>= \$8,250.00</u>
Total Forum Fees Assessed	= \$9,000.00
 Respondents' Balance Due	 = \$9,000.00

Claimant's Hearing Session Deposit of \$750.00 shall be refunded to Claimant by the NASD.

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

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
George M. Wiener, Esq.	Public Arbitrator
Leo M. Klein, CPA	Industry Arbitrator
Philip W. Burge	Public Arbitrator

Concurring Arbitrators' Signatures



George M. Wiener, Esq.

Leo M. Klein, CPA

Philip W. Burge

Date of Decision: 10/15/96

Date of Service: 10/31/96 HB

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<u>Name</u>	<u>Public / Industry</u>
George M. Wiener, Esq.	Public Arbitrator
Leo M. Klein, CPA	Industry Arbitrator
Philip W. Burge	Public Arbitrator

Concurring Arbitrators' Signatures

George M. Wiener, Esq.



Leo M. Klein, CPA

Philip W. Burge

Date of Decision: _____

Date of Service: 10/31/96 flb

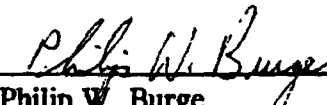
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<u>Name</u>	<u>Public / Industry</u>
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Leo M. Klein, CPA	Industry Arbitrator
Philip W. Burge	Public Arbitrator

Concurring Arbitrators' Signatures

George M. Wiener, Esq.

Leo M. Klein, CPA



Philip W. Burge

Date of Decision: October 15, 1996

Date of Service: April 29-30; May 1-2;
October 14-15, 1996

D. of S. 10/31/96 Hb