

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimants

Merrill Lynch, Pierce, Fenner & Smith, Inc.

v.

Name of Respondent

Robert Wolford

NASD Arbitration
No.96-02549

REPRESENTATION

For Claimants:

Andrew Quigley, Esq.
Merrill, Lynch, Pierce, Fenner & Smith
New York, New York

For Respondent:

Duke F. Wahlquist, Esq.
Rutan & Tucker, LLP
Costa Mesa, California

CASE INFORMATION

Statement of Claim filed:	June 14, 1996
Claimant's Submission Agreement signed:	June 11, 1996
Statement of Answer and Counterclaim filed by Respondent:	August 5, 1996
Respondent's Submission Agreement signed:	August 2, 1996
Statement of Answer to Counterclaim filed:	September 25, 1996

HEARING INFORMATION

Pre-Hearing Conference Date / Session: January 8, 1997 (1 session)

Hearing Dates / Sessions: January 28, 1997 (2 sessions)
January 29, 1997 (2 sessions)
January 30, 1997 (1 sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondent failed to repay a promissory note.

Respondent admitted executing the promissory note but denied that he owed Claimant under the note. In Respondent's Counterclaim, he alleged that Claimant made a material breach of Respondent's employment contract, failed to pay compensation, breached an implied covenant of good faith and fair dealing, and constructively terminated Respondent's employment.

Claimant/Counter-Respondent denied the allegations found in Respondent's Counterclaim.

RELIEF REQUESTED

Claimant sought the sum of \$77,500.00 plus 5.75% interest and reimbursement of arbitration costs.

Respondent requested that Claimant's claim be denied. Respondent further requested unspecified damages pursuant to his Counterclaim.

Claimant/Counter-Respondent requested that the panel dismiss Respondent's Counterclaim in its entirety and grant the relief sought in the Claimant's Statement of Claim, outlined above.

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. Respondent Welford is liable to and shall pay Claimant the sum of \$77,500.00 plus interest from April 1, 1996 at 5.75 percent.
2. All of Respondent/Counterclaimant's claims are denied in their entirety.
3. 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 against Claimant:

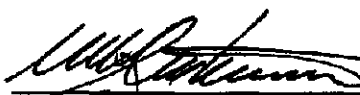

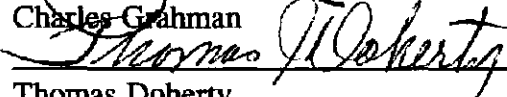
One Pre-Hearing Conference @ \$300.00/Session	=	\$300.00
<u>Five Hearing Sessions @ \$600.00/Session</u>	=	<u>\$3000.00</u>
Total Fees Assessed against Claimant	=	\$3,300.00

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

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Walter Klosterman	Industry Arbitrator
Charles Graham	Industry Arbitrator
Thomas Doherty	Industry Arbitrator

Concurring Arbitrators' Signatures


Walter Klosterman

Charles Graham

Thomas Doherty

Date of Decision: 1/30/97

Date of Service: 1/30/97