

9105071

AWARD

**NASD REGULATION, INC.,
OFFICE OF DISPUTE RESOLUTION**

In the matter of the Arbitration Between

Name of Claimant

Ely Enterprises

v.

NASD Regulation, Inc.
Arbitration No. 96-04031

Name of Respondents

Merrill Lynch Pierce, Fenner & Smith

REPRESENTATION

For Claimant:

Henry Steelman, Esq.
Law Offices of Henry Steelman
Encino, California

For Respondents:

John K. Shannon
Merrill Lynch
Pierce, Fenner & Smith, Inc.
New York, New York

CASE INFORMATION

Statement of Claim filed: September 10, 1996

Claimant's Submission Agreement signed: September 3, 1996

Statement of Answer and Counter-Claim
filed by Respondent: December 12, 1996

Respondent Submission Agreement signed: December 12, 1996

HEARING INFORMATION

Pre-Hearing Conference Dates / Sessions: March 6, 1997 (1 Session)
Hearing Dates / Sessions: April 30, 1997 (2 Sessions)
Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondent failed to execute orders and cancelled trades without authorization.

Respondent denied each and every allegation of wrongdoing set forth in the Claimant's Statement of Claim.

Respondent alleged in its Counterclaim against Claimant that Claimant's action was without merit.

RELIEF REQUESTED

Claimant requested that damages be awarded in the amount of \$173,625.00.

Respondent requested that Claimant's claim be dismissed in its entirety. Respondent also requested costs.

Respondent in its Counterclaim requested \$25,000.00 in damages.

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 Regulation, Inc. Office of Dispute Resolution.

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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 of the Claimant's claims are denied in their entirety.
2. All of the Respondent's claims are denied in their entirety.
3. The parties shall each bear their respective costs, including attorney's fees.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

1 Full Panel Pre-Hearing Conference @ \$750.00/Session	=	\$750.00
2 Hearing Sessions @ \$750.00/Session	=	\$1,500.00
Total Fees Assessed:	=	\$2,250.00

Claimant's one-half share	=	\$1,125.00
Credit for hearing session deposit	=	\$750.00
Claimant's balance due:	=	\$375.00

Respondent's one-half share	=	\$1,125.00
Respondent's unpaid filing fee	=	\$500.00
Respondent's balance due:	=	\$1,625.00

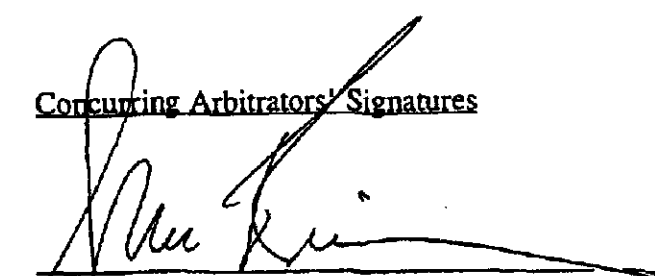
Fees are payable to NASD Regulation, Inc.

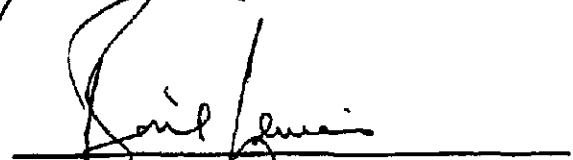
ARBITRATORS

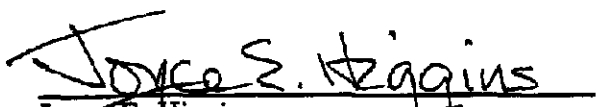
Name	Public / Industry
Elliott Finkel, Esq.	Public
Basil Lewis	Industry
Joyce E. Higgins	Public

4703

Concurring Arbitrators' Signatures


Elliott Finkel, Esq.


Basil Lewis


Joyce E. Higgins

Date of Decision: 5-2-97

Date of Service: 5-2-97