

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Eric S. Bazil, (Claimant) vs. Merrill Lynch, Pierce, Fenner & Smith, Inc., Neal C. Kofman, Marie Montagnino, Helmuth G. Meditz and Joseph Guido, (Respondents).

Case Number: 97-04328

Hearing Site: Boston, Massachusetts

REPRESENTATION OF PARTIES

For Claimant, Eric S. Bazil, hereinafter referred to as "Claimant": Richard F. Johnston, Esq., of Kenna, Johnston, & Sharkey, P.A., located in Manchester, New Hampshire.

For Respondents, Merrill Lynch, Pierce, Fenner, & Smith, Inc. ("Merrill"), Neal C. Kofman ("Kofman"), Marie Montagnino ("Montagnino"), Helmuth G. Meditz ("Meditz") and Joseph Guido ("Guido") hereinafter collectively referred to as "Respondents": Margaret Blair Soyster, Esq., Rogers & Wells LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: August 22, 1997.

Claimant signed the Uniform Submission Agreement: August 4, 1998.

Joint Statement of Answer filed by Respondents on or about: January 21, 1998.

Merrill signed the Uniform Submission Agreement: February 3, 1998.

Kofman signed the Uniform Submission Agreement: March 19, 1998.

Montagnino signed the Uniform Submission Agreement: February 18, 1999.

Meditz signed the Uniform Submission Agreement: February 17, 1998.

Guido signed the Uniform Submission Agreement: February 17, 1998.

CASE SUMMARY

Claimant asserted the following causes of action: defamation; and, wrongful termination.

Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: the statements made on Claimant's Forms U-5 and RE-3 are true and privileged; the Statement of Claim fails to state a claim and is barred by the Statute of Limitations; venue, forum, and/or jurisdiction are improper; and, Claimant's termination was based solely on his improper conduct.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$2,000,000.00
Punitive Damages	\$2,000,000.00
Interest	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified

Respondents requested that the Statement of Claim be dismissed in its entirety and that they be awarded costs, including attorneys' fees and such further relief as the panel deems appropriate.

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.

AWARD

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

1. Respondents' be and hereby are jointly and severally liable for and shall pay to Claimant the sum of \$35,000.00 in compensatory damages.
2. The parties shall bear their own costs, including attorneys' fees.
3. All other requests are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$500.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge = \$2,500.00

Adjournment Fees

Adjournments requested during these proceedings:

October 8, 1998 adjournment by Merrill = \$1,000.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with Panel x \$1,000.00 = \$2,000.00

Pre-hearing conferences:	May 26, 1998	1 session
	August 14, 1998	1 session

Ten (10) Hearing sessions x \$1,000.00 = \$10,000.00

Hearing Dates:	August 17, 1998	2 sessions
	January 20, 1999	2 sessions
	June 10, 1999	2 sessions
	June 11, 1999	2 sessions
	July 15, 1999	2 sessions

Total Forum Fees = \$12,000.00

The Panel has assessed the total forum fees of \$12,000.00 against Merrill.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

Respondent, requested four (4) copies of audio transcripts x \$15.00 = \$60.00.

Fee Summary

1. Claimant, be and hereby is solely liable for:

<u>Initial Filing Fee</u>	= \$500.00
Total Fees	= \$500.00
<u>Less payments</u>	= \$1,500.00
Refund Due Claimant	= \$1,000.00

2. Respondent Merrill, be and hereby is solely liable for:

Forum Fees	= \$12,000.00
Member Fees	= \$2,500.00
Adjournment Fees	= \$1,000.00
<u>Administrative Costs</u>	= \$60.00
Total Fees	= \$15,560.00
<u>Less payments</u>	= \$2,560.00
Balance Due NASD Regulation, Inc.	= \$13,000.00

NASD Regulation, Inc. Office of Dispute Resolution
Arbitration No. 97-04328
Award Page 5 of 7

Concurring Arbitrators' Signatures



Robert Volk, Esq.
Public Arbitrator, Presiding Chair

August, 23, 1999

Signature Date

Richard Grahn, Esq.
Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

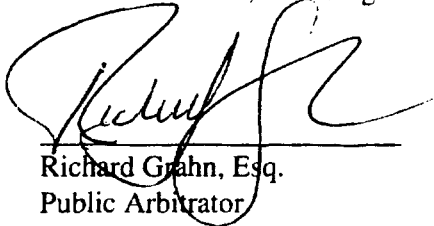
Stephen M. Acorra, Jr., Esq.
Industry Arbitrator

Signature Date

8/20/99
Date of Service (For NASD office use only)

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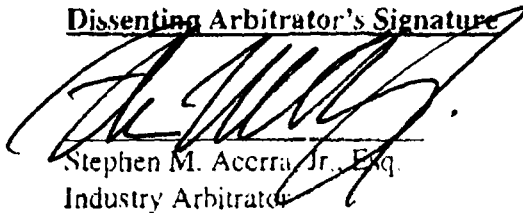
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