

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Nihad Owaid as custodian for Amanda Owaid and Oliver Owaid, (Claimants) vs. Merrill Lynch, Pierce, Fenner & Smith, Inc. and Sammy M. Barsa, (Respondents)

Case Number: 99-02564

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, Nihad Owaid as custodian for Amanda Owaid and Oliver Owaid, hereinafter referred to as "Claimant": Richard C. Hochman, Esq., a sole practitioner, Jamaica Estates, NY.

Respondents, Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill") and Sammy M. Barsa ("Barsa"), hereinafter collectively referred to as "Respondents": Ralph M. Cursio, Esq., Senior Counsel, Merrill Lynch, Pierce, Fenner & Smith, Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: June 1, 1999.

Claimant signed the Uniform Submission Agreement: October 1, 1999.

Statement of Answer filed by Respondents on or about: November 22, 1999.

Merrill signed the Uniform Submission Agreement: November 22, 1999.

Barsa signed the Uniform Submission Agreement: November 10, 1999.

CASE SUMMARY

Claimant asserted the following causes of action: unauthorized transactions and failure to supervise.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant has failed to mitigate his damages; Claimant expressly ordered, approved, authorized, participated in, and ratified the acts and transactions complained of and upon which recovery is sought; Claimant has failed to state a claim upon which relief may be granted; and there is no basis for an award of attorneys' fees, or punitive or exemplary damages.

RELIEF REQUESTED

Claimant requested that the Panel render an Award in favor of Claimant and against Respondents in the form of an order to return the referenced accounts to their status quo ante plus attorneys' fees and costs incurred in bringing this action.

In the alternative, Claimant requests that the Panel render an Award in favor of Claimant and against Respondent comprised as follows:

\$320,037.50 loss on stocks which are the subject of unauthorized trades, plus
\$100,000.00 punitive damages, plus
Attorneys' fees and costs in bringing this action.

Respondents did not make any relief requests in their Statement of Answer.

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. Claimant's claims are hereby dismissed in their entirety.
2. Merrill be and hereby is solely liable for and shall pay to Claimant the sum of \$300.00 to reimburse Claimant for the filing fee previously paid to NASD Dispute Resolution.
3. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 300.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, Merrill Lynch, Pierce, Fenner & Smith, Inc. is a party.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$2,500.00

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:

One (1) Pre-hearing session with Panel x \$1,125.00	= \$1,125.00
Pre-hearing conference: June 5, 2000	1 session
Two (2) Hearing sessions x \$1,125.00	= \$2,250.00
Hearing Date: October 17, 2000	2 sessions
Total Forum Fees	= \$3,375.00

The Panel has assessed all of the forum fees against Merrill.

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$1,425.00
Refund Due Claimant	= \$1,125.00

As stated in the "Award" section above, Merrill is solely liable and shall reimburse Claimant for the \$300.00 filing fee.

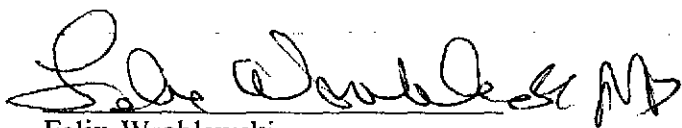
2. Merrill be and hereby is solely liable for:

Member Fees	= \$4,600.00
<u>Forum Fees</u>	<u>= \$3,375.00</u>
Total Fees	= \$7,975.00
<u>Less payments</u>	<u>= \$4,600.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$3,375.00

All balances are due and payable to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.



Felix Wroblewski
Public Arbitrator, Presiding Chair

17 Nov 00
Signature Date

Krishna M. Vempaty, Esq.
Public Arbitrator

Signature Date

Eugene R. Cochrane
Industry Arbitrator

Signature Date

December 5, 2000
Date of Service (For NASD office use only)

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Felix Wroblewski
Public Arbitrator, Presiding Chair

Signature Date

Krishna M. Vempaty
Krishna M. Vempaty, Esq.
Public Arbitrator

11/10/00
Signature Date

Eugene R. Cochrane
Industry Arbitrator

Signature Date

December 5, 2000
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Concurring Arbitrators' Signatures

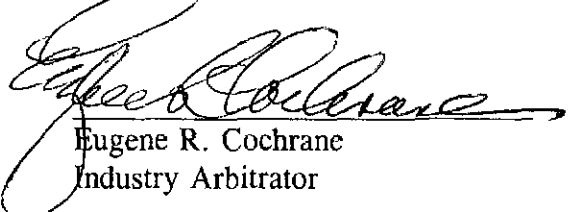
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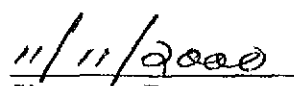
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