

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between )  
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ARTHUR and MARY ROEDER, )  
 ) Claimants, )  
 ) Case #88-03660  
vs. ) Award  
 )  
DEAN WITTER REYNOLDS & CO., INC., )  
 ) Respondent. )  
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Heard before the members of the Arbitration Panel:

Mark Perry, Esq.  
Mr. Douglas Delanoy, Jr.  
Stephen A. LeClair, Esq.

CASE SUMMARY

This claim was filed with the NASD, Inc. on November 23, 1988. The hearing was conducted in Fort Lauderdale, Florida on January 30th, 1990, May 8th and 9th, 1990 with a total of six (6) sessions.

Claimants, Arthur and Mary Roeder ("the Roeders") alleged that Respondent, Dean Witter Reynolds & Co., Inc. ("Dean Witter") was liable for: violating Sections 5(b)(2), and 12(2), of the Securities and Exchange Act of 1934; Florida Statute Section 517.301; fraud and deceit; breach of fiduciary duty; and negligence. Specifically, Claimants allege that Respondent misrepresented and omitted material facts in its recommendation to purchase certain stock.

Respondent alleged that Claimants: were sophisticated investors who were suitable for this stock; were informed that Dean Witter was manager or co-manager of an underwriting of this stock; were kept informed as to Dean Witter's recommendations and research regarding this stock; did not have to be given a prospectus since Claimants did not purchase their stock in the public offering; that Dean Witter did not knowingly, misrepresent the financial condition of the stocks issuer; and otherwise denied any wrongdoing.

AWARD

On January 30th, 1990, May 8th and 9th, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on November 17, 1988, and not signed by Respondent as required pursuant to Section 12(a) of the NASD Code of Arbitration Procedure. Respondent, Dean Witter, being an NASD, Inc. member firm at the time this controversy arose. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. 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. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD, Inc.
2. Respondent, Dean Witter, is not liable to Claimants and, therefore, the Claim against it is hereby dismissed.
3. Claimant's request for attorney's fees is hereby dismissed in all respects.
4. Respondent's request for attorney's fees is hereby dismissed in all respects.
5. Pursuant to Section 43 of the Code of Arbitration Procedure, the arbitrators have assessed forum fees in the amount of Three Thousand and 00/100 (\$3,000.00) Dollars (\$500 x 6 sessions). The National Association of Securities Dealers, Inc. shall retain the Five Hundred and 00/100 (\$500.00) Dollar filing fee previously deposited by the Claimant in partial satisfaction of such forum fees.
6. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding.

#### OTHER ISSUES

None.

#### ARBITRATORS CONCURRING

Mark Perry, Esq.  
Mr. Douglas Delanoy Jr.  
Stephen A. LeClair, Esq.

Dated: May 25, 1990