

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Among

Robert Wolf and Jo Ann Wolf

Claimants

Case #89-00544

vs.

Award

Dean Witter Reynolds, Inc. and
Len Pumer

Respondents

CASE SUMMARY

Claimants, Robert Wolf and Jo Ann Wolf ("Wolfs"), alleged Respondents, Dean Witter Reynolds, Inc. ("DWR") and Len Pumer ("Pumer"), executed unauthorized transactions of 40 calls Amex Double MN Index. Claimant further alleged they instructed Pumer to sell 15 Puts XMI Feb 395 at a break even or profit and Respondents failed to comply. Claimants also stated Respondent, DWR, violated duties, rules, agreements and warranties. Finally, Claimants alleged Pumer churned their account, placed them into unsuitable investments and that DWR failed to properly supervise Claimants' account.

Respondents denied the claim of unauthorized transactions and asserted the trading was fully consistent with Claimants' stated goal of engaging in speculative trading. Respondent, DWR, entered a cross claim for indemnification against Pumer, in the event DWR was found liable due to Pumer's failure to properly discharge his duties as a registered representative.

RELIEF REQUESTED

Claimants, Wolfs, requested actual damages in the amount of \$21,762.00 from Respondent Pumer. Respondent, DWR, requested costs, attorneys' fee and an Award in its favor against Pumer.

Respondent, Pumer, requested dismissal of the statement of claim and cross claim, plus costs and attorneys' fees.

AWARD

On October 16, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimants, Wolfs, on January 17, 1989 and by the Respondents, DWR and Pumer, on April 25, 1989 and June 8, 1990, respectively. The hearing was held in Livonia, MI at the Hampton Inn and consisted of three (3) sessions. 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 claim of the Claimant, Wolfs, against DWR was settled prior to the presentation of evidence at the hearing;
- 2- The claim by the Claimant, Wolfs, against Pumer hereby is dismissed in all respects;
- 3- The cross claim by the Respondent, DWR, against Pumer hereby is dismissed in all respects;
- 4- The parties shall each bear their respective costs, including attorneys' fees;
- 5- Pursuant to Section 43 or 44 of the Code of Arbitration Procedure, the NASD, Inc. shall retain the \$400.00 filing fee previously deposited by the Claimant;
- 6- Respondents are assessed, jointly and severally, forum fees in the amount of \$1,200.00 payable to the NASD, Inc. through its staff counsel in accordance with Section 43 or 44 of the Code of Arbitration Procedure.


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November 1, 1990

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