

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Pierce E. Parker

Claimant

vs.

Dean Witter Reynolds, Inc. and Joseph Nelson

Respondents

Case #90-02322
AWARD

CASE SUMMARY

Pierce E. Parker, in a claim filed with the National Association of Securities Dealers, Inc. on August 21, 1990, alleged that Respondent Joseph H. Nelson, a broker with Dean Witter Reynolds, Inc., churned his account to generate commissions, purchased unsuitable investments disregarding his investment objectives and aggressively solicited all trades except QLTIF, contrary to the notations on the confirmation slips for these purchases.

Respondents, in a joint Statement of Answer filed by Carol B. Schachner, Esq., New York, NY, maintained that Claimant worked as an intern-assistant to Mr. Nelson, was knowledgeable, authorized each purchase and knew that Mr. Nelson took a twenty five percent (25%) reduction in commissions for Claimant's purchases. They state that all purchases were suitable for Claimant's assets and goals.

Claimant replies that if he had not been in Mr. Nelson's office, his losses would have been greater. He re-asserts his churning charges and states that he was not knowledgeable, but young, naive and inexperienced.

Respondents submit affidavits in support of their defense signed by Joseph Nelson, Ronald Briggs and Stephen Di Modica.

Mr. Parker responded with a Motion to Preclude the affidavits submitted and specifically denies and refutes many statements in said affidavits.

RELIEF REQUESTED

Claimant requests Five Thousand Two Hundred Six Dollars and Thirty Three Cents (\$5,206.33) in actual and punitive damages plus projected loss of interest.

Respondents request dismissal of the claim, costs and attorney's fees.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Susan F. Drogin, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on August 6, 1990 and by the Respondents on December 7, 1990;

And, that the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. That the Respondents Dean Witter Reynolds, Inc. and Joseph H. Nelson are jointly and severally liable and shall pay to the Claimant, Pierce E. Parker, the sum of One Thousand One Hundred Dollars and No Cents (\$1,100.00) representing Nine Hundred One Dollars and Seventy Four Cents (\$901.74) in damages, interest to May 1, 1991 of One Hundred Thirty Five Dollars and Thirty Cents and costs of Sixty Two Dollars and Ninety Six Cents (\$62.96).
2. Claimant's request for punitive damages is denied.
3. Respondent's requests for costs and attorney's fees are hereby dismissed.
4. Claimant's Motion to Preclude is hereby denied.
5. The One Hundred and Fifty Dollar (\$150.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant is assessed against the Respondents and payable to the Claimant by the Respondents.

AFFIRMATION

I, SUSAN F. DROGIN, ESQ., do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

Dated 6/6, 1991