

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of  
Securities Dealers, Inc.  
NASD Financial Center  
33 Whitehall Street  
New York, New York 10004

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In the Matter of the Arbitration BetweenName of Claimant:

Emanuel Frankfort

90-02807

Name of Respondents:

Dean Witter Reynolds, Inc.  
Sydney Lynn  
Faye Weiner

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REPRESENTATION

For Claimant: Susan Perkins, Esq, Sole Practitioner.

For Respondents: Barry Mandel, Esq., of Baer, Marks &amp; Upham.

CASE INFORMATION

Claimant filed a Statement of Claim on October 4, 1990 and executed a Submission Agreement on August 22, 1990.

Respondents filed a joint Statement of Answer and Counterclaim on January 2, 1991. Respondent Dean Witter Reynolds ("Dean Witter") executed a Submission Agreement on August 22, 1991. Respondent Sydney Lynn ("Lynn") executed a Submission Agreement on August 27, 1991. Respondent Faye Weiner ("Weiner") executed a Submission Agreement on August 27, 1991.

HEARING INFORMATION

Hearing Dates/Sessions: October 1, 1991 -- two sessions  
October 2, 1991 -- two sessions

Hearing Location: New York, New York.

CASE SUMMARY

Claimant alleged that Respondent Lynn and Respondent Weiner engaged in a successive buying and selling trading pattern involving common stocks, such that excessive commissions were generated while the account equity fell. Claimant further alleged that such speculative trading was unsuitable as well as unauthorized. Claimant also alleged that Respondent Dean Witter failed to exercise proper supervision over either Respondent Lynn or Respondent Weiner.

Respondents denied that churning occurred in the account and alleged that all purchases were properly authorized. Respondents also alleged that all purchases were suitable, and that Respondent Dean Witter exercised proper supervision over Respondents Weiner and Lynn.

RELIEF REQUESTED

Claimant requested compensatory damages of \$84,694.85 as well as attorney fees and punitive damages.

Respondents requested dismissal of the claim and damages of \$2,012.22 representing the debit balance in Claimant's account. Respondents also requested costs and attorney fees.

AWARD

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

1. That Respondent Dean Witter is liable and shall pay to Claimant the sum of Eleven Thousand Six Hundred Forty Dollars and Seventeen Cents (\$11,640.17), inclusive of interest;
2. That Claimant is liable and shall pay to Respondent Dean Witter the sum of One Thousand Eight Hundred Twenty Four Dollars and Forty Nine Cents \$1,824.49, inclusive of interest;
3. That all other claims are hereby denied; and
4. That each side shall bear its own costs, including attorney's fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, Forum Fees of \$1500.00 are assessed against Respondent Dean Witter. This amount was computed as follows:

\$500.00/session x 4 sessions - \$500.00 hearing session deposit previously paid by Claimant = \$1500.00.

Respondent Dean Witter will receive a credit of \$300.00 for the hearing session deposit it previously paid on Respondents' counterclaim. Therefore, Respondent Dean Witter is to pay \$1200.00 to the NASD and \$500.00 to the Claimant to reimburse him for the hearing session deposit he previously paid.

The NASD will retain the \$150.00 nonrefundable claim filing fee previously paid by the Claimant and the \$500.00 nonrefundable claim filing fee paid by the Respondents on their counterclaim.

Concurring Arbitrator's Signature:



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Richard W. Vallario, Esq.  
Public Arbitrator/Chairperson

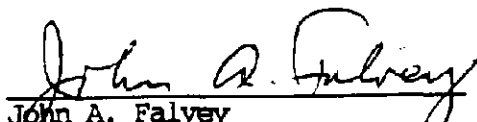
DATED:  
October 29th, 1991

Page Three  
Award #90-02807

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Concurring Arbitrator's Signature:

  
John A. Falvey  
Public Arbitrator


DATED:  
October 29th, 1991

Page Three  
Award #90-02807

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Concurring Arbitrator's Signature:



Lester N. Himel  
Industry Arbitrator

DATED:  
October 29th, 1991

REPORT OF ARBITRATORS

The panel's award to Claimant of \$11,640.17 in damages was calculated as follows:

Total losses to the account:	\$ 4928.12
Plus 1/2 Commissions	<u>\$ 6712.05</u>
	\$11640.17