

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Nellie Czerniak,
Dolores Ponticelli,
Leon Czerniak &
Ronald Czerniak

Claimants

vs.

Dean Witter Reynolds, Inc.
Stephen Anderson
William Blanke

Respondents

AWARD

NASD #90-03438

REPRESENTATION

Claimants were represented at hearing only by Mitchell C. Green, Esq. of Los Angeles, California; at all other times they were represented by Michael L. Paule of Investors Arbitration Services, Inc. Respondents were represented by Wendy Robinson, Esq., Dean Witter Reynolds, Inc., San Francisco, California.

SUMMARY OF ISSUES

Claimants alleged unauthorized trading by Respondent Anderson with respect to an investment in the Dean Witter High Income Advantage Trust II. Claimants also alleged all Respondents recommended unsuitable investments and misrepresented the risks of these investments.

Respondents denied all allegations, and asserted that all investments were discussed with Claimant Nellie Czerniak and her authorization obtained before the investments were made.

DAMAGES AND RELIEF REQUESTED

Claimants requested compensatory damages of \$13,000.00, rescission of all unsuitable transactions, lost profits, and costs of arbitration.

Respondents requested dismissal of all claims and an award of costs of arbitration.

DAMAGES AND RELIEF AWARDED

This claim was filed with the NASD on December 5, 1990. On July 8, 1991, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants Nellie Czerniak and Leon Czerniak on November 21, 1990, by Claimants Dolores Ponticelli and Ronald Czerniak on November 23, 1990, by Stephen Anderson on April 3, 1991, by an authorized representative of Dean Witter Reynolds on January 31, 1991, and by William Blanke on April 9, 1991. The hearing was conducted in Los Angeles, California and lasted two (2) 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 as follows:

1. All claims against Respondents Stephen Anderson and William Blanke are dismissed.

2. Respondent Dean Witter Reynolds is liable for and shall pay to Claimant the sum of \$2,420 inclusive of interest. Interest at the rate of 7% shall be paid on all principal amounts not paid within 30 days from the date of this award. Any interest due under this provision shall accrue from July 9, 1991 to date of payment.

3. The parties shall each bear their respective costs including attorneys' fees.

4. In accordance with Section 43 of the NASD Code of Arbitration Procedure (Amended June 18, 1990), the NASD shall retain the \$100.00 non-refundable fee as well as the \$400.00 hearing session fee previously deposited by the Claimant. In addition, Dean Witter Reynolds is assessed forum fees of \$400.00, payable to the NASD.

OTHER ISSUES

None.

ARBITRATORS CONCURRING

DATE SERVED: 07/31/91

Robert J. Ruben

Kenneth J. Gross

Robert B. Dunlap