

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :

Julia C. Cotton :

Claimant :

vs. :

Dean Witter Reynolds, Inc. :

Respondent :

CASE #91-00875
AWARD

CASE SUMMARY

Pro Se Claimant, Julia C. Cotton, in a claim filed with the National Association of Securities Dealers, Inc. on January 4, 1991, alleged that Respondent failed to inform her that First Federal Savings and Loan of Arizona was the previous name for Mera Bank, a troubled savings and loan, failed to inform her of the premium being paid above the value of the bonds purchased and was assured that the integrity of the bond was totally independent of the financial condition of the institutions.

Respondent, Dean Witter Reynolds, Inc. by its attorney Edward W. Larkin, Esq., maintained that, acting under the power granted by the Federal Deposit Insurance Act, the Resolution Trust Company repudiated all bonds issued by First Federal Savings resulting in the liquidation of the GNMA certificates which collateralized the bonds. Respondent states that this was an extraordinary event that could not be predicted and over which Respondent had no control. The amount of money paid to Claimant was determined by RTC and its agent, Texas Commerce Bank, which Respondent affirms caused Claimants' loss.

RELIEF REQUESTED

Claimant requests damages of One Thousand One Hundred Ninety-Three Dollars and Thirty-One Cents (\$1,193.31) plus Six Hundred Forty Dollars and Thirty-Nine Cents (\$640.39) multiplied by a money market fund rate from 6.13.90 until a settlement date.

Respondent requests that the Claim be dismissed in its entirety with costs assessed against the Claimant.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Dolores A. Dressander, 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 December 21, 1990 and not by the Respondent Dean Witter Reynolds, Inc. as required by Section 13(d) of the Code of Arbitration Procedure.

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 Claim of Julia C. Cotton be, and hereby is, dismissed.
2. The parties shall bear their respective costs including attorney's fees.
3. The Fifty Dollars and No Cents (\$50.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, DOLORES A. DRESSANDER, 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.

Dolores A. Dressander
Signature of Arbitrator

DATED: August 29 1991