

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
:
Donald R. Schoene :
:
:
Claimant : CASE #91-02670
: AWARD
vs. :
:
:
Dean Witter Reynolds, Inc. :
:
Respondent :

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 29, 1991, Claimant Donald R. Schoene who appeared Pro Se, alleged that Respondent Dean Witter Reynolds, Inc. recommended the purchase of a Bond fund named High Income Advantage Trust II, which he was led to believe was a safe investment. The Claimant further alleged that this investment did not comply with his conservative investing approach, and that had he retained his original investment he would not have experienced a loss.

Respondent, Dean Witter Reynolds, Inc., through their in-house counsel Blake Weston, Esq., maintained that the Claimant was a sophisticated investor that reviewed the prospectus, and kept track of the performance of the investment as its' value decreased. The Respondents further maintained that the investment was suitable for the Claimants' investment objectives and financial circumstances and that there was a reasonable basis for such a recommendation.

RELIEF REQUESTED

Claimant, Donald R. Schoene requested \$9,260.00 in actual damages.

Respondent, Dean Witter Reynolds, Inc. requested the claims of the Claimant be dismissed.

AWARD


Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Edna Selan Epstein, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on July 26, 1991 and by the Respondent on October 1, 1991.

And, 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. The Respondent Dean Witter Reynolds, Inc. is liable and shall pay \$4,630.00 in damages to Claimant Donald R. Schoene.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc., by the Claimant shall be retained by the National Association of Securities Dealers, Inc.

AFFIRMATION

I, **EDNA SELAN EPSTEIN**, 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

DATE OF DECISION: February 27, 1992