

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant(s)

Menasce E. Levi and Diane Levi, as
Trustees of the Levi Family Trust dated
February 12, 1986

NASD Arbitration
No. 92-04055

Name of Respondent(s)

Dean Witter Reynolds, Inc.

REPRESENTATION

For Claimants: Bruce R. Safran, Esq., Sherman Oaks, California

For Respondent: Wendy R. Robinson, Esq., Dean Witter Reynolds,
Inc., San Francisco, California

CASE INFORMATION

Statement of Claim filed: November 30, 1992
Claimants' Reply to Counterclaim filed: March 1, 1993
Claimants' Submission Agreement signed: November 18, 1992

Statement of Answer and Counterclaim filed by Respondent: February
16, 1993
Respondent's Submission Agreement signed: February 11, 1993

HEARING INFORMATION

Pre-Hearing Conference Date/Session: None

Hearing Dates/Sessions: October 5, 1993 (two sessions)
October 6, 1993 (two sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimants alleged that Respondent's account executive purchased
for Claimants, without Claimants' authorization, Prime Motor Inns
Limited Partnership Depository Units. Claimants further alleged

misrepresentations and negligent supervision with respect to their investment.

Respondent denied Claimants' allegations of wrongdoing and alleged that Mr. Levi, an intelligent and sophisticated businessman, was fully apprised, both verbally and in writing, of all material characteristics and known risks associated with Claimants' investment before his prior authorization of the investment in early December 1986. Respondent further alleged that Claimants' Claim is barred by all applicable statutes of limitations.

Respondent asserted a Counterclaim for indemnity and contribution and alleged that if Dean Witter can be held liable for any of the loss attributable to the Prime Motor Inns investment, then the Claimants, as Trustees, are liable to Dean Witter for such losses.

Claimants denied generally and specifically each and every allegation contained in Respondent's Counterclaim and alleged that the Counterclaim of Respondent does not state facts sufficient to constitute a claim against Claimants.

RELIEF REQUESTED

Claimants requested:

1. \$30,000.00 which represents Claimants' losses in Prime Motor Inns Limited Partnership Depository Units;
2. Attorney's fees and treble damages in accordance with California Civil Code, Sections 3345, 1770, and 1780, interest, costs and disbursements according to proof; and
3. Such other and further relief as may be deemed appropriate.

Claimants also requested dismissal of Respondent's Counterclaim and requested costs and such other and further relief as is deemed just and proper.

Respondent requested that the panel indemnify it and hold it harmless as against the trustees. Alternatively, Respondent requested dismissal of Claimants' claims, and requested costs and expenses.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the National Association of Securities Dealers, Inc. (NASD).

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. All claims by Claimants are dismissed.
2. All claims by Respondent are dismissed.
3. The parties shall each bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall retain the \$750.00 hearing session deposit previously deposited by Claimants and shall retain the \$600.00 hearing session deposit previously deposited by Respondent. No additional forum fees are assessed.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Thomas M. Adams, Esq.	Public Arbitrator
Michael Strieby	Public Arbitrator
Thomas J. Doyle	Industry Arbitrator

Concurring Arbitrators' Signatures

Thomas M. Adams, Esq.

Michael Strieby

Thomas J. Doyle

DATE SERVED: 12/07/93

~~12/12/93~~
Date of Decision: 12/2/93