

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

George M. Grabowski

93-01923

Name of Respondents

Dean Witter Reynolds, Inc.
William Q. Perrott

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on May 13, 1993, Claimant George M. Grabowski, who appeared Pro Se, alleged that Respondents Dean Witter Reynolds, Inc. and William Q. Perrott used high pressure sales tactics to convince him to purchase First Capital Income Property 9 & Dean Witter Reynolds Realty Income 1 Limited Partnerships, and that the Respondents never disclosed the risks of investing in a Limited Partnership to him. The Claimant further alleged that Respondent William Perrott assured him that the L.P. would be liquid in 5 or 6 years, but the investment still remains illiquid, and there is no time frame of when he could actually liquidate the L.P. Claimant Grabowski also alleged that the brokerage statements he received from the Respondents over the past 10 years grossly overstated the actual worth of the L.P. shares and that this information kept investors from realizing the value of their investment had dropped to low levels. The Claimant contended that Respondent Dean Witter Reynolds, Inc. and William Perrott should be held liable for the damages he has incurred due to their wrongdoing.

Respondents Dean Witter Reynolds, Inc. and William Q. Perrott, through their in-house counsel, William R. Peterson, Esq., maintained that they made no misrepresentations to the Claimant, that there was no intent to mislead or defraud the Claimant, and that they fully and faithfully performed all duties owed to the Claimant. The Respondents also maintained that any losses incurred by the Claimant were due to market forces and actions of third parties over which they had no control, and that, therefore they should not be held liable in this matter.

RELIEF REQUESTED

Claimant George M. Grabowski requested \$4,000.00 in actual damages plus interest.

Respondents Dean Witter Reynolds, Inc. and William Q. Perrott requested that the claims of the Claimant be dismissed.

OTHER ISSUES CONSIDERED & DECIDED

In accordance with Section 15 of the NASD Code of Arbitration Procedure, the Director of Arbitration determined, upon consideration of the motion filed by Respondent Dean Witter Reynolds, Inc. and the reply of Claimant George Grabowski, that purchases of the investments in question were not eligible for submission. However, allegations of wrongdoing within the six year period were eligible. These issues, which were deemed timely, were reviewed and considered by the Arbitrator selected to review this case.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Ronald Spann, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on May 10, 1993, by the Respondent William Q. Perrott on July 8, 1993, but not signed by Respondent Dean Witter Reynolds, Inc. as required by Sections 12 & 13 of the NASD Code of Arbitration Procedure. -

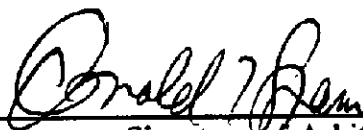
And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The claims of the Claimant George M. Grabowski against Respondents Dean Witter Reynolds, Inc. and William Q. Perrott are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

Page Three
Award 93-01923

AFFIRMATION

I, RONALD SPANN, 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.

A handwritten signature in cursive script, appearing to read "Ronald Spann", is written over a horizontal line.

Signature of Arbitrator

DATE OF DECISION: March 1, 1994