

## **N.A.S.D. AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.**

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**In the Matter of the Arbitration Between**

**Name of Claimant**

**Mark Grenquist**

**94-00635**

**Names of Respondent**

**Dean Witter Reynolds, Inc., George S. Minniti  
and Richard S. Martin**

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### **REPRESENTATION**

**For Claimant: Mark Grenquist ("Grenquist") was represented by Iris K. Socolofsky-Linder, Esq. of Fraser, Trebilcock, Davis & Foster, P.C., Lansing, Michigan.**

**For Respondents: Dean Witter Reynolds, Inc. ("Dean Witter"), George S. Minniti ("Minniti") and Richard Martin ("Martin") were represented by Curt H. Mueller, Esq. of Dean Witter Reynolds, Inc., San Francisco, California.**

### **CASE INFORMATION**

**Statement of Claim filed with the NASD on: February 18, 1994.  
Submission Agreement of Claimant signed on: February 11, 1994.**

**Joint Statement of Answer filed on: May 2, 1994.  
Submission Agreement of Dean Witter signed on: May 2, 1994, by Curt H. Mueller, Dean Witter corporate representative.  
Submission Agreements of Minniti and Martin signed on: May 31, 1994.**

**Counterclaim filed by Respondents on: May 2, 1994.**

**Reply to Counterclaim filed by Claimant on: May 4, 1994.**

## **HEARING INFORMATION**

Prehearing Conferences: None held.

Hearing Dates/Sessions: January 13, 1995 for two (2) sessions.

Hearing Location: Southfield, Michigan.

## **CASE SUMMARY**

Claimant Grenquist alleged that Respondents Dean Witter, Minniti and Martin, in connection with a solicited order placed on February 13, 1992 by Grenquist through Dean Witter and Minniti to sell 10 puts of Centocor, Inc. at \$50.00, made unsuitable recommendations; committed fraud, misrepresentation, and negligence; and breached a duty of supervision over Grenquist's account at Dean Witter.

In their Answer, Respondents Dean Witter, Minniti and Martin denied each and every allegation of wrongdoing in the Statement of Claim. Respondents assert that the order was solicited by Grenquist and that Grenquist knew of the speculative nature of the investment. Furthermore, Respondents claimed that Grenquist failed to mitigate damages, and that Grenquist's loss resulted from his own conduct and negligence.

Respondents Dean Witter, Minniti and Martin filed a Counterclaim against Grenquist claiming that Grenquist failed to rectify his account at Dean Witter, which held a debit balance of \$7,776.02, exclusive of interest.

In his Answer to the Counterclaim, Grenquist denied his liability on the account, and asserted that the account total is \$7,676.02, rather than \$7,776.02.

## **RELIEF REQUESTED**

Claimant Grenquist requested damages in the amount of \$35,103.39, plus any balance Dean Witter may continue to claim the right to collect as well as interest and attorneys fees.

Respondents Dean Witter, Minniti and Martin requested that an award be entered against Grenquist in the amount of \$7,776.02, plus interest.

## **OTHER ISSUES CONSIDERED AND DECIDED**

The parties have agreed that the Award in this matter may be executed in 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 NASD.

### **AWARD**

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. The Statement of Claim filed by Grenquist is hereby dismissed and denied in its entirety;
2. Claimant Grenquist is liable for and shall pay to Respondent Dean Witter the sum of \$6,968.10;
3. Each of the parties shall bear their own costs and expenses incurred, including attorneys fees, other than those specifically enumerated for herein;
4. Any relief not specifically provided for herein is denied.

### **FORUM FEES**

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed:

The NASD shall retain the claim filing fees of \$120.00 submitted by Claimant and \$500.00 submitted by Dean Witter.

The Panel has ordered that Claimant Grenquist and Respondent Dean Witter shall each be liable to the NASD for half of the Forum Fees. The hearing session deposit in this case is the lesser of the amounts of the hearing session deposit submitted by Claimant for the initial Claim (\$400.00) and the hearing session deposit submitted by Respondent Dean Witter for the Counterclaim (\$300.00).

(2) hearing sessions X \$300.00 = \$600.00 minus hearing session deposits of \$700.00 = \$100.00 credit. The Claimant will therefore be reimbursed by the NASD in the amount of \$100.00, which the Claimant originally deposited with the NASD as part of its hearing session deposit.

**By the Arbitration Panel:**

**Dated:**

/s/ Harry G. Hutchinson, IV  
Harry G. Hutchinson, IV  
Public Arbitrator  
Chairperson

2/7/1995

/s/ Jack J. Mazzara  
Jack J. Mazzara, Esq.  
Industry Arbitrator

2/7/1995

/s/ Marvin I. Horowitz  
Marvin I. Horowitz, Esq.  
Public Arbitrator

2/14/1995

Date Award served by the NASD: 2/23/1995