

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Colesi Limited

NASD Case No.
94-00747

Name of Respondent

Dean Witter Reynolds Inc.

REPRESENTATION

For Claimant, Colesi Limited ("Claimant"), C.W. Koenigsberger located in London, England.

For Respondent, Dean Witter Reynolds, Inc. ("Respondent"), Bill Peterson, in-house counsel.

CASE INFORMATION

Statement of Claim filed: February 4, 1994.

Claimant's Submission Agreement signed on: February 2, 1994.

Statement of Answer filed by Respondent on: June 2, 1994.

Respondent's Submission Agreement signed on: June 29, 1994.

Reply to Answer filed by Claimant on: July 25, 1994.

HEARING INFORMATION

Hearing Date/Sessions: May 8, 1995 -- 2 sessions.

Hearing Location: NASD Offices, 33 Whitehall Street, New York, New York

CASE SUMMARY

Claimant alleges Respondent failed to notify Claimant of a "rights offer" made by Tri Continental Corporation ("TCC") which expired on October 30, 1992. Claimant states that had he been notified, he would have benefitted from a unique opportunity to acquire TCC common stock cheaply. Claimant states he would have purchased an additional 8,408 shares in this manner. Since he was not contacted about this opportunity in a timely fashion, maintains Claimant, he suffered a dilution of the aggregate net asset value of his shares. Thus, the loss suffered was due entirely to the result of the rights offer and not due to general market conditions.

Claimant states all written communications from the Respondent are sent to Claimant's secretary in St. Peter Port, Guernsey, Channel Islands, and oral communications are made by telephone to Claimant's counsel in London.

Respondent explained that in August 1989, Claimant established a corporate account with Dean Witter in Germany. The account, stated Respondent, was primarily used to accumulate shares of TCC. Respondent was instructed by Claimant to communicate with him in the manner stated above, and, maintains Respondent, on August 20, 1992 and September 18, 1992, TCC sent all shareholders letters advising them of the rights offering and details.

Respondent defends further by stating that on or about October 9, 1992 its Proxy Department sent Claimant (at the Channel Islands Address) the TCC prospectus, that Claimant's Account Executive also sent written notice of the offer to Claimant and tried to reach Claimant's attorney by telephone. In addition, Respondent states an entry regarding the rights offering and the expiration date appeared on Claimant's account statement for October, 1992. Respondent further alleges that Claimant admitted receiving notice of the offering through that account. Respondent maintains that it did notify Claimant of the offering, Claimant was actually aware of the offering and did not pursue it through Dean Witter and thus Respondent is not liable for damages.

Claimant replies to the answer by stating that it received notice of the offering through its other brokerage account only after the offer expired, and that it never purchased the stock in October 1992.

RELIEF REQUESTED

Claimant requests \$77,297.00 in damages, as well as costs.

Respondent requests all claims be denied and Respondents be awarded costs and attorney fees.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies and agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

The Panel determined that Respondent gave proper notice to Claimant mailing information to the address in the Channel islands provided by Claimant. The panel further determined that Claimant assumed the risk of not receiving his mail in a timely fashion.

AWARD

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

- 1. All Claims are dismissed in their entirety.**

FORUM FEES

Pursuant to Section 44c of the Code of Arbitration Procedure, the following Forum Fee(s) are assessed:

Nonrefundable filing fee:	\$ 150.00
Hearing Session Deposit (\$500.00 x 2 sessions)	\$1,000.00
Total Fees:	\$1,150.00

Claimant is liable for one half of the forum fees and Respondent is liable for one half of the forum fees.

1. Claimant paid \$650.00.
2. Respondent owes \$75.00 payable directly to Claimant and \$500.00 payable to the NASD.

Fees are payable to the National Association of Securities Dealers, Inc.

STATE OF: New York
COUNTY OF: New York

S.S.:

On this *1st* day of *June*, 1995, before me personally appeared Norris D. Wolff, Esq. known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

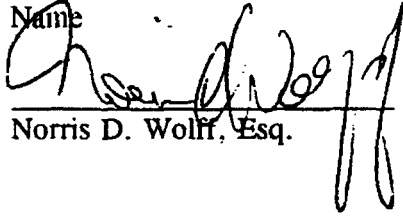


PAMELA R. ROUILLARD
Notary Public, State of New York
No. 01R05013703
Qualified in New York County
Commission Expires July 15, 19*96*

NASD Case No. 94-00747

Concurring Arbitrator's Signature

Name

A handwritten signature in dark ink, appearing to read "Norris D. Wolff", written over a horizontal line.

Norris D. Wolff, Esq.

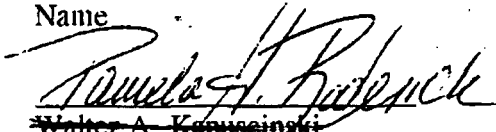
Public/Industry

NASD Date of Decision: June 20, 1995

NASD Case No. 94-00747

Concurring Arbitrator's Signature

Name


~~Walter A. Kapuscinski~~
Pamela H. Rodefick

Public/Industry

Public

NASD Date of Decision: June 20, 1995

STATE OF: New York
COUNTY OF: New York *Kings*

S.S.:

On this *14th* day of *June*, 1995, before me personally appeared Pamela H. Roderick known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

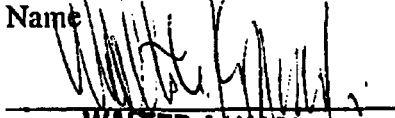


ASHVIN R. PATEL
Notary Public, State of New York
No. 01PA4799045
Qualified in Queens County
Certificate Filed in Kings County
Commission Expires September 30, 1998

NASD Case No. 94-00747

Concurring Arbitrator's Signature

Name


WALTER A. KAPUSCINSKI

Public/Industry

NASD Date of Decision: June 20, 1995

STATE OF: New York
COUNTY OF: New York

S.S.:

On this 13 day of June, 1995, before me personally appeared Walter A. Kapuscinski known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.



CARLOS COBOS
Notary Public, State of New York
No. 43-4970668
Qualified in Richmond County
Commission Expires August 13, 1996