

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Warren and Johanne Rednor

94-01165

Name of Respondent

Dean Witter Reynolds, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on March 29, 1994, Claimants Warren and Johanne Rednor, who appeared Pro Se, alleged that Respondent Dean Witter Reynolds, Inc. misrepresented the date on which a bond was callable. Claimants further alleged that on July of 1989 they purchased a \$5,000.00 Philadelphia Municipal Authority Bond ("Bond") from Respondent. Claimants contended that the confirmation indicated that the Bond was callable on April 1, 2000, at par to yield 7% and they had no knowledge that the Bond could be called prior to that date. Claimants further contended that the Bond is actually callable on April 1, 1998, but they were not aware of this earlier call date until they received a "notice of refunding" from Respondent on December 30, 1993. Claimants alleged that the earlier call date changes the overall yield on the bond and also "that the bond was not priced to the cheaper", to coincide with an earlier call. As a result of the above, Claimants further alleged that they have suffered a loss for which Respondent should be liable.

Respondent Dean Witter Reynolds, Inc., through its representative and in-house counsel, Edward W. Larkin, Esq., of New York, NY., maintained that Claimants were informed that the Bond could be redeemed early by both the trade confirmation and their account executive. Respondent further maintained that Claimants are experienced bond investors and should have been aware that the Bond could be called earlier, based on the information given to them. Respondent contended that Claimants have not suffered any material loss because of the early redemption of their bond and accordingly, Respondent should not be held liable.

RELIEF REQUESTED

Claimants Warren and Johanne Rednor, requested \$670.00 in actual damages, plus interest.

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

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Joseph R. Lally, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on March 25, 1994. The Respondent did not submit a Submission Agreement as required pursuant to Sections 8 and 10 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 Claimants Warren and Johanne Rednor, against Respondent Dean Witter Reynolds, Inc., are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$30.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants Warren and Johanne Rednor, shall be retained by the NASD, Inc.

AFFIRMATION

I, JOSEPH R. LALLY, ESQ., do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.



Joseph R. Lally, Esq.

DATE OF DECISION: September 5, 1995