

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Dean Witter Reynolds, Inc.

94-03312

Name of Respondent

Stephen L. Self

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 18, 1994, Claimant, Dean Witter Reynolds, Inc. ("Dean Witter"), through its counsel Dominick J. Dorata, Esq., New York, New York, stated that in February 1982, Respondent Stephen L. Self ("Self") opened an Active Assets Margin Account ("the account") with Claimant. Dean Witter alleged that during May of 1989 at a time when the account had a zero margin line of credit, Self deposited several third party checks to the account that were returned for insufficient funds and wrote checks against the account that were returned by Dean Witter. Claimant contended that in June of 1989 the remaining securities in the account were sold, leaving a debit balance of \$4,516.65. Dean Witter further contended that it demanded payment from Respondent, and that Self acknowledged the debit and promised to pay Claimant \$200 per month beginning January 1, 1990. Dean Witter alleged that Respondent has failed to pay any part of the debit, that interest continued to accrue on the debit, and that as of March 31, 1993 the account had an unsecured balance of \$7,057.40. As a result of the above, the Claimant alleged that it has suffered damages for which the Respondent should be held liable.

Respondent, Stephen L. Self, did not file an answer to these allegations.

RELIEF REQUESTED

Claimant, Dean Witter Reynolds, Inc., requested \$7,057.40 in actual damages plus interest at the rate of 11% from March 31, 1993, costs and disbursements, and any and all further relief that the arbitrator deems proper.

Respondent, Stephen L. Self, did not state a relief.

OTHER ISSUES CONSIDERED & DECIDED

Respondent, Stephen L. Self, did not file with the NASD a properly executed submission to arbitration but is required to submit to arbitration pursuant to Section 12 of the NASD Code of Arbitration Procedure (the "Code"), and is bound by the determination of the arbitrator on all issues submitted.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single public Arbitrator, Joseph J. Arata, Esq., was selected to review and determine the matter in controversy between the parties set forth in a submission to Arbitration signed by the Claimant on June 16, 1994.


1. In accordance with Section 13 of the NASD Code of Arbitration Procedure, the Respondent, Stephen L. Self, was served by regular mail and given an opportunity to respond, which he failed to do.
2. Pursuant to the By-laws of the NASD, the Arbitrator determined that Respondent, Stephen L. Self, had notice of the claim, and was required to submit to this arbitration proceeding; and is, therefore, bound by the arbitrator's ruling and determination.

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. Respondent, Stephen L. Self, shall be liable for, and shall pay to Claimant, Dean Witter Reynolds, Inc., \$7,057.40 in actual damages.
2. Respondent, Stephen L. Self, shall be liable for, and shall pay to Claimant, Dean Witter Reynolds, Inc., interest at the rate of nine percent (9%) simple interest per annum on the above award from April 1, 1993 to the date of this award.
3. The parties shall bear their respective costs.
4. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. ("NASD") by the Claimant shall be retained by the NASD, Inc. Respondent, Stephen L. Self, shall be liable for, and shall pay to Claimant, Dean Witter Reynolds, Inc., \$575.00 as reimbursement of the filing fee.

AFFIRMATION

I, **JOSEPH J. ARATA, ESQ.**, do hereby affirm upon my oath of arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

DATE OF DECISION: 7-31-95

STATE OF: *NEW YORK*

SS:

COUNTY OF: *NEW YORK*

On this 31st day of JULY 1995, before me personally appeared **JOSEPH J. ARATA, ESQ.** to me known and known before me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.



ALFRED SCHMIDT
Notary Public, State of New York
No. 41-8821803
Qualified in Queens County
Commission Expires June 30, 1996