

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

John A. Haug

96-00519

Name of Respondent

Dean Witter Reynolds Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on February 5, 1996, Claimant John A. Haug ("Claimant"), who appeared Pro Se, alleged that Respondent Dean Witter Reynolds Inc. ("Respondent") failed to timely execute a sell order. Claimant further alleged that in November of 1994, he had two accounts with Respondent, 447-100685-024 and 447-10151-024, at their Norwell, MA office. Claimant contended that he sent a letter by Federal Express on November 16, 1994, instructing Respondent to liquidate all Dean Witter Funds in each account. Claimant further contended that Respondent admitted receiving the letters on November 17, 1994, but the instructions were not acted upon until November 21, 1994 in Account 447-100685-024, and November 28, 1994 in account 447-101051-024. Claimant asserted that the sales of the funds in both accounts should have been transacted on November 17, 1994, and that Claimant's instructions on this date were not executed because of an operational deficiency of the Respondent. Claimant further asserted that because his sell orders were not timely executed, he has suffered losses for which the Respondent should be held liable.

Respondent Dean Witter Reynolds Inc., through its representative and in-house counsel Deborah A. Roth, Esq., maintained that Claimant's instructions were followed in a timely fashion. Respondent further maintained that Claimant sent his instructions to its Boston branch where his account was never maintained, causing the delay that is the subject of this dispute. Respondent alleged that if Claimant wanted to ensure the execution of his order on November 17, 1994, he should have phoned in his order rather than relying on the mail. Respondent further alleged that it was tardy in liquidating the Claimant's second account on November 28, 1994, and offered to reprice the sale as of November 21, 1994. Respondent maintained that it had in place reasonable supervisory procedures which it reasonably and diligently implemented and followed. Respondent further maintained that Claimant's losses were caused by changes in market prices that Respondent had no control over. Respondent alleged that it had committed no wrongdoing and requested that the claims against it be dismissed.

In a Reply to the Respondent's Answer, Claimant alleged that David Hamm, an employee of the Respondent, verified that Claimant's instruction letter should have been sent to the Boston office. Claimant further alleged that Respondent admitted in its Answer that it "was tardy" with regard to the liquidation of the second account.

RELIEF REQUESTED

Claimant John A. Haug requested \$4,427.00 in actual damages, reimbursement of the Arbitration fee of \$75.00, costs of \$1,350.00, and any damages the arbitrator should find appropriate.

Respondent Dean Witter Reynolds Inc. requested that the claims of the Claimant be dismissed and that it be awarded its costs and attorneys' fees, as well as such other and further relief which under the circumstances the arbitrator deems to be just and proper.

AWARD

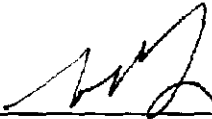
Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Mark J. Levinson, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant John A. Haug, on February 2, 1996, and by the Respondent Dean Witter Reynolds Inc., on May 13, 1996.

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 Dean Witter Reynolds Inc. is liable and shall pay to Claimant John A. Haug, \$800.00 in actual damages.
2. The parties shall bear their respective costs and attorneys' fees.
3. All other relief requests are denied.
4. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant John A. Haug, shall be retained by the NASD, Inc.

AFFIRMATION

I, **MARK J. LEVINSON, ESQ.**, 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 black ink, appearing to read 'Mark J. Levinson', is written over a horizontal line.

MARK J. LEVINSON, ESQ.

DATE OF DECISION: September 11, 1996