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N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

William P. Brotherton

96-04868

Name of Respondents

Dean Witter Reynolds, Inc.
Bardyl Quku

REPRESENTATION

Claimant William Brotherton appeared pro se.

For Respondents: James D. Yellen, Esq. of Dean Witter Reynolds, Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed: November 4, 1996.

Claimant's Submission Agreement signed on: October 29, 1996.

Joint Statement of Answer filed by Respondents on: January 27, 1997.

Respondent Dean Witter Reynolds, Inc.'s Submission Agreement signed on: March 25, 1997.

Respondent Bardyl Quku's Submission Agreement signed on: January 20, 1997.

HEARING INFORMATION

On March 21, 1997 a telephonic pre-hearing conference lasting one session was conducted with the arbitration panel.

On June 25, 1997 hearings lasting two (2) sessions were conducted in Tampa, Florida.

CASE SUMMARY

Claimant William Brotherton alleged that based on three investment recommendations made by

Respondent Quku, an account executive with Dean Witter Reynolds, Inc., he invested the bulk of his account in unsuitable investments including the D.W. N.A. Government Income Trust and the D.W. U.S. Government Securities Trust which were not principal stable and were rated lowest in performance out of approximately 400 funds rated by Morningstar. Claimant Brotherton further alleged that his investment in Fed Strips was unsuitable and that he was never informed that the investments were speculative and involved risk.

Respondents Dean Witter Reynolds, Inc. and Bardyl Quku generally denied the material allegations set forth in the Statement of Claim. The Respondents further alleged that pursuant to the applicable statute of limitations, all claims concerning the purchase and sale of the mutual funds should be dismissed.

RELIEF REQUESTED

Claimant Brotherton requested compensatory damages in the amount of \$21,000.00, interest to date in the amount of \$8,000.00, and the costs to arbitrate this matter.

Respondents Dean Witter Reynolds Inc. and Bardyl Quku requested that the Statement of Claim be dismissed and that they be awarded their costs and fees to defend this arbitration. The Respondents further requested a specific finding that Respondent Quku made no misrepresentations regarding the Claimant's account and that the arbitration panel enter an Order expunging the entry of this arbitration on Respondent Quku's U-4 form.

OTHER ISSUES CONSIDERED & 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 NASD Regulation, Inc.

AWARD

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

1. Respondent Dean Witter Reynolds, Inc. is found liable and within thirty (30) days of receipt of this Award, shall purchase the Claimant's U.S. Treasury Bond Fed Strips, and Claimant Brotherton shall sell the U.S. Treasury Bond Strips to Respondent Dean Witter Reynolds Inc. for \$23,778.35, or if sold by Claimant prior to receipt of this Award, then Respondent Dean Witter Reynolds Inc. shall pay to the Claimant the difference between \$23,778.35 and the sum the Claimant sold the Bond Strips for, if sold for less than \$23,778.35.
2. Respondent Quku is found not liable and all claims against Respondent Quku are dismissed.
3. The Respondents' request for a specific finding that Respondent Quku made no misrepresentations regarding the Claimant's account and that the arbitration panel enter an Order expunging

all references to this arbitration from the CRD record of Respondent Quku is granted.

4. The parties' requests for costs and fees are denied.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the Panel has assessed Forum Fees in the amount of \$1,200.00 (one telephonic pre-hearing conference x \$400.00 plus two hearing sessions x \$400.00).

1. Claimant is hereby assessed \$600.00 for which National Association of Securities Dealers Regulation, Inc. shall retain the \$400.00 previously deposited by the Claimant in partial satisfaction thereof, leaving a balance due in the sum of \$200.00.

2. Respondent Dean Witter Reynolds, Inc. is hereby assessed \$600.00.

3. National Association of Securities Dealers Regulation, Inc. shall retain the \$200.00 member surcharge previously paid by the Respondent Dean Witter Reynolds, Inc.

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

Concurring Arbitrators' Signatures

Public/Industry

/S/

John P. Cullem, Esq.
Chairperson

Public

/S/

Joseph I. Amonette

Industry

/S/

Don Muyskens, Esq.

Public

8/13/97

Date of Decision: _____