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[21678001]

Dean Witter Reynolds Inc. lost its second recent arbitration case involving a former bond-trading executive .

[21678002]

A New York Stock Exchange arbitration panel ordered Dean Witter to pay \$ 404,294 in back bonuses to William Kelly , the company 's former head of high-yield , high-risk junk-bond trading and sales .

[21678004]

The sums awarded to Messrs. Kelly and Newcomb represent bonuses the two men said they deserved from the first half of 1988 , but which were n't paid because of a dispute over an incentive contract .

[21678005]

Jeffrey L. Liddle , the two men 's attorney at Liddle , O'Connor , Finkelstein & Robinson , said Mr. Kelly began working at Dean Witter in 1987 .

[21678006]

Mr. Kelly built the company 's high-yield bond group , which has been a minor player in the junk-bond arena .

[21678007]

Dean Witter lost a separate case involving a former bond executive earlier this year ; in August it paid \$ 666,666 in back pay and a bonus to a former corporate-bond trading chief , Harold Bachman .

[21678008]

That award ended a dispute between Dean Witter and Mr. Bachman over who was responsible for certain bond-trading losses around the time of the 1987 stock-market crash .

[21678009]

A spokesman for Dean Witter , a unit of Sears , Roebuck & Co. , declined to comment .