

Stipulated Award
NASD Dispute Resolution, Inc.

-----X

In the Matter of the Arbitration Between

SUSAN M. SACHS,

Claimant,

NASD Case No. 00-00571

-and-

MORGAN STANLEY DEAN WITTER
and RICHARD SPENCE,

Respondents.

-----X

REPRESENTATION OF PARTIES

Claimant Susan M. Sachs, hereinafter referred to as "Claimant": Susan M. Sachs,
Oklahoma City, Oklahoma

Respondents Morgan Stanley DW Inc., f/k/a Morgan Stanley Dean Witter, and Richard
Spence, hereinafter referred to as "Respondents": Debra A. Roth, Esq., Morgan Stanley
Law Division, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: January 25, 2000

Claimant signed the Uniform Submission Agreement: January 25, 2000

Statement of Answer filed by Respondents on or about: May 23, 2000

Respondents signed Uniform Submission Agreement: May 23, 2000

CASE SUMMARY

Claimant asserted the following cause of action: Respondents breached their fiduciary
duty, failed to exercise due diligence, failed to prevent unauthorized access to claimant's
account, permitted unauthorized trading in her account, allowed her IRA to be distributed
without her permission and failed to recognize unusual activity in her IRA account, by

acceptance from her husband of handwritten notes and forms purporting to contain claimant's signatures.

Unless specifically admitted in its Answer, respondents denied the allegations made in the Statement of Claim and asserted the following defenses: claimant was at all times advised of the activity in her account by means of monthly statements, yearly statements and 1099's that were sent to her and showed the activity in her account; respondents breached no duties owed to her; and respondents are not responsible for the alleged acts of claimant's husband.

RELIEF REQUESTED

Claimant requested compensatory damages of \$80,300 and punitive damages of \$19,000.

Respondents requested that the claims be dismissed.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to hearing, the parties settled this matter and stipulated to expungement, agreeing that the Panel recommend the expungement of all reference to the above captioned arbitration from Respondent Richard Spence's registration records maintained by the NASD Central Registration Depository ("CRD").

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.

AWARD RECOMMENDING EXPUNGEMENT

The Panel, without making any findings of fact or conclusions of law, has determined as follows:

1. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Richard Spence's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Richard Spence must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and,
2. The parties shall bear their own costs of arbitration, or as determined by their settlement agreement, except for those specifically enumerated herein.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 225.00
--------------------------	-------------

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, Morgan Stanley DW Inc., f/k/a Morgan Stanley Dean Witter is a party.

Member surcharge	= \$ 1,000.00
Pre-hearing process fee	= \$ 600.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed: None.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel @ \$750.00	= \$ 750.00
<u>Pre-hearing conference: July 20, 2001 1 session</u>	
Total Forum Fees	= \$ 750.00

Pursuant to Rule 10306, the forum fees are divided equally between the three parties in the sum of \$250.00 for each.

FEE SUMMARY

Claimant Susan M. Sachs is solely liable for:

Initial Filing Fee	= \$ 225.00
<u>Forum Fees</u>	= \$ 250.00
Total Fees	= \$ 475.00
<u>Less payments</u>	= \$ 975.00
Refund Due from NASD Dispute Resolution, Inc.	= \$ 500.00

Respondent Morgan Stanley DW Inc., f/k/a Morgan Stanley Dean Witter is solely liable for:

Member Fees	= \$1,600.00
-------------	--------------

<u>Forum Fees</u>	= \$ 250.00
<u>Total Fees</u>	= \$1,850.00
<u>Less payments</u>	= \$1,600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 250.00

Respondent Richard Spence is solely liable for:

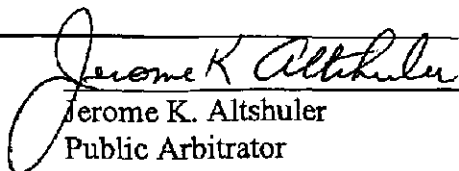
Forum Fee	= \$ 250.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 250.00

All balances are payable to NASD Dispute Resolution, Inc. and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Jerome K. Altshuler - Public Arbitrator
Van R. Minelli, CPA - Public Arbitrator
William Massad - Non-Public Arbitrator

Concurring Arbitrators' Signatures


Jerome K. Altshuler
Public Arbitrator

May 25, 2002
Signature Date

Van R. Minelli, CPA
Public Arbitrator

Signature Date

William Massad
Non-Public Arbitrator

Signature Date

6/6/02 
Date of Service (For NASD office use only)

<u>Forum Fees</u>	= \$ 250.00
<u>Total Fees</u>	= \$1,850.00
<u>Less payments</u>	= \$1,600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 250.00

Respondent Richard Spence is solely liable for:

Forum Fee	= \$ 250.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 250.00

All balances are payable to NASD Dispute Resolution, Inc. and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Jerome K. Altshuler - Public Arbitrator
Van R. Minelli, CPA - Public Arbitrator
William Massad - Non-Public Arbitrator

Concurring Arbitrators' Signatures

Jerome K. Altshuler
Public Arbitrator

Signature Date

Van R. Minelli

Van R. Minelli, CPA
Public Arbitrator

5/24/02

Signature Date

William Massad
Non-Public Arbitrator

Signature Date

6/6/02 msn

Date of Service (For NASD office use only)

<u>Forum Fees</u>	= \$ 250.00
<u>Total Fees</u>	= \$1,850.00
<u>Less payments</u>	= \$1,600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 250.00

Respondent Richard Spence is solely liable for:

Forum Fee	= \$ 250.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 250.00

All balances are payable to NASD Dispute Resolution, Inc. and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Jerome K. Altshuler - Public Arbitrator
Van R. Minelli, CPA - Public Arbitrator
William Massad - Non-Public Arbitrator

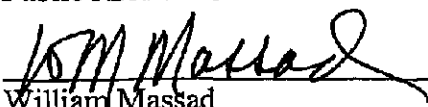
Concurring Arbitrators' Signatures

Jerome K. Altshuler
Public Arbitrator


Signature Date

Van R. Minelli, CPA
Public Arbitrator

Signature Date



William Massad
Non-Public Arbitrator



Signature Date



Date of Service (For NASD office use only)