

**Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

Attila Szabo, Claimant v. Morgan Stanley Dean Witter Online, Inc. and Judith Rosenberg,  
Respondents

Case Number: 00-01099

Hearing Site: San Diego, California

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**REPRESENTATION OF PARTIES**

For Claimant:

Arthur S. Leider  
Investors Arbitration  
Specialists, Inc.  
San Diego, California

For Respondents:

Robert T. Sullwold, Esq.  
Sullwold & Hughes  
San Francisco, California

**CASE INFORMATION**

Statement of Claim filed: February 22, 2000

Amended Statement of Claim filed: May 24, 2000

Second Amended Statement of Claim filed: July 8, 2000

Claimant's Uniform Submission Agreement signed: February 9, 2000

Statement of Answer filed by Respondent Morgan Stanley Dean Witter Online, Inc.: May 30,  
2000

Respondent Morgan Stanley Dean Witter Online, Inc.'s Uniform Submission Agreement signed:  
May 30, 2000

**CASE SUMMARY**

Claimant alleged failure to execute, breach of fiduciary duty, negligence, and breach of contract.  
The claim arose out of the purchase and sale of S&P 500 options.

Respondent Morgan Stanley Dean Witter Online, Inc. denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

### **RELIEF REQUESTED**

Claimant requested \$62,838.90 in compensatory damages, \$35,000.00 in punitive damages, expert witness and attorney's fees, interest, and sought reimbursement of costs. Claimant amended the Statement of Claim to request \$300,000.00 in punitive damages and \$20,000.00 in attorney's and expert witness fees.

Respondent requested dismissal of the Claimant's Statement of Claim in its entirety, and reimbursement of costs and attorney's fees.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On March 21, 2001, NASD Dispute Resolution, Inc. received notice that the Arbitration Panel dismissed with prejudice Judith Rosenberg.

Respondent Judith Rosenberg did not file with NASD Dispute Resolution, Inc. a properly executed submission agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

### **AWARD**

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

- 1) Respondent Morgan Stanley Dean Witter Online, Inc. is liable to and shall pay Claimant \$62,838.90 in compensatory damages.
- 2) Claimant's request for interest is denied.
- 3) Claimant's request for punitive damages is denied.
- 4) Each party shall bear its own costs, including attorney's and expert witness fees.
- 5) All other relief not expressly granted is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

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

Initial claim filing fee	= \$ 225.00
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#### **Member Fees**

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events which gave rise to the dispute, claim, or controversy. Accordingly, the member firm Morgan Stanley Dean Witter Online, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 2,500.00</u>
<b>Total Member Fees</b>	<b>= \$ 4,100.00</b>

#### **Forum Fees and Assessments**

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

(1) Pre-hearing conference session with a single arbitrator @ \$ 450.00/session	= \$ 450.00
Pre-hearing conference: February 1, 2001 1 session	
(2) Pre-hearing conference sessions with the Panel @ \$ 1,125.00/session	= \$ 2,250.00
Pre-hearing conferences: November 20, 2000 1 session	
January 29, 2001 1 session	
(2) Hearing sessions @ \$ 1,125.00/session	= \$ 2,250.00
Hearings: March 21, 2001 2 session	
<b>Total Forum Fees</b>	<b>= \$ 4,950.00</b>

1. The Panel assessed \$ 2,475.00 of the forum fees Claimant Attila Szabo.
2. The Panel assessed \$ 2,475.00 of the forum fees jointly and severally to Respondents Morgan Stanley Dean Witter Online, Inc. and Judith Rosenberg.

**Fee Summary**

1. Claimant Attila Szabo is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
<u>Forum Fees</u>	= \$ 2,475.00
Total Fees	= \$ 2,700.00
<u>Less Payments</u>	= \$ (1,350.00)
<b>Balance Due NASD Dispute Resolution, Inc.</b>	<b>= \$ 1,350.00</b>

2. Respondent Morgan Stanley Dean Witter Online, Inc. is charged with the following fees and costs:

Member Fees	= \$ 4,100.00
<u>Less Payments</u>	= \$(3,100.00)
<b>Balance Due NASD Dispute Resolution, Inc.</b>	<b>= \$ 1,000.00</b>

3. Respondents Morgan Stanley Dean Witter Online, Inc. and Judith Rosenberg are charged jointly and severally with the following fees and costs:

<u>Forum Fees</u>	= \$ 2,475.00
<b>Balance Due NASD Dispute Resolution, Inc.</b>	<b>= \$ 2,475.00</b>

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

Concurring Arbitrators' Signatures

  
William D. Randolph  
Chair, Public Arbitrator

3/29/01  
Signature Date

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Lou von Dyl  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Joseph T. Donnantuoni  
Non-Public Arbitrator


\_\_\_\_\_  
Signature Date

3/30/01  
Date of Service

Concurring Arbitrators' Signatures

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William D. Randolph  
Chair, Public Arbitrator

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Signature Date

  
\_\_\_\_\_  
Lou von Dyl  
Public Arbitrator

3-30-2001  
Signature Date

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Joseph T. Donnantuoni  
Non-Public Arbitrator

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Signature Date

3/30/01  
Date of Service

Concurring Arbitrators' Signatures

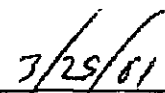
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William D. Randolph  
Chair, Public Arbitrator

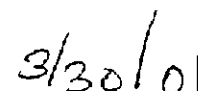
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