

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant

Ronald L. Schuchman

V.

00-03783
Denver, Colorado

Respondents

Dean Witter Reynolds, Inc., k/n/a Morgan Stanley Dean Witter, Inc.
and Marc F. Rogers

REPRESENTATION OF PARTIES

Ronald L. Schuchman ("**Claimant**") was represented by William R. Rapson, Esq., of Welborn Sullivan Meck & Tooley, Denver, Colorado.

Dean Witter Reynolds, Inc., k/n/a Morgan Stanley Dean Witter, Inc. ("**MSDW**") and Marc F. Rogers ("**Rogers**") were represented by Stuart N. Bennett, Esq., of Brega & Winters, P.C., Denver, Colorado.

CASE INFORMATION

The Statement of Claim was filed on or about August 29, 2000. Submission Agreement of Claimant Ronald L. Schuchman was signed on August 5, 2000.

A Joint Statement of Answer was filed by Respondents Dean Witter Reynolds, Inc., k/n/a Morgan Stanley Dean Witter, Inc., and Marc F. Rogers on or about November 27, 2000. Submission Agreement of Respondent Dean Witter Reynolds, Inc., k/n/a Morgan Stanley Dean Witter, Inc. was signed on November 27, 2000. Submission Agreement of Respondent Marc F. Rogers was signed on November 27, 2000.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract, negligence, negligent supervision, and breach of fiduciary duty. The causes of action relate to Claimant's inability to exercise stock options allegedly owed to him upon his voluntary termination from his prior employer. Claimant alleged that Rogers had assured him that the Stock Option Plan allowed Claimant to exercise stock options after termination, but all options had in fact expired when Claimant terminated his employment.

Respondents MSDW and Rogers denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant's stock options expired due to Claimant's own inactions/ or decisions; if Claimant suffered or will suffer any losses, damages, or injuries as alleged in his

Statement of Claim, such losses, damages or injuries were proximately caused by the Failure of the Claimant and his agents and attorneys to exercise reasonable and ordinary care, caution and prudence; and because any losses, damages, or injuries were caused by such negligent, reckless and/or intentional acts or omissions, Claimant's claims for damages should be barred or reduced accordingly.

RELIEF REQUESTED

Claimant requested an award in an amount to exceed \$50,000 in compensatory damages, but to be further determined at the hearing. In addition, Claimant had also requested an award reflecting attorney's fees, pre and post judgment interest, costs, and any other costs the panel may deem appropriate.

Respondents MSDW and Rogers requested that the claims asserted against them be denied in their entirety and that they are awarded their costs and attorneys' fees.

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 Dispute Resolution ("NASD").

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. Claimant's claims, each and all, are hereby dismissed in their entirety;
2. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief including punitive and/or exemplary damages, by any party hereto are denied with prejudice;
3. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 225

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 person at the time of the events giving rise to the dispute. In this matter, the member firm is Dean Witter Reynolds, Inc., k/n/a Morgan Stanley Dean Witter, Inc.

Member surcharge = \$ 1,000
Pre-hearing process fee = \$ 600
Hearing process fee = \$ 1,500

Adjournment Fees

Adjournments granted during these proceedings:

Hearing Dates - 09/11/2001 – 09/14/2002, adjournment by NASD due to September 11th attacks
Fee Waived by Panel

Hearing Dates - 05/07/2002 – 05/09/2002, adjournment by NASD due to an arbitrator's family emergency.
Fee Waived by Panel

Forum Fees and Assessments

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

One (1) Pre-hearing session with a single arbitrator x \$450 = \$ 450

Pre-hearing conference: 8/15/2001 1 session

One (1) Pre-hearing session with Panel x \$750 = \$ 750

Pre-hearing conference: 3/19/2001 1 session

Five (5) Hearing sessions with Panel x \$750		= \$ 3,750
Hearing Dates:	09/11/2001	1 session
	10/17/2002	2 sessions
	10/18/2002	2 sessions

Total Forum Fees = \$ 4,950

The Arbitration Panel has assessed \$4,950 of the forum fees jointly and severally to Dean Witter Reynolds, Inc., k/n/a Morgan Stanley Dean Witter, Inc., and Marc F. Rogers.

Fee Summary

Claimant, Ronald L. Schuchman is liable for:

Initial Filing Fee	= \$ 225
Total Fees	= \$ 225
<u>Less payments</u>	<u>= \$ 975</u>
Balance Refund From NASD Dispute Resolution	= \$ 750

Respondent, Dean Witter Reynolds, Inc., k/n/a Morgan Stanley Dean Witter, Inc. is liable for:

Member Fees	= \$ 3,100
Total Fees	= \$ 3,100
<u>Less payments</u>	<u>= \$ 2,600</u>
Balance Due NASD Dispute Resolution	= \$ 500

Respondents, Dean Witter Reynolds, Inc., k/n/a Morgan Stanley Dean Witter, Inc., and Marc F. Rogers are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$ 4,950</u>
Balance Due NASD Dispute Resolution	= \$ 4,950

All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

Bruce S. Marks, Esq. - Public Arbitrator, Presiding Chair
Michael J. Norton - Public Arbitrator
Dennis Dowd - Industry Arbitrator

Concurring Arbitrators:

Bruce S. Marks, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Michael J. Norton
Public Arbitrator

Signature Date

Dennis Dowd
Industry Arbitrator

Signature Date

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Concurring Arbitrators:



Bruce S. Marks, Esq.
Public Arbitrator, Presiding Chair

10/31/02
Signature Date

Michael J. Norton
Public Arbitrator

Signature Date

Dennis Dowd
Industry Arbitrator

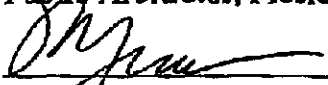
Signature Date

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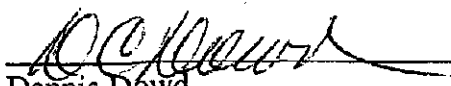
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