

**AWARD**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between

Name of Claimant

Lawrence A. Jones

and

01-00526  
Denver, Colorado

Name of Respondents

Morgan Stanley DW Inc. f/k/a Dean Witter Reynolds Inc.  
James J. Mazzarisi  
Todd E. Leake

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**REPRESENTATION OF PARTIES**

Lawrence A. Jones ("**Claimant**") appeared *pro se*.

Morgan Stanley DW Inc. f/k/a Dean Witter Reynolds Inc. ("**Respondent MSDW**"), James J. Mazzarisi ("**Respondent Mazzarisi**") and Todd E. Leake ("**Respondent Leake**") were represented by Ronald E. Wood, Esq., Morgan Stanley DW Inc., San Francisco, California.

**CASE INFORMATION**

The Statement of Claim was filed on or about January 31, 2001. Submission Agreement of Claimant Lawrence A. Jones was signed on March 14, 2001

Answer of Respondents Morgan Stanley DW Inc. f/k/a Dean Witter Reynolds Inc., James J. Mazzarisi and Todd E. Leake was filed on or about May 4, 2001. Submission Agreement of Respondent Morgan Stanley DW Inc. f/k/a Dean Witter Reynolds Inc. was signed on August 3, 2001 by Ronald E. Wood. Submission Agreement of Respondent James J. Mazzarisi was signed on October 14, 2001. Submission Agreement of Respondent Todd E. Leake was signed on May 10, 2001.

**CASE SUMMARY**

Claimant alleged that Respondents sold without consent or authorization 10,000 shares of Iridium and 1,325 shares of Scientific-Atlanta.

Respondents denied the allegations set forth in the Statement of Claim. Respondents specifically stated due to Claimant's inability to come up with external resources (cash or securities) to maintain

an acceptable debt/equity balance, securities in his account were sold, in accordance with the terms of his margin agreement, to bring his debt/equity ratio back into compliance with Federal reserve Board requirements and MSDW policy. It was stated that Claimant was not a victim of unauthorized trading or any other improper conduct by Respondents.

### **RELIEF REQUESTED**

Claimant requested an award in the amount of \$100,000.00 in compensatory damages and \$150,000.00 in punitive damages.

Respondents requested that the claims asserted against them be dismissed.

### **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 original(s) remain on file with the NASD Dispute Resolution, Inc. (the "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. The claims asserted in this matter shall be and hereby are denied in their entirety.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondents' Morgan Stanley DW Inc. f/k/a Dean Witter Reynolds Inc., James J. Mazzarisi and Todd E. Leake registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to M Members 99-09 and 99-54, Respondents Morgan Stanley DW Inc. f/k/a Dean Witter Reynolds Inc., James J. Mazzarisi and Todd E. Leake must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive. The expungement relief is granted based on the defamatory nature of the information in the CRD system, however, there has been no finding that the elements required to satisfy a claim for defamation under governing law have been met.

3. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
4. 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, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$300.00

#### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is Morgan Stanley DW Inc. f/k/a Dean Witter Reynolds Inc.

Member surcharge = \$1,500.00  
Pre-hearing process fee = \$ 600.00  
Hearing process fee = \$2,500.00

#### **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 arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing session(s) with Panel x \$1,125.00 = \$2,250.00  
Pre-hearing conference(s): August 23, 2001 1 session  
January 7, 2002 1 session  
  
Two (2) Hearing sessions x \$1,125.00 = \$2,250.00  
Hearing Date: March 11, 2002 2 sessions  
  
Total Forum Fees = \$4,500.00

The Arbitration Panel has assessed \$2,250.00 of the forum fees to Lawrence A. Jones.

The Arbitration Panel has assessed \$2,250.00 of the forum fees jointly and severally to Morgan Stanley DW Inc. f/k/a Dean Witter Reynolds Inc., James J. Mazzarisi, and Todd E. Leake.

**Fee Summary**

Claimant, Lawrence A. Jones, shall be and hereby is liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$2,250.00
Total Fees	= \$2,550.00
<u>Less payments</u>	= \$1,425.00
Balance Due NASD Dispute Resolution, Inc.	= \$1,125.00

Respondent, Morgan Stanley DW Inc. f/k/a Dean Witter Reynolds Inc., shall be and hereby is liable for:

Member Fees	= \$4,600.00
<u>Forum Fees</u>	= \$ 0.00
Total Fees	= \$4,600.00
<u>Less payments</u>	= \$2,100.00
Balance Due NASD Dispute Resolution, Inc.	= \$2,500.00

Respondents, Morgan Stanley DW Inc. f/k/a Dean Witter Reynolds Inc., James J. Mazzarisi, and Todd E. Leake, shall be and hereby are jointly and severally liable for:

<u>Forum Fees</u>	= \$2,250.00
Balance Due NASD Dispute Resolution, Inc.	= \$2,250.00

**All balances are due to NASD Dispute Resolution, Inc.**

**ARBITRATION PANEL**

Edmund Epstein, Esq. - Public Arbitrator, Presiding Chair  
Robert C. Roth, Jr., Esq. - Public Arbitrator  
Gene R. Thornton - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Edmund Epstein

Edmund Epstein, Esq.  
Public Arbitrator, Presiding Chair

May 6, 2002

Signature Date

/s/ Robert C. Roth, Jr.

Robert C. Roth, Jr., Esq.  
Public Arbitrator

May 7, 2002

Signature Date

/s/ Gene R. Thornton


Gene R. Thornton  
Non-Public Arbitrator

May 7, 2002

Signature Date

NASD Dispute Resolution, Inc.  
Arbitration No. 01-00526  
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Concurring Arbitrators:

  
Edmund Epstein, Esq.  
Public Arbitrator, Presiding Chair

Robert C. Roth, Jr., Esq.  
Public Arbitrator

Gene R. Thornton  
Non-Public Arbitrator

5/6/02  
Signature Date

Signature Date

Signature Date

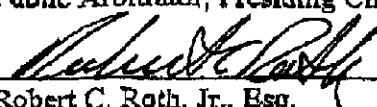
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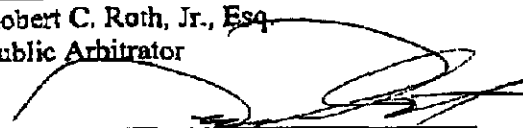
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Robert C. Roth, Jr., Esq.  
Public Arbitrator

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Signature Date



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Gene R. Thornton  
Non-Public Arbitrator

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5/7/02  
Signature Date