

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION, INC.

CASE: 01-01404

K.C. Remington, Claimant vs. Morgan Stanley Dean Witter Online, Respondent.

ATTORNEYS

Claimant, K.C. Remington, appeared Pro Se, Micanopy, FL.

Respondent, Morgan Stanley Dean Witter Online, appeared through its in-house counsel, Richard Smith, Esq., New York, NY.

DATE FILED: March 20, 2001

CASE SUMMARY: Claimant alleged Respondent had been negligent in handling the Claimant's account. Claimant maintained that Respondent made a recommendation to switch from taxable to non-taxable funds, which Claimant followed. Claimant attempted to switch back to taxable funds the following year, but Respondent neglected to inform the Claimant and continued to invest in non-taxable funds.

ARBITRATOR'S REPORT: Both parties were negligent, however, the Respondent recommended an investment plan to avoid state intangible taxes. Claimant followed their recommendation by moving taxable funds to non-taxable funds on or before December 31, 1996. Taxable funds were repurchased on January 3, 1997 in accordance with the investment plan recommendation. The Respondent, due to the fact this investment plan was their recommendation, has fiduciary responsibility to the investor for the proper handling of the proposed investment plan.

Claim Data

Claim: \$10,000.00

Interest: \$1,000.00

Attorney Fees: unspecified

Filing Fees: \$325.00

Other: unspecified

Award Data

Award: \$7,500.00

Interest: at 8% per annum from 1/3/97 to payment of award.

Attorney Fees: \$.00

Filing Fees: \$325.00

Other: \$.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondent is liable and shall pay to the claimant \$7,500.00. 2) Respondent is liable and shall pay to the Claimant interest at the rate of 8% per annum from 1/3/97 to payment of award. 3) All other relief requests are denied. 4) The \$325.00 filing fee previously deposited with NASD Dispute Resolution, Inc. by the Claimant, shall be retained by NASD Dispute Resolution, Inc.

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5) Respondent is liable and shall pay Claimant \$325.00 as reimbursement of the filing fee.

OTHER FEES: Pursuant to Rule 10333 of the Code, respondent has paid to NASD Dispute Resolution, Inc. the \$300.00 Member Surcharge previously invoiced.

James B. Burchett

Sole Public Arbitrator

AFFIRMATION

I, James B. Burchett, do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.


James B. Burchett

1-28-2002
Signature Date

February 1, 2002
Date of Service (For NASD-DR office use only)