

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Robert M. Wren, Claimant v. Morgan Stanley DW, Inc. and Clarke E. Hamilton, Respondents

Case Number: 01-02456

Hearing Site: Salt Lake City, Utah

REPRESENTATION OF PARTIES

For Claimant:

Eric R. Clark, Esq.
Pedersen, Clark and Jackson
Twin Falls, Idaho

For Respondents:

Gary Jackson, Esq.
Morgan Stanley DW Inc.
New York, New York

CASE INFORMATION

Statement of Claim filed: April 30, 2001

Claimant's Uniform Submission Agreement signed: March 27, 2001

Joint Statement of Answer filed by Respondents Clark E. Hamilton and Morgan Stanley DW, Inc.: July 27, 2001

Respondents, Clarke E. Hamilton's, Uniform Submission Agreement signed: February 12, 2002

Respondent, Morgan Stanley DW, Inc.'s, Uniform Submission Agreement signed: July 27, 2001

CASE SUMMARY

Claimant alleged that Respondents, Clarke Hamilton and Morgan Stanley DW, Inc., recommended investments that were unsuitable and unduly risky for the Claimant's investment objectives, Respondent, Morgan Stanley DW, Inc., failed to properly supervise its employee, Hamilton.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted the following defenses: The Statement of Claim failed to state a claim upon which

relief may be granted, the Respondents fully and faithfully performed all of their duties to the Claimant, all of the transactions affected for the Claimant were suitable for his investment objectives and financial condition, all of the transactions at issue were discussed with and approved by the Claimant, the Respondents were not negligent in the handling of Claimant's account, the Claimant's actions and omissions caused his alleged damages, the Claimant ratified all of his securities transactions, the Claimant's claims are barred by estoppel and waiver, the Claimant failed to mitigate his alleged damages, the Respondents did not make any misrepresentations of material fact or act with reckless disregard for the Claimant's interests, the Respondents did not breach a contract with the Claimant, and there was no basis for an award of punitive damages or for emotional harm in this case.

RELIEF REQUESTED

Claimant requested compensatory damages of \$60,000.00 plus interest, \$250,000.00 in general damages for "emotional harm" and punitive damages of \$1,000,000.00.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, with an award of costs.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to hearing, the parties, being aware that the Respondent has heretofore maintained an unblemished Central Registrations Depository ("CRD") Record, and having settled this matter with no admission of wrongdoing, have agreed that the Panel recommend the expungement of all reference to the above captioned arbitration from Respondent Clarke E. Hamilton's registration records maintained by the National Association of Securities Dealers within the CRD system.

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, and the Parties request for this stipulated award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants and Respondents have entered into a confidential settlement agreement.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Clarke E. Hamilton's registration records maintained by the NASD Central

Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Clarke E. Hamilton must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 500.00
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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 DW, Inc is a party and the following fees are assessed:

Member Surcharge	= \$ 2,500.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	= \$ 4,500.00
Total Member Fees	= \$ 7,600.00

Adjournment Fees

N/A

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:

One (1) Pre-hearing conference session with the Panel @ \$ 1,200.00/session	= \$ 1,200.00
Pre-hearing conference: April 22, 2002 1 session	
<u>Total Forum Fees</u>	= \$ 1,200.00

The Parties have stipulated that all forum fees be assessed to and paid by Respondent, Morgan Stanley DW, Inc.

Fee Summary

1. Claimant, Robert M. Wren, is charged with the following fees and costs:

<u>Initial Filing Fee</u>	= \$ 500.00
<u>Total Fees</u>	= \$ 500.00
<u>Less payments</u>	= \$(1,700.00)
<u>Refund due Claimant</u>	= \$(1,200.00)

2. Repondent, Morgan Stanley DW, Inc., is charged with the following fees and costs:

<u>Member Fees</u>	= \$ 7,600.00
<u>Forum Fees</u>	= \$ 1,200.00
<u>Total Fees</u>	= \$ 8,800.00
<u>Less payments</u>	= \$(7,600.00)
<u>Balance Due NASD Dispute Resolution</u>	= \$ 1,200.00

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

ARBITRATION PANEL

<i>Ross Cannon</i>	-	<i>Public/Non-Public, Presiding Chair</i>
<i>George Karlsvén</i>	-	<i>Public/Non-Public Arbitrator</i>
<i>Jon McKeon</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signature(s)



Ross Cannon
Chair, Public Arbitrator

10/26/02
Signature Date

George Karlsvén
Public Arbitrator

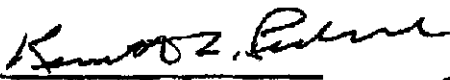
Signature Date

Jon McKeon
Industry/Non-Public Arbitrator

Signature Date

10/31/02
Date of Service

Parties' Signatures


Eric R. Clark, Esq. *Kenneth L. Pulson*
For Claimant
Robert M. Wren

10-2-02
Signature Date

Gary E. Jackson, Esq.
For Respondents
Morgan Stanley DW, Inc. &
Clarke E. Hamilton

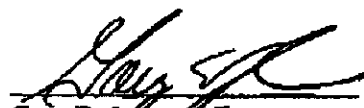
Signature Date

NASD Dispute Resolution, Inc.
Arbitration No. 01-02456
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Parties' Signatures

Eric R. Clark, Esq.
For Claimant
Robert M. Wren

Signature Date



Gary E. Jackson, Esq.
For Respondents
Morgan Stanley DW, Inc. &
Clarke E. Hamilton

10/24/02
Signature Date

ARBITRATION PANEL

Ross Cannon
George Karlsvén
Jon McKeon

Public/Non-Public, Presiding Chair
Public/Non-Public Arbitrator
Non-Public Arbitrator


Concurring Arbitrators' Signature(s)

Ross Cannon
Chair, Public Arbitrator

Signature Date

George Karlsvén
Public Arbitrator

Signature Date


Jon McKeon
Industry/Non-Public Arbitrator

10/29/02
Signature Date

10/31/02
Date of Service