

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Shelly LeRoux

Case Number: 02-04711

Name of the Respondents
Morgan Stanley DW, Inc.
Robert E. Berg

Hearing Site: Philadelphia, PA

Nature of the Dispute: Customer vs. Member and Associated Person

REPRESENTATION OF PARTIES

Claimant, Shelly LeRoux, hereinafter referred to as "Claimant" was represented by Anthony D. Reagoso, Esq., Reagoso & Baer, P.C., Media, Pennsylvania.

Respondents, Morgan Stanley DW, Inc. ("Morgan Stanley") and Robert E. Berg ("Berg"), hereinafter collectively referred to as "Respondents" were represented by Victor A. Machcinski, Jr., Esq., Theodore A. Krebsback & Associates, P.C., New York, New York.

CASE INFORMATION

Statement of Claim filed on or about August 12, 2002.

Claimant signed the Uniform Submission Agreement on July 30, 2002.

Statement of Answer filed by Respondents on October 25, 2002.

A representative of Respondent Morgan Stanley signed the Uniform Submission Agreement on September 20, 2002.

Respondent Berg signed the Uniform Submission Agreement on October 24, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: fraud; violation of the Pennsylvania Unfair Trade Practice and Consumer Protection Law; conversion; breach of fiduciary duty; breach of contract; and, excessive concentration. The causes of action relate to the purchase and sale of various stocks.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: failure to state a claim upon which relief may be granted; statutes of limitations; estoppel, waiver, ratification and laches; and, failure to mitigate.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$ 150,000.00
Punitive Damages	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents requested that the Arbitration Panel (the "Panel") dismiss the Statement of Claim; assess all costs to Claimant; and, order the expungement of all references to this arbitration from the Central Registration Depository records ("CRD") of Respondent Berg.

AWARD

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

1. Respondents Morgan Stanley and Berg are liable and shall pay to Claimant the sum of twenty-eight thousand six hundred four dollars and no cents (\$28,604.00) in compensatory damages;
2. The parties shall be responsible for their respective fees except as Fees are specifically stated below; and,
3. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 300.00
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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. Accordingly, Morgan Stanley is a party.

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

September 23-24, 2003 adjournment requested by Respondents = \$ 1,125.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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:

One (1) Pre-hearing session with a single arbitrator @ \$ 450.00 = \$ 450.00
Pre-hearing conference: June 5, 2003 1 session

One (1) Pre-hearing session with Panel @ \$ 1,125.00 = \$ 1,125.00
Pre-hearing conference: April 29, 2003 1 session

Five (5) Hearing sessions @ \$ 1,125.00 = \$5,625.00
Hearing Dates: November 19, 2003 2 sessions
November 20, 2003 2 sessions
December 22, 2003 1 session

Total Forum Fees = \$ 7,200.00

1. The Panel has assessed \$3,600.00 of the forum fees to Claimant.
2. The Panel has assessed \$3,600.00 of the forum fees to Respondents jointly and severally.

Fee Summary

1. Claimant is assessed and shall pay:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 3,600.00
Total Fees	= \$ 3,900.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 2,475.00

2. Respondent Morgan Stanley is assessed and shall pay:

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Morgan Stanley and Berg are jointly and severally assessed and shall pay:

Adjournment Fees	= \$ 1,125.00
Forum Fees	= \$ 3,600.00
Total Fees	= \$ 4,725.00
Less payments	= \$ 3,875.00
Balance Due NASD Dispute Resolution	= \$ 850.00

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

ARBITRATION PANEL

Michael P. Marryshow, Esq.	-	Public Arbitrator, Presiding Chairperson
Richard E. Lerner, Esq.	-	Public Arbitrator, Panelist
Jean K. McLenigan	-	Non-Public Arbitrator, Panelist

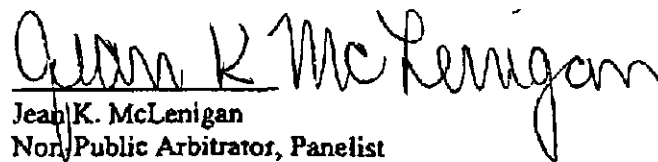
Concurring Arbitrators' Signatures

Michael P. Marryshow, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Richard E. Lerner, Esq.
Public Arbitrator, Panelist

Signature Date


Jean K. McLenigan
Non-Public Arbitrator, Panelist

1/19/04
Signature Date

1/20/04

Date of Service (For NASD Dispute Resolution office use only)

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Public Arbitrator, Presiding Chairperson

Signature Date

Richard E. Lerner

Richard E. Lerner, Esq.
Public Arbitrator, Panelist

1/17/04

Signature Date

Jean K. McLenigan
Non-Public Arbitrator, Panelist

Signature Date

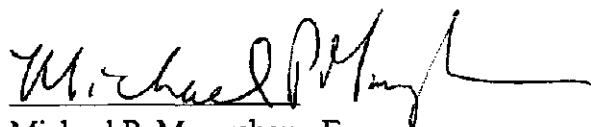
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