
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

David B. Cheairs Revocable
Trust DTD 4-16-90 David B. Cheairs, Trustee

Case Number: 02-05614

Names of the Respondents

Morgan Stanley DW, Inc.
Michael Munson

Hearing Site: Little Rock, AR

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

REPRESENTATION OF PARTIES

For David B. Cheairs Revocable Trust DTD 4-16-90 David B. Cheairs, Trustee, hereinafter referred to as "Claimant": James H. Penick, III, Esq., Eichenbaum, Liles & Heister, P.A., Little Rock, AR.

For Morgan Stanley DW, Inc. ("MSDW") and Michael Munson ("Munson"), hereinafter collectively referred to as "Respondents": Joseph C. Coates, III, Esq., Greenberg Traurig, P.A., West Palm Beach, FL.

CASE INFORMATION

Statement of Claim filed on or about: September 23, 2002.

Claimant signed the Uniform Submission Agreement: September 20, 2002.

Answer to Statement of Claim filed by Respondent MSDW on or about: January 10, 2003.

Respondent MSDW signed the Uniform Submission Agreement: July 18, 2003.

Answer to Statement of Claim filed by Respondent Munson on or about: December 3, 2002.

Respondent Munson signed the Uniform Submission Agreement: December 2, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract; fraud; misrepresentation; non-disclosure; breach of fiduciary duty; negligence; gross negligence; and, unjust enrichment. The causes of action relate to the purchase of unspecified securities products in Claimant's account.

Unless specifically admitted in their Answers, Respondents MSDW and Munson denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages of \$500,000.00, benefit of the bargain and lost

opportunity damages, reimbursement of commissions and fees, pre-judgment interest, attorneys' fees, costs, punitive damages of \$500,000.00, and such other relief as is deemed proper and necessary.

Respondent MSDW requested dismissal of the Statement of Claim.

Respondent Munson requested dismissal of the Statement of Claim, attorneys' fees, costs, all other relief that may be just, and any other relief to which he may be entitled.

OTHER ISSUES CONSIDERED AND DECIDED

On or about September 10, 2004, the parties filed an Agreed Motion for Dismissal of all Claims and for the Entry of a Stipulated Award Directing Expungement ("Agreed Motion") in which they requested that this matter be expunged from Respondent Munson's public and non-public registration records maintained by the NASD Central Registration Depository ("CRD").

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered.

AWARD

After considering the pleadings and the Agreed Motion, the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

Claimant's claims against Respondents MSDW and Munson are dismissed, with prejudice.

The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Munson's public and non-public registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Munson must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= \$ 375.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Respondent MSDW is a member firm and a party.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$4,000.00</u>
Total Member Fees	= \$7,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No requests for adjournments were granted during these proceedings for which fees were assessed.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No hearing on the merits was postponed or settled within three business days before the start of a scheduled hearing session.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were assessed during these proceedings.

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 the Panel @ \$1,200.00	= \$1,200.00
Pre-hearing conference: July 14, 2003	1 session
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Total Forum Fees	= \$1,200.00

The Panel has assessed \$600.00 of the forum fees to Claimant.

The Panel has assessed \$600.00 of the forum fees jointly and severally to Respondents MSDW and Munson.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during this proceeding.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 375.00
Retained Hearing Session Deposit	= \$ 600.00

<u>Forum Fees</u>	= \$ 600.00
<u>Total Fees</u>	= \$ 1,575.00
<u>Less payments</u>	= \$ 1,575.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondent MSDW is solely liable for:

<u>Member Fees</u>	= \$ 7,000.00
<u>Total Fees</u>	= \$ 7,000.00
<u>Less payments</u>	= \$ 7,000.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 600.00
<u>Total Fees</u>	= \$ 600.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 600.00

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

ARBITRATION PANEL

John K. Ulrey	-	Public Arbitrator, Presiding Chairperson
Frances S. Fendler, J.D.	-	Public Arbitrator
Ronald R. Wilhelm	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
John K. Ulrey
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Frances S. Fendler, J.D.
Public Arbitrator

Signature Date

/s/
Ronald R. Wilhelm
Non-Public Arbitrator

Signature Date

November 23, 2004
Date of Service (For NASD Dispute Resolution office use only)

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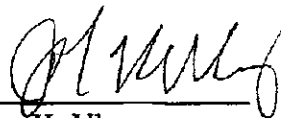
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John K. Ulrey
Public Arbitrator, Presiding Chairperson

11/14/09
Signature Date

Frances S. Fendler, J.D.
Public Arbitrator

Signature Date

Ronald R. Wilhelm
Non-Public Arbitrator

Signature Date

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

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 John K. Ulrey
 Public Arbitrator, Presiding Chairperson

 Signature Date

 Frances S. Fendler
 Frances S. Fendler, J.D.
 Public Arbitrator

 11/23/04
 Signature Date

 Ronald R. Wilhelm
 Non-Public Arbitrator

 Signature Date

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

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 Arbitration No. 02-05614
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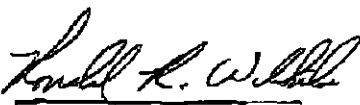
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 John K. Ulrey
 Public Arbitrator, Presiding Chairperson

 Signature Date

 Frances S. Fendler, J.D.
 Public Arbitrator

 Signature Date



 Ronald R. Wilhelm
 Non-Public Arbitrator

11/9/04

 Signature Date

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