

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Karen S. Bordener

and

Case Number: 02-05740
Hearing Site: Southfield, Michigan

Names of Respondents

Morgan Stanley Dean Witter, Inc.
James Phillip Hall and Glenn Stark

NATURE OF DISPUTE

Customer v. Member and Associated Persons

REPRESENTATION OF PARTIES

Karen S. Bordener ("Claimant") was represented by D. Michael Kratchman, Esq., Rubenstein, Isaacs and Xenos, Southfield, Michigan. Claimant was represented by James J. Vlastic, Esq., Sommers, Schwartz, Silver & Cohen, P.C., Southfield, Michigan, until on or about February 24, 2003.

Morgan Stanley Dean Witter, Inc. ("MSDW"), James Phillip Hall ("Hall"), and Glenn Stark ("Stark"), hereinafter referred to as "Respondents," were represented by Ron Wood, Esq., Morgan Stanley DW Inc., Los Angeles, California.

CASE INFORMATION

The Statement of Claim was filed on or about September 26, 2002. The Submission Agreement of Claimant, Karen S. Bordener, was signed on or about September 19, 2002.

Statement of Answer was filed jointly by all Respondents on or about December 4, 2002. The Submission Agreement of Respondent, James Phillip Hall, was signed on or about October 22, 2002.

CASE SUMMARY

Claimant asserted causes of action including the following: violation of Michigan Blue Sky Law, negligence, unsuitability, violation of NASD rules, breach of contract, and breach of fiduciary duty. The causes of action relate to the sale of Claimant's bond fund and purchase of various mutual funds including Aggressive Equity Fund B, Putnam International Opportunity Fund B, and 21st Century Trend Fund in addition to a few momentum stocks. Claimant alleged that her portfolio was too speculative, not sufficiently diversified, and in contravention of her conservative investment strategy.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimant has failed to state a basis upon which relief can be granted, and Claimant's losses are the result of market forces beyond Respondents' control.

RELIEF REQUESTED

Claimant requested an award in an amount in excess of \$400,000.00, plus lost reasonable return on the money invested, attorney fees, exemplary damages of approximately \$50,000.00, and pre-judgment interest.

Respondents requested that the claims asserted against them be dismissed. At hearing, Respondent Hall requested expungement of his CRD record.

OTHER ISSUES CONSIDERED & DECIDED

Respondent Morgan Stanley Dean Witter, Inc. and Glenn Stark did not file with the NASD Dispute Resolution properly executed submissions to arbitration but are required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, and appeared and testified at the hearing are bound by the determination of the arbitration panel on all issues submitted.

At the hearing, the parties advised the Panel that Claimant had dismissed Respondent Stark with prejudice. The Panel did not adjudicate any claims against Respondent Stark.

Respondents MSDW and Hall moved for dismissal after Claimant rested her case. The Panel denied the Motion at the hearing.

Both sides filed post-hearing submissions on or about March 3, 2004.

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 NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings, the testimony, the evidence presented at the hearing, and the post-hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Claimant's claims, each and all, are denied and dismissed with prejudice;

- 2.) That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) That any relief not specifically enumerated, including punitive damages expungement requests, and attorney fees, is hereby denied with prejudice.

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

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 persons at the time of the events giving rise to the dispute. In this matter, the member firm is Morgan Stanley Dean Witter, Inc.

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

Adjournment Fees

Adjournments requested during these proceedings:

November 24-26, 2003, adjournment requested jointly (waived by Panel) = \$ 1,125.00

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 sessions with Panel x \$1,125.00 = \$ 2,250.00
Pre-hearing conferences: March 25, 2003 1 session
July 7, 2003 1 session

Six (6) Hearing sessions x \$1,125.00 = \$ 6,750.00
Hearing Dates: February 18, 2004 2 sessions

February 19, 2004 2 sessions
February 20, 2004 2 sessions

Total Forum Fees = \$ 9,000.00

The Arbitration Panel has assessed \$9,000.00 of the forum fees jointly and severally to Morgan Stanley Dean Witter, Inc. and James Phillip Hall.

Fee Summary

Claimant, Karen S. Bordener, is liable for:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$ 2,125.00
Refund Due from NASD Dispute Resolution	= \$ 1,825.00

Respondent, Morgan Stanley Dean Witter, Inc., is liable for:

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

Respondents, Morgan Stanley Dean Witter, Inc. and James Phillip Hall, are jointly and severally liable for:

Forum Fees	= \$ 9,000.00
Total Fees	= \$ 9,000.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 9,000.00

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

ARBITRATION PANEL

Jeffrey M. Bain, Esq. - Public Arbitrator, Presiding Chair
Jerome D. Sobczak - Public Arbitrator
James Richter - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Jeffrey M. Bain, Esq.
Jeffrey M. Bain, Esq.
Public Arbitrator, Presiding Chair

03/08/04
Signature Date

/s/ Jerome D. Sobczak .0
Jerome D. Sobczak
Public Arbitrator

03/05/04
Signature Date

/s/ James Richter
James Richter
Non-Public Arbitrator

03/05/04
Signature Date

03/05/04
Date of Service (For NASD office use only)

03/08/2004 10:34 FAX

NASD

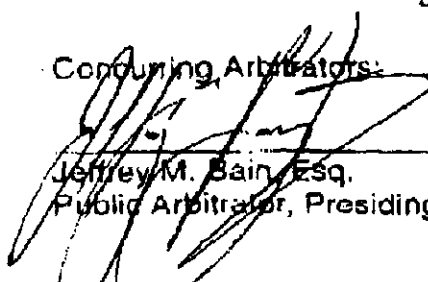
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Jeffrey M. Bain, Esq. - Public Arbitrator, Presiding Chair
Jerome D. Sobczak - Public Arbitrator
James Richter - Non-Public Arbitrator

Concurring Arbitrators:



Jeffrey M. Bain, Esq.
Public Arbitrator, Presiding Chair

March 8, 2004

Signature Date

Jerome D. Sobczak
Public Arbitrator

Signature Date

James Richter
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

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Arbitration No. 02-05740
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Public Arbitrator, Presiding Chair

Signature Date

Jerome D. Sobczak
Jerome D. Sobczak
Public Arbitrator

3-05-04
Signature Date

James Richter
Non-Public Arbitrator

Signature Date

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Public Arbitrator, Presiding Chair

Signature Date

Jerome D. Sobczak
Public Arbitrator

Signature Date



James Richter
Non-Public Arbitrator



Signature Date

Date of Service (For NASD office use only)