

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimants

Alexander T. Marr, Jr.
Cynthia A. Nelson Marr

Case Number: 02-05867

Name of the Respondents

Morgan Stanley DW Inc.
Salvatore L. Monastero

Hearing Site: Philadelphia, PA

REPRESENTATION OF PARTIES

Claimants, Alexander T. Marr, Jr. and Cynthia A. Nelson Marr, hereinafter collectively referred to as "Claimants", were represented by John R. Crayton, Esq., Crayton & Belknap, Bensalem, Pennsylvania.

Respondents, Morgan Stanley DW Inc. ("Morgan Stanley") and Salvatore L. Monastero ("Monastero"), hereinafter collectively referred to as "Respondents", were represented at the hearing by Thomas A. Keane, Esq., Morgan Stanley DW Inc., New York, New York.

CASE INFORMATION

Statement of Claim filed on: September 27, 2002.

Claimants signed the Uniform Submission Agreement on: September 20, 2002.

Statement of Answer filed by Respondents on: February 26, 2003.

A representative of Respondent Morgan Stanley signed the Uniform Submission Agreement on: February 26, 2003.

CASE SUMMARY

Claimants asserted the following causes of action, among others: breach of contract; failure to disclose; negligence; failure to supervise; breach of fiduciary duty; misrepresentations; non-disclosures; and, omission of facts. The causes of action relate to the purchase and sale of unspecified securities.

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; all duties owed by Respondents were fully performed; all transactions that were effected for Claimants were suitable; Claimants authorized all transactions; ratification; failure to mitigate damages; and, Claimants' claims are barred by applicable statutes of limitations.

RELIEF REQUESTED

Claimants in their Statement of Claim requested:

Compensatory Damages	\$ 391,412
Punitive Damages	\$ 100,000
Attorneys' Fees	amount unspecified
Other Costs	\$ 1,425

Respondents in their Statement of Answer requested that the Statement of Claim be dismissed, that Respondents be granted the costs and expenses of defending this Arbitration, and that the Arbitration Panel (the "Panel") grant Respondents such other relief as is just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Monastero did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and, having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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.

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. That Claimants' claims are denied in their entirety;
2. That Claimants' claims for punitive damages are denied in their entirety;
3. That the Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Monastero's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Monastero must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
4. That the parties shall bear their respective costs, including attorney's fees, except as Fees are specifically addressed below; and,
5. That any and all relief not specifically addressed herein 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

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) 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

Total Member Fees = \$ 5,200.00

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 Panel @ \$ 1,125.00 = \$ 1,125.00

Pre-hearing conference: July 1, 2003 1 session

Two (2) Hearing sessions @ \$ 1,125.00 = \$ 2,250.00

Hearing Date: September 24, 2003 2 session

Total Forum Fees = \$ 3,375.00

1. The Panel has assessed \$ 1,687.50 of the forum fees jointly and severally to Claimants.
2. The Panel has assessed \$ 1,687.50 of the forum fees jointly and severally to Respondents.

FEE SUMMARY

1. Claimants are jointly and severally assessed and shall pay the following fees:

Initial Filing Fee = \$ 300.00

Forum Fees = \$ 1,687.50

Total Fees = \$ 1,987.50

Less payments = \$ 1,425.00

Balance Due NASD Dispute Resolution = \$ 562.50

2. Respondents, Morgan Stanley, is assessed and shall pay the following fees:

Member Fees = \$ 5,200.00

Total Fees = \$ 5,200.00

Less payments = \$ 5,200.00

Balance Due NASD Dispute Resolution = \$ 00.00

3. Respondents are jointly and severally assessed and shall pay the following fees:

<u>Forum Fees</u>	= \$ 1,687.50
Total Fees	= \$ 1,687.50
<u>Less payments</u>	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$ 1,687.50

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

ARBITRATION PANEL

William A. Kelley, Jr., Esq.	-	Public Arbitrator, Presiding Chairperson
Jerry Schuchman, Esq.	-	Public Arbitrator, Panelist
Martin Salzman	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

William A. Kelley Jr.
William A. Kelley Jr. Esq.

William A. Kelley, Jr., Esq.
Public Arbitrator, Presiding Chairperson

6 Oct. 2003

Signature Date

Jerry Schuchman, Esq.
Public Arbitrator, Panelist

Signature Date

Martin Salzman
Non-Public Arbitrator, Panelist

Signature Date

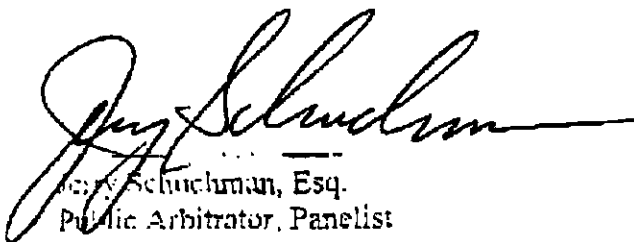
October 6, 2003
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

William A. Kelley, Jr., Esq.

Public Arbitrator, Presiding Chairperson

Signature Date



Jerry Schuchman, Esq.

Public Arbitrator, Panelist

10/2/2003

Signature Date

Martin Salzman

Non Public Arbitrator, Panelist

Signature Date

October 6, 2003

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

Concurring Arbitrators' Signatures

William A. Kelley, Jr., Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Jerry Schuchman, Esq.
Public Arbitrator, Panelist

Signature Date

Martin Salzman
Martin Salzman
Non-Public Arbitrator, Panelist

10/21/03
Signature Date

October 6, 2003
Date of Service (For NASD Dispute Resolution office use only)