
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Morgan Stanley Dean Witter, Inc.

Case Number: 02-05991

Name of the Respondent

Michael S. Wallman

Hearing Site: Boca Raton, Florida

REPRESENTATION OF PARTIES

For Morgan Stanley Dean Witter, Inc., hereinafter referred to as "Claimant": Edward A. Walton, Esq., Ronald P. Kane, Esq. and Diane C. Fischer, Esq., Kane & Fischer, Ltd., Chicago, Illinois.

Michael S. Wallman, hereinafter referred to as "Respondent", appeared pro se.

CASE INFORMATION

Statement of Claim filed on or about: October 8, 2002.

Claimant signed the Uniform Submission Agreement: September 25, 2002.

Statement of Answer filed by Respondent on or about: December 10, 2002.

Respondent signed the Uniform Submission Agreement. December 13, 2002.

Motion to Strike Answer filed by Claimant on or about: March 27, 2003.

Response to Motion to Strike Answer filed by Respondent on or about: March 31, 2003.

CASE SUMMARY

Claimant asserted the cause of action of breach of promissory note. The cause of action relates to Respondent's termination and subsequent failure to pay money due pursuant to a promissory note.

In his Statement of Answer, Respondent acknowledged the debt, but stated that he has no ability to satisfy this debt.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$9,983.34 plus interest, costs and attorney's fees.

Respondent requested that the debt be waived in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

In their Statement of Claim, Claimant requested that this matter be resolved pursuant to the simplified industry arbitration provisions of the NASD Code of Arbitration Procedure (the "Code") Rule 10203. Respondent

requested a hearing in this matter. During the hearing on April 1, 2003, the Arbitrator asked that the parties present their respective positions and, thereafter, informed the parties that all matters pertaining to this arbitration would be decided based on the pleadings submitted by the parties.

On April 1, 2003, the Arbitrator denied Claimant's Motion to Strike Answer of Respondent.

AWARD

After considering the pleadings and the record in this matter, the undersigned Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

Respondent is liable for breach of the promissory note and shall pay to Claimant:

- 1) compensatory damages in the amount of \$9,983.34;
- 2) pre-judgment interest accrued through January 31, 2003, in the amount of \$1,653.12;
- 3) attorney's fees in the amount of \$2,820.50 pursuant to Respondent's Registered Representative contract;
- 4) costs in the amount of \$302.95; and,
- 5) reimbursement of Claimant's NASD filing fee in the amount of \$500.00.

Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$500.00

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 person at the time of the events giving rise to the dispute. Accordingly, Claimant is a party to this dispute and was a member of the NASD at the time the following fees were assessed:

Member surcharge = \$325.00

Adjournment Fees

No requests for adjournments were filed in this matter.

Injunctive Relief Fees

No injunctive relief fees were incurred during this proceeding.

NASD

Arbitration No.02-05991

Award Page 3

Forum Fees and Assessments

The Arbitrator has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$250.00 = \$250.00

Pre-hearing conference: April 1, 2003 1 session

Total Forum Fees = \$250.00

The Arbitrator has assessed the total forum fees of \$250.00 to Respondent.

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 = \$ 500.00

Member Fees = \$ 325.00

Total Fees = \$ 825.00

Less payments = \$ 825.00

Balance Due NASD = \$ 0.00

Respondent is solely liable for:

Forum Fees = \$ 250.00

Total Fees = \$ 250.00

Less payments = \$ 0.00

Balance Due NASD = \$ 250.00

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

ARBITRATION PANEL

Robert H. Hagan

- *Non-Public Arbitrator, Presiding Chairperson*

NASD

Arbitration No.02-05991

Award Page 4

Arbitrator's Signature

/s/

Robert H. Hagan

Non-Public Arbitrator, Presiding Chairperson

4/21/03

Signature Date

4/22/03

Date of Service (For NASD use only)

Apr 22 03 11:13a

Apr 22 2003 11:33AM NASD

No. 0465 P. 4

P. 2

PL 2

NASD

Arbitration No. 02-05991

Award Page 4

Arbitrator's Signature



Robert H. Hagan

Non-Public Arbitrator, Presiding Chairperson

4/21/2003
Signature Date

Date of Service (For NASD use only)