
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Tristan Ishtar
Bre-Elle Ishtar

Case Number: 02-07264

Names of the Respondents

Morgan Stanley DW, Inc.
Theodore Vaughan
Steve Schelling
John Slack

Hearing Site: Orlando, Florida

Customers v. Member and Associated Persons

REPRESENTATION OF PARTIES

For Tristan Ishtar and Bre-Elle Ishtar, hereinafter collectively referred to as "Claimants": Tristan Ishtar, Winter Park, Florida.

For Morgan Stanley Dean Witter ("MSDW"), Theodore Vaughan ("Vaughan"), Steve Schelling ("Schelling") and John Slack ("Slack"), hereinafter collectively referred to as "Respondents": Peter W. Homer, Esq. and Laura J. Starr, Esq., Homer & Bonner, P.A., Miami, Florida.

CASE INFORMATION

Claimants signed the Uniform Submission Agreement: December 19, 2002.

Statement of Claim filed on or about: December 20, 2002.

Amended Statement of Claim filed on or about: February 10, 2003.

Statement of Answer filed by Respondents on or about: April 14, 2003.

Respondent MSDW signed the Uniform Submission Agreement: April 28, 2003.

Respondent Vaughan signed the Uniform Submission Agreement: April 25, 2003

Respondent Schelling signed the Uniform Submission Agreement: April 28, 2003.

Respondent Slack signed the Uniform Submission Agreement: September 24, 2003.

CASE SUMMARY

Claimants asserted the following: 1) Respondents made misrepresentations to Claimants; 2) Respondents were negligent in handling Claimants' accounts; 3) Respondents breached their fiduciary duty to Claimants; 4) Respondents omitted information; 5) Respondents made unauthorized trades; and 6) Respondents recommended unsuitable investments. The causes of action relate to investments in mutual fund shares in Morgan Stanley S&P 500 Index Fund B and Van Kampen Sen. Inc. TR, and shares of common stock in Hilton.

Respondents denied all allegations of wrongdoing, and asserted various defenses and affirmative defenses

RELIEF REQUESTED

Claimants requested: 1) compensatory damages in the amount of \$10,659.24; 2) punitive damages in the amount of \$31,977.72; 3) interest; 3) costs; 4) attorney's fees; and 5) such other relief as the undersigned arbitrators (the "Panel") deemed just and proper.

Respondents requested: 1) dismissal of all claims; 2) costs; 3) that Respondents be permitted to seek their attorneys' fees in a court of law; and 4) that all references to the above-captioned proceeding be expunged from the NASD Central Registration Depository ("CRD") records of Respondents Vaughan, Schelling and Slack.

OTHER ISSUES CONSIDERED AND DECIDED

On or about September 8, 2003, the parties filed written notice of settlement with NASD Dispute Resolution. The parties advised that they had reached a settlement of their claims and that the parties would be requesting the Panel to enter a Stipulated Award.

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 parties' agreement to the entry of this Stipulated Award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claims for relief are dismissed with prejudice.
2. The Panel recommends expungement of all references to the above-captioned arbitration proceeding from Respondents Vaughan, Schelling and Slack's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondents Vaughan, Schelling and Slack must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. Any and all claims for relief not specifically addressed herein, including Claimants' request for punitive damages and attorneys' fees, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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 = \$ 175.00

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, Respondent MSDW is a member firm and a party.

Member surcharge = \$ 875.00

Pre-hearing process fee = \$ 750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed.

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.

There were no injunctive relief fees 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 arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

There were no forum fees assessed during these proceedings.

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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 175.00
<u>Total Fees</u>	= \$ 175.00
<u>Less payments</u>	= \$ 175.00
<u>Balance Due NASD</u>	= \$ 0.00

Respondent MSDW is solely liable for:

<u>Member Fees</u>	= \$1,625.00
<u>Total Fees</u>	= \$1,625.00
<u>Less payments</u>	= \$1,625.00
<u>Balance Due NASD</u>	= \$ 0.00

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

Parties' Signatures

_____/s/
Tristan Ishtar, individually and as
Representative for Claimant
Bre-Elle Ishtar

October 17, 2003
Signature Date

_____/s/
Laura J. Starr, Esq.
Counsel for Respondents

October 17, 2003
Signature Date

ARBITRATION PANEL

Paul Sidney Elliott, Esq.

-

Sole Public Arbitrator

Sole Arbitrator's Signature

_____/s/
Paul Sidney Elliott, Esq.
Sole Public Arbitrator

October 19, 2003
Signature Date

October 20, 2003
Date of Service (For NASD use only)

NASD Dispute Resolution
Arbitration No. 02-07264
Stipulated Award Page 4

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Bre-Elle Ishtar

October 17, 2003
Signature Date

/s/
Laura J. Starr, Esq.
Counsel for Respondents

October 17, 2003
Signature Date

ARBITRATION PANEL

Paul Sidney Elliott, Esq.

Sole Public Arbitrator

Sole Arbitrator's Signature

Paul Sidney Elliott
Paul Sidney Elliott, Esq.
Sole Public Arbitrator

10/19/03
Signature Date

Date of Service (For NASD use only)

Oct. 17, 2003 4:47PM

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Oct. 17, 2003 8:24AM

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NASD Dispute Resolution
Arbitration No. 02-07264
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 Bro-Elle Ishtar

10/17/03
 Signature Date

 Laura J. Starr, Esq.
 Counsel for Respondents

 Signature Date

ARBITRATION PANEL

Paul Sidney Elliott, Esq.

Sole Public Arbitrator

Sole Arbitrator's Signature

 Paul Sidney Elliott, Esq.
 Sole Public Arbitrator

 Signature Date

Date of Service (For NASD use only)

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Laura J. Starr, Esq.
Counsel for Respondents

Signature Date

10-17-03
Signature Date

ARBITRATION PANEL

Paul Sidney Elliott, Esq.

Sole Public Arbitrator

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