

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Harold Nanney
Vera Nanney

Case Number: 02-07269

Names of the Respondents

Morgan Stanley DW, Inc.
Robert Smith
Michael Robinson

Hearing Site: Charlotte, NC

Nature of the Dispute: Customers v. Member and Associated Persons.

REPRESENTATION OF PARTIES

Claimants, Harold Nanney and Vera Nanney, hereinafter collectively referred to as "Claimants", were represented by James Richard Hooper, Esq., Hooper & Weiss, LLC, Orlando, Florida.

Respondents, Morgan Stanley DW, Inc. ("Morgan Stanley"), Robert Smith ("Smith") and Michael Robinson ("Robinson"), hereinafter collectively referred to as "Respondents", were represented by Jason M. Fedo, Esq., Greenberg Traurig, P.A., West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on December 2, 2002.

Claimants signed the Uniform Submission Agreement on November 11, 2002.

Preliminary Answer and Affirmative Defenses filed by Respondents on April 21, 2003.

A representative of Respondent Morgan Stanley signed the Uniform Submission Agreement on March 31, 2003.

Respondents Smith and Robinson did not file Uniform Submission Agreements with NASD Dispute Resolution.

CASE SUMMARY

Claimants, in the Statement of Claim, asserted the following causes of action, among others: misrepresentation, over concentration, misrepresentation by the respondents that Claimants' assets were protected and placed into safe and suitable investments, breach of fiduciary duty by positioning Claimants in unsuitable and highly risky stocks, denying Claimants an independent and objective analysis, and failure to supervise their accounts. The causes of action relate to the purchase and sale of various 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 mitigate damages; Claimants' claims are barred by the doctrines of waiver, estoppel and ratification; and,

comparative and/or contributory negligence.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$ 857,362.25
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents requested that the Arbitration Panel (the "Panel") dismiss the Statement of Claim in its entirety and that it award Respondents all costs, fees, expenses and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

On or around March 12, 2004, all claims against Respondent Robinson were voluntarily dismissed with prejudice by Claimants.

Prior to the hearing, the parties fully and finally settled all claims by and between them. Therefore, the parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. That the parties have amicably resolved their differences and have requested this Stipulated Award;
2. That all claims against Respondents Morgan Stanley and Smith are dismissed with prejudice;
3. That the Panel recommends the expungement of all reference to the above-captioned arbitration from Respondents Smith and Robinson's registration records maintained by the CRD with the understanding that, pursuant to NASD Notices to Members 99-09 and 99-54, Respondents Smith and Robinson must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
4. That each party shall bear its own costs and expenses, including attorneys' fees, except as Fees are specifically addressed below; and
5. That any and all relief not specifically addressed herein, including punitive damages, 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 = \$ 375.00

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 Morgan Stanley is a party.

Member surcharge = \$ 2,250.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$ 4,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

June 8-11, 2004, mediation adjournment by all parties waived

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 @ \$ 1,200.00 = \$ 1,200.00

Pre-hearing conference: August 20, 2003 1 session

Total Forum Fees = \$ 1,200.00

1. The Panel has assessed \$ 600.00 of the forum fees jointly and severally to Claimants.
2. The Panel has assessed \$ 600.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimants are jointly and severally assessed and shall pay:

Initial Filing Fee = \$ 375.00

Forum Fees = \$ 600.00

Total Fees = \$ 975.00

Less payments = \$ 1,575.00

Refund owed Claimants = \$ 600.00

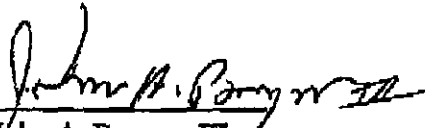
2. Respondent Morgan Stanley is assessed and shall pay:
- | | |
|-------------------------------------|---------------|
| Member Fees | = \$ 7,000.00 |
| Total Fees | = \$ 7,000.00 |
| Less payments | = \$ 7,000.00 |
| Balance Due NASD Dispute Resolution | = \$ 0.00 |
3. Respondents are jointly and severally assessed and shall pay:
- | | |
|-------------------------------------|-------------|
| Forum Fees | = \$ 600.00 |
| Total Fees | = \$ 600.00 |
| Less payments | = \$ 0.00 |
| Balance Due NASD Dispute Resolution | = \$ 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 A. Baynes, III	-	Public Arbitrator, Presiding Chairperson
Charles L. Weill, Jr.	-	Public Arbitrator, Panelist
Glenn A. Clinefelter	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures


John A. Baynes, III
Public Arbitrator, Presiding Chairperson

4/26/05
Signature Date

Charles L. Weill, Jr.
Public Arbitrator, Panelist

Signature Date

Glenn A. Clinefelter
Non-Public Arbitrator, Panelist

Signature Date

April 27, 2005
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

John A. Baynes, III
Public Arbitrator, Presiding Chairperson

Signature Date

Charles L. Weill, Jr.
Charles L. Weill, Jr.
Public Arbitrator, Panelist

April 21, 2005
Signature Date

Glenn A. Clinefelter
Non-Public Arbitrator, Panelist

Signature Date

April 27, 2005
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

John A. Baynes, III
Public Arbitrator, Presiding Chairperson

Signature Date

Charles L. Weill, Jr.
Public Arbitrator, Panelist

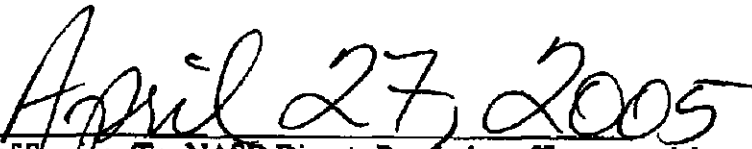
Signature Date



Glenn A. Clinefelter
Non-Public Arbitrator, Panelist

4/22/05

Signature Date



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