

STIPULATED AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Cathy Seitz

and

03-01178
Phoenix, Arizona

Name of Respondents

Morgan Stanley DW Inc.
Jeffrey Bauman

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Cathy Seitz ("**Claimant**") was represented by Dax R. Watson, Esq., Roshka Heyman & DeWulf, PLC, Phoenix, Arizona.

Morgan Stanley DW Inc. ("**Respondent MSDW**") and Jeffrey Bauman ("**Respondent Bauman**") (collectively as "**Respondents**") were represented by Joseph E. Mais, Esq., Brown & Bain, P.A., Phoenix, Arizona.

CASE INFORMATION

The Statement of Claim was filed on or about February 19, 2003. Submission Agreement of Claimant Cathy Seitz was signed on February 12, 2003.

Statement of Answer was filed by Respondents Morgan Stanley DW Inc. and Jeffrey Bauman on or about May 13, 2003. Submission Agreement of Respondent Morgan Stanley DW Inc. was signed on May 8, 2003. Submission Agreement of Respondent Jeffrey Bauman was signed on May 8, 2003.

CASE SUMMARY

Claimant alleged that Respondents engaged in the following conduct: misrepresentations; suitability; negligence; breach of fiduciary duty; and violation of NASD Rules and state and federal securities laws.

Respondents denied the allegations set forth in the Statement of Claim.

RELIEF REQUESTED

Claimant requested an award in the amount of \$72,854.70, interest, costs, attorneys fees, and unspecified punitive damages.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

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 the NASD Dispute Resolution (the "NASD").

AWARD

Pursuant to the Stipulation of the parties, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Pursuant to the settlement reached between the parties, the claims asserted in this matter dismissed with prejudice.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Jeffrey Bauman'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 Jeffrey Bauman must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees, not specifically awarded or otherwise provided for above.

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 = \$225.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm(s) is(are) Morgan Stanley DW Inc.

Member surcharge	\$	1,100.00
Pre-hearing process fee	\$	750.00
Total Member Fees	\$	1,850.00

Fee Summary

Claimant, Cathy Seitz, shall be and hereby is liable for:

Initial Filing Fee	= \$	225.00
<u>Forum Fees</u>	= \$	0.00
Total Fees	= \$	225.00
<u>Less payments</u>	= \$	-225.00
Balance Due NASD Dispute Resolution	= \$	0.00

Respondent, Morgan Stanley DW Inc., shall be and hereby is liable for:

Member Fees	= \$	1,850.00
<u>Forum Fees</u>	= \$	0.00
Total Fees	= \$	1,850.00
<u>Less payments</u>	= \$	-1,850.00
Balance Due NASD Dispute Resolution	= \$	0.00

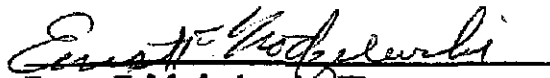
All balances are due to NASD Dispute Resolution

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ARBITRATION PANEL

Ernest F. Modzelewski, JD - Public Arbitrator, Presiding Chair
W. Michael Kelley - Public Arbitrator
Jeffrey Scott Dow - Non-Public Arbitrator

Concurring Arbitrators:


Ernest F. Modzelewski, JD
Public Arbitrator, Presiding Chair


Signature Date

W. Michael Kelley
Public Arbitrator

Signature Date

Jeffrey Scott Dow
Non-Public Arbitrator

Signature Date

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NASD DISPUTE RESOLUTION
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NASD Dispute Resolution, Inc.

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Public Arbitrator

Signature Date


Jeffrey Scott Dow
Non-Public Arbitrator

2/4/04
Signature Date