

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

The Estate of Adam Verrillo (Claimant) v. Morgan Stanley DW, Inc. and Michael DiGeronimo (Respondents)

Case Number: 03-01314

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant The Estate of Adam Verrillo ("Verrillo") hereinafter referred to as "Claimant": Andrew Giles Freda, Esq., Edwards & Caldwell, LLC, Hawthorne, NJ.

Respondents Morgan Stanley DW, Inc. ("MSDW") and Michael DiGeronimo ("DiGeronimo") hereinafter collectively referred to as "Respondents": Ralph DeSena, Esq. and Thomas M. Keane, Esq., Morgan Stanley DW, Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: February 21, 2003.

Claimant signed the Uniform Submission Agreement: January 2, 2003.

Joint Statement of Answer filed by Respondents on or about: June 20, 2003.

Respondent MSDW did not sign the Uniform Submission Agreement.

Respondent DiGeronimo did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: fraudulent and negligent conduct; breach of fiduciary duty; breach of contract; suitability; unauthorized trading; misrepresentation; omission of material facts; violation of federal and state securities laws; violations of NASD and various national securities exchanges rules; and failure to supervise. Claimant's claim involved various common stocks including, but not limited to, Westinghouse and Coca-Cola.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$150,000.00; costs, expenses and disbursements, including attorneys' fees; punitive damages in the amount of \$300,000.00; and other relief as the Arbitration Panel deems just and proper.

Respondents requested that the Panel dismiss the Statement of Claim in its entirety, with prejudice; costs and expenses; and such other and further relief as the Panel deems just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

This case was originally filed by Adam A. Verrillo and Adam A. Verrillo, IRA. On or about January 8, 2004, NASD Dispute Resolution was notified that Claimant Adam Verrillo passed away. During the telephonic initial pre-hearing conference of November 21, 2003, the Panel granted Claimant's counsel's request to substitute the Estate of Adam Verrillo as the Claimant in this case.

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, and 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. Claimant's claims are denied in their entirety.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Michael DiGeronimo'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 DiGeronimo must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
3. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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 firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Morgan Stanley DW, Inc. is a party.

Member surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

May 10-13, 2004, joint adjournment request = \$1,125.00

Claimant's share = \$562.50

Respondents' share = \$562.50

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:

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$1,125.00

Pre-hearing conference: November 21, 2003 1 session

Five (5) Hearing sessions @ \$1,125.00 = \$5,625.00

Hearing Dates: September 21, 2004 2 sessions

September 22, 2004 2 sessions

September 23, 2004 1 session

Total Forum Fees = \$6,750.00

1. The Panel has assessed \$2,250.00 of the forum fees against Claimant.
2. The Panel has assessed \$4,500.00 of the forum fees jointly and severally against Respondents MSDW and DiGeronimo.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Adjournment Fee	= \$ 562.50
<u>Forum Fees</u>	<u>= \$2,250.00</u>
Total Fees	= \$3,112.50
<u>Less payments</u>	<u>= \$1,425.00</u>
Balance Due NASD Dispute Resolution	= \$1,687.50

2. Respondent MSDW is solely liable for:

Member Fees	= \$5,200.00
<u>Forum Fees</u>	<u>= \$2,250.00</u>
Total Fees	= \$7,450.00
<u>Less payments</u>	<u>= \$5,200.00</u>
Balance Due NASD Dispute Resolution	= \$2,250.00

3. Respondents are jointly and severally liable for:

Adjournment Fee	= \$ 562.50
<u>Forum Fees</u>	<u>= \$4,500.00</u>
Total Fees	= \$5,062.50
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$5,062.50

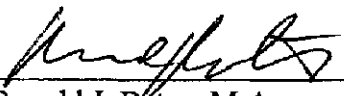
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Ronald J. Betso, M.A.	-	Public Arbitrator, Presiding Chairperson
Bennett A. Hall	-	Public Arbitrator
Joseph F. Generelli, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument is which is my award.



Ronald J. Betso, M.A.
Public Arbitrator, Presiding Chairperson

9/29/04

Signature Date

Bennett A. Hall
Public Arbitrator

Signature Date

Joseph F. Generelli, Esq.
Non-Public Arbitrator

Signature Date

October 7, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

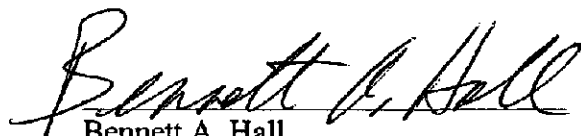
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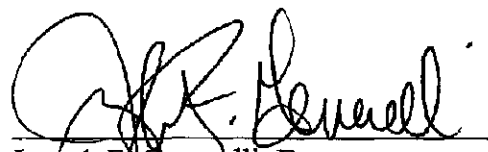
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Signature Date

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Joseph F. Generelli, Esq.
Non-Public Arbitrator

9/29/04

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