

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants
Joseph Richards, III
Joseph Richards, III, IRA

Case Number: 03-02462

Names of the Respondents
Morgan Stanley DW, Inc.
Walter Andrew Romans, Jr.

Hearing Site: Washington, D.C.

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

REPRESENTATION OF PARTIES

Claimants, Joseph Richards, III and Joseph Richards, III, IRA, hereinafter collectively referred to as "Claimants", were represented by W. Scott Greco, Esq., Greco & Greco, P.C., McLean, Virginia.

Respondents, Morgan Stanley DW, Inc. ("Morgan Stanley"), and Walter Andrew Romans, Jr. ("Romans"), hereinafter collectively referred to as "Respondents", were represented by William D. Briendel, Esq., Greenberg Traurig, LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on April 3, 2003.

Claimants signed the Uniform Submission Agreement on April 2, 2003.

Statement of Answer filed by Respondents on May 30, 2003.

A representative of Respondent Morgan Stanley signed the Uniform Submission Agreement on May 29, 2003.

Respondent Romans signed the Uniform Submission Agreement on May 29, 2003.

CASE SUMMARY

In their Statement of Claim, Claimants asserted the following causes of action, among others: violation of section 10(b) of the Securities Exchange Act of 1934, fraud, breach of contract, negligence, failure to supervise, suitability, churning, and breach of fiduciary duty. The causes of action relate to the purchase and sale of various securities.

Unless specifically admitted in their Statement of Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: failure to state a claim upon which relief may be granted, authorization, ratification, waiver, estoppel, assumption of the risk, contributory negligence, and failure to mitigate damages.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$ 1,987,143.00
Punitive Damages	\$ 5,000,000.00
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents requested that the Statement of Claim be dismissed in its entirety, that they be awarded costs, and that the Arbitration Panel (the "Panel") order the expungement of all reference to this matter from Respondent Roman's Central Registration Depository ("CRD") record.

OTHER ISSUES CONSIDERED AND DECIDED

The parties 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, 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. Claimants' claims are denied in their entirety;
2. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
3. 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 = \$ 600.00

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	= \$ 3,350.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 5,500.00

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 a single arbitrator @ \$ 450.00	= \$ 450.00
Pre-hearing conference: February 9, 2004	1 session

One (1) Pre-hearing session with Panel @ \$ 1,200.00	= \$ 1,200.00
Pre-hearing conference: December 16, 2003	1 session

Eight (8) Hearing sessions @ \$ 1,200.00	= \$ 9,600.00
Hearing Dates: October 4, 2004	2 sessions
October 5, 2004	2 sessions
October 6, 2004	2 sessions
October 7, 2004	2 sessions

Total Forum Fees	= \$ 11,250.00
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1. The Panel has assessed \$ 5,625.00 of the forum fees jointly and severally to Claimants.
2. The Panel has assessed \$ 5,625.00 of the forum fees jointly and severally to Respondents.

Fee Summary

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

Initial Filing Fee	= \$ 600.00
Forum Fees	= \$ 5,625.00
Total Fees	= \$ 6,225.00
Less payments	= \$ 1,800.00
Balance Due NASD Dispute Resolution	= \$ 4,425.00

2. Respondent Morgan Stanley is assessed and shall pay:

Member Fees	= \$ 9,600.00
Total Fees	= \$ 9,600.00
Less payments	= \$ 9,600.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally assessed and shall pay:

Forum Fees	= \$ 5,625.00
Total Fees	= \$ 5,625.00
Less Payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 5,625.00

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

ARBITRATION PANEL

Richard E. Lauziere, CPA
James W. Geiger
David H. Davis

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator, Panelist
- Non-Public Arbitrator, Panelist

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Concurring Arbitrators' Signatures

Richard E. Karpis

Richard E. Lauziere, CPA

Public Arbitrator, Presiding Chairperson

10/15/04

Signature Date

James W. Geiger

Public Arbitrator, Panelist

Signature Date

David H. Davis

Non-Public Arbitrator, Panelist

Signature Date

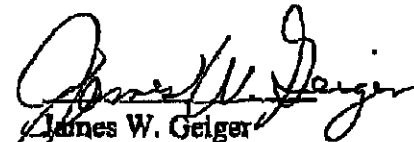
October 18, 2004

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

Concurring Arbitrators' Signatures

Richard B. Lauziere, CPA
Public Arbitrator, Presiding Chairperson

Signature Date


James W. Gelger
Public Arbitrator, Panelist

10/18/04
Signature Date

David H. Davis
Non-Public Arbitrator, Panelist

Signature Date

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Signature Date

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Public Arbitrator, Panelist

Signature Date

David H. Davis
David H. Davis
Non-Public Arbitrator, Panelist

10-14-04
Signature Date

October 18, 2004
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