

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

William C. Marrinan, Claimant v. Morgan Stanley DW Inc., Tom Dixon, Susan Dixon, John R. McLaughlin, and Leonard Kreutner, Respondents

Case Number: 03-03392

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimant:

Jeff Dennis Ferentz, Esq.
Jeff Dennis Ferentz, Inc., A Professional Law Corporation
Newport Beach, California

For Respondents:

Kevin K. Fitzgerald, Esq.
Jones, Bell, Abbott, Fleming & Fitzgerald L.L.P.
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: May 6, 2003

Claimant's Uniform Submission Agreement signed: April 28, 2003

Respondents' Joint Statement of Answer and Motion to Dismiss Leonard Kreutner, Susan Dixon, and John R. McLaughlin filed: July 15, 2003

Respondent Morgan Stanley DW Inc.'s Uniform Submission Agreement signed: July 7, 2003

Respondent Tom Dixon's Uniform Submission Agreement signed: June 30, 2003

Respondent Susan Dixon's Uniform Submission Agreement signed: June 27, 2003

Respondent John R. McLaughlin's Uniform Submission Agreement signed: June 30, 2003

Respondent Leonard Kreutner's Uniform Submission Agreement signed: June 30, 2003

CASE SUMMARY

Claimant alleged breach of fiduciary duty, negligence, omission of facts, misrepresentations, fraud, unsuitability, violations of federal and state laws as well as NASD and NYSE rules, and failure to supervise. Claimant's allegations concerned unspecified securities.

Respondents denied the allegations of wrongdoing set forth in Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested \$212,000.00 in compensatory damages, disgorgement of commissions, opportunity costs, and costs of suit, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, expungement of this claim from the NASD Central Registration Depository ("CRD") records of Tom Dixon, Susan Dixon, John R. McLaughlin, and Leonard Kreutner, and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

On July 15, 2003, Respondents filed a Motion to Dismiss Susan Dixon, John R. McLaughlin, and Leonard Kreutner from the action. On October 14, 2003, the Panel denied the Motion to Dismiss.

On May 24, 2003, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

The parties have entered into a confidential settlement agreement pursuant to which Claimant has agreed to dismiss with prejudice his claims against Respondents and the parties have agreed to jointly request that an Award be issued expunging the references to this proceeding from the CRD records of Respondents Tom Dixon, Susan Dixon, John R. McLaughlin and Leonard Kreutner.

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

1. Claimant and Respondents have entered into a confidential settlement agreement.
2. Claimant's claims are dismissed with prejudice in their entirety.
3. Respondent Morgan Stanley DW Inc. is liable to and shall pay Claimant \$562.50 as reimbursement for the hearing session deposit retained by the NASD pursuant to Rule 10332(f).
4. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Tom Dixon's registration records maintained by CRD, with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Tom Dixon must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
5. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Susan Dixon's registration records maintained by CRD, with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Susan Dixon must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
6. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent John R. McLaughlin's registration records maintained by CRD, with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent John R. McLaughlin must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
7. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Leonard Kreutner's registration records maintained by CRD, with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Leonard Kreutner must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
8. Except as noted above, the parties shall bear their respective costs.
9. All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial Claim Filing Fee	= \$ 300.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Morgan Stanley DW Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 2,750.00</u>
Total Member Fees	= \$ 5,200.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference conducted. A pre-hearing conference is any meeting between the parties and the Chair or the parties and the Panel. The following fees are assessed:

1 Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$ 1,125.00
Pre-hearing conference: October 14, 2003 1 session	

Total Forum Fees	= \$ 1,125.00
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1. The Panel assessed \$ 562.50 of the forum fees to Claimant William C. Marrinan.
2. The Panel assessed \$ 562.50 of the forum fees jointly and severally to Respondents Morgan Stanley DW Inc., Tom Dixon, Susan Dixon, John R. McLaughlin, and Leonard Kreutner.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Hearing Session Deposit Retained Pursuant to Rule 10332(f)	= \$ 562.50
Less payments	= \$(1,425.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent Morgan Stanley DW Inc. is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
Less payments	= \$(5,200.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Morgan Stanley DW Inc., Tom Dixon, Susan Dixon, John R. McLaughlin, and Leonard Kreutner are charged jointly and severally with the following fees and costs:

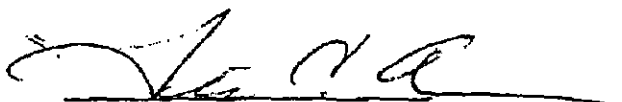
Forum Fees	= \$ 562.50
Less payments	= \$(0.00)
Balance Due NASD Dispute Resolution	= \$ 562.50

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

ARBITRATION PANEL

Lisa C. Anderson, Esq.	-	Public Arbitrator, Presiding Chair
Robert E. Lawson, Sr., CPA	-	Public Arbitrator
Dean Schneider	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Lisa C. Anderson, Esq.
Chair, Public Arbitrator

11-4-04
Signature Date

Robert E. Lawson, Sr., CPA
Public Arbitrator

Signature Date

Dean Schneider
Non-Public Arbitrator

Signature Date

11/8/04
Date of Service

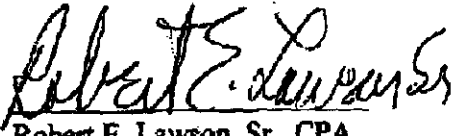
ARBITRATION PANEL

Lisa C. Anderson, Esq.	-	Public Arbitrator, Presiding Chair
Robert E. Lawson, Sr., CPA	-	Public Arbitrator
Dean Schneider	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Lisa C. Anderson, Esq.
Chair, Public Arbitrator

Signature Date



Robert E. Lawson, Sr., CPA
Public Arbitrator

11/5/04
Signature Date

Dean Schneider
Non-Public Arbitrator

Signature Date

11/8/04
Date of Service

NASD Dispute Resolution

Arbitration No. 03-03393

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ARBITRATION PANEL

Lisa C. Anderson, Esq.
Robert E. Lawson, Sr., CPA
Dean Schneider

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Consent to Arbitration

Lisa C. Anderson, Esq.
Chair, Public Arbitrator

Signature Date

Robert E. Lawson, Sr., CPA
Public Arbitrator

Signature Date


Dean Schneider
Non-Public Arbitrator


Signature Date

11/8/04
Date of Service

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

William C. Marrinan v. Morgan Stanley Dean Witter, Inc., Tom Dixon, Susan Dixon, John McLaughlin, and Leonard Kreutner,

Case Number: 03-03392

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant:

Jeff Dennis Ferentz
Jeff Dennis Ferentz, Inc., A Professional Law Corporation,
620 Newport, Center Drive, Suite 1100, Newport Beach
California 92660

For Respondents:

Kevin K. Fitzgerald
Jones, Bell, Abbott, Fleming & Fitzgerald L.L.P.,
601 South Figueroa Street, Twenty-Seventh Floor
Los Angeles, California 90017-5759

CASE INFORMATION

Statement of Claim filed: April 30, 2003

Respondent's Statement of Answer filed: July 15, 2003

Claimant William Marrinan's Uniform Submission Agreement signed: April 28, 2003

Respondent Morgan Stanley DW Inc.'s Uniform Submission Agreement signed: July 7, 2003

Respondent Tom Dixon's Uniform Submission Agreement signed: June 30, 2003

Respondent Susan Dixon's Uniform Submission Agreement signed: June 27, 2003

Respondent John McLaughlin's Uniform Submission Agreement signed: June 30, 2003

Respondent Leonard Kreutner's Uniform Submission Agreement signed: June 30, 2003

CASE SUMMARY

Claimant asserted fraud and breach of fiduciary duty against Respondents for alleged suitable investments.

Respondents denied all allegations of wrongdoing and alleged, among other things, that Claimant's investments were suitable given his investment objectives and overall financial situation, and that Respondents did not misrepresent any of Claimant's investments.

RELIEF REQUESTED

Claimant requested an award of compensatory damages of at least \$212,000.

Respondents requested dismissal of all of Claimant's claims, costs and expenses.

OTHER ISSUES CONSIDERED AND DECIDED

The parties to the Arbitration have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

The parties have entered into a confidential settlement agreement pursuant to which Claimant has agreed to dismiss with prejudice his claims against Respondents and the parties have agreed to jointly request that an Award be issued expunging the references to this proceeding from the NASD Central Registration Depository ("CRD") records of Respondents Tom Dixon, Susan Dixon, John McLaughlin and Leonard Kreutner.

AWARD

After considering the Stipulation of the parties, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1.) The Panel accepts the dismissal of each and every one of Claimant's claims asserted against Respondents with prejudice;
- 2.) All other relief not expressly granted is hereby denied; and
- 3.) The Panel recommends the expungement of all reference to the above captioned Arbitration from Respondent Tom Dixon's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that Respondent Tom Dixon must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 4.) The Panel recommends the expungement of all reference to the above captioned Arbitration from Respondent Susan Dixon's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that Respondent Susan Dixon must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 5.) The Panel recommends the expungement of all reference to the above captioned Arbitration from Respondent John McLaughlin's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that Respondent John McLaughlin must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

- 6.) The Panel recommends the expungement of all reference to the above captioned Arbitration from Respondent Leonard Kreutner's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that Respondent Leonard Kreutner must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES


The parties will bear any fees that have been or will be assessed against them in this proceeding by the NASD Dispute Resolution, Inc; except for the following: Respondent Morgan Stanley DW Inc. will pay any up to, but not exceeding, \$1450 for any additional NASD Dispute Resolution fees assessed against Claimant William C. Marrinan.

STIPULATED AND AGREED:


William C. Marrinan

Dated: June 8th 2004

MORGAN STANLEY DW INC.


Mauricio S. Beugelmans
Vice President & Senior Attorney

Dated: 6/16/04

Susan Dixon

Dated: _____

Tom Dixon

Dated: _____

John McLaughlin

Dated: _____

Leonard Kreutner

Dated: _____

- 6.) The Panel recommends the expungement of all reference to the above captioned Arbitration from Respondent Leonard Kreutner's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that Respondent Leonard Kreutner must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEEs

The parties will bear any fees that have been or will be assessed against them in this proceeding by the NASD Dispute Resolution, Inc; except for the following: Respondent Morgan Stanley DW Inc. will pay any up to, but not exceeding, \$1450 for any additional NASD Dispute Resolution fees assessed against Claimant William C. Marrinan.

STIPULATED AND AGREED:

William C. Marrinan
William C. Marrinan

Dated: June 8th 2004

MORGAN STANLEY DW INC.

Mauricio S. Beugelmans
Vice President & Senior Attorney

Dated: _____

Susan Dixon
Susan Dixon

Dated: July 6, 2004

Tom Dixon
Tom Dixon

Dated: 7-6-04

John McLaughlin
John McLaughlin

Dated: _____

Leonard Kreutner
Leonard Kreutner

Dated: _____

- 6.) The Panel recommends the expungement of all reference to the above captioned Arbitration from Respondent Leonard Kreutner's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that Respondent Leonard Kreutner must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEEs

The parties will bear any fees that have been or will be assessed against them in this proceeding by the NASD Dispute Resolution, Inc; except for the following: Respondent Morgan Stanley DW Inc. will pay any up to, but not exceeding, \$1450 for any additional NASD Dispute Resolution fees assessed against Claimant William C. Marrinan.

STIPULATED AND AGREED:


William C. Marrinan

Dated: June 8th 2004

MORGAN STANLEY DW INC.

Mauricio S. Beugelmans
Vice President & Senior Attorney

Dated: _____

Susan Dixon

Dated: _____

Tom Dixon

Dated: _____


John McLaughlin

Dated: 6/17/04

Leonard Kreutner

Dated: _____

- 6.) The Panel recommends the expungement of all reference to the above captioned Arbitration from Respondent Leonard Kreutner's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that Respondent Leonard Kreutner must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

The parties will bear any fees that have been or will be assessed against them in this proceeding by the NASD Dispute Resolution, Inc; except for the following: Respondent Morgan Stanley DW Inc. will pay any up to, but not exceeding, \$1450 for any additional NASD Dispute Resolution fees assessed against Claimant William C. Marrinan.

STIPULATED AND AGREED:

William C. Marrinan

Dated: _____

MORGAN STANLEY DW INC.

Mauricio S. Beugelmans
Vice President & Senior Attorney

Dated: _____

Susan Dixon

Dated: _____

Tom Dixon

Dated: _____

John McLaughlin

Dated: _____



Leonard Kreutner

Dated: 6-28-04

ARBITRATION PANEL

Lisa C. Anderson, Esq.

Dean Schneider

Robert E. Lawson, Sr., CPA

Public Arbitrator, Chairperson

Industry Arbitrator

Public Arbitrator

Concurring Arbitrators' Signatures

Lisa C. Anderson, Esq.

Public Arbitrator, Chairperson

Dated: _____

Dean Schneider

Industry Arbitrator, Panelist

Dated: _____

Robert E. Lawson, Sr., CPA

Industry Arbitrator, Panelist

Dated: _____

Date of Service

ARBITRATION PANEL

Lisa C. Anderson, Esq.
Dean Schneider
Robert E. Lawson, Sr., CPA

Public Arbitrator, Chairperson
Industry Arbitrator
Public Arbitrator

Concurring Arbitrators' Signatures



Lisa C. Anderson, Esq.
Public Arbitrator, Chairperson

Dated: 11-4-04

Dean Schneider
Industry Arbitrator, Panelist

Dated: _____

Robert E. Lawson, Sr., CPA
Industry Arbitrator, Panelist

Dated: _____

Date of Service

ARBITRATION PANEL

Lisa C. Anderson, Esq.

Dean Schneider

Robert E. Lawson, Sr., CPA

Public Arbitrator, Chairperson

Industry Arbitrator

Public Arbitrator

Concurring Arbitrators' Signatures

Lisa C. Anderson, Esq.

Public Arbitrator, Chairperson

Dated: _____

Dean Schneider

Industry Arbitrator, Panelist

Dated: 11-4-04

Robert E. Lawson, Sr., CPA

Industry Arbitrator, Panelist

Dated: _____

Date of Service