

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

William Dale Nelson Trust U/A DTD 6/22/92, Claimant v. Morgan Stanley DW Inc. and
Rodney Halvorson, Respondents

Case Number: 03-05056

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimant:

Roger J. Buffington, Esq.
Buffington & Bowling, LLP
Irvine, California

For Respondents:

Jonathan Robbins, Esq.
Morgan Stanley DW Inc.
San Francisco, California

CASE INFORMATION

Statement of Claim filed: July 24, 2003

Claimant's Uniform Submission Agreement signed: July 22, 2003

Joint Statement of Answer filed by Respondents: November 21, 2003

Respondent Morgan Stanley DW Inc.'s Uniform Submission Agreement signed:
November 19, 2003

Respondent Rodney Halvorson's Uniform Submission Agreement signed: December 1, 2003

CASE SUMMARY

Claimant alleged negligence, breach of contract, breach of fiduciary duty, and constructive fraud. Claimant's claims involved a Van Kampen Technical Fund as well as Stock Participation Accreting Redemption Quarterly-pay Securities with underlying stock in Juniper Networks, Sun Microsystems, Cisco Systems, and Oracle, Inc.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$53,978.00 in compensatory damages, unspecified punitive damages, disgorgement of all fees and commissions on the securities at issue, and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On July 9, 2003, Claimant filed an initial Statement of Claim that NASD did not serve due to a deficiency. Claimant filed a corrected Statement of Claim with NASD on July 24, 2003, which was then served on the named Respondents.

On September 22, 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 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, testimony, and evidence presented at the hearing, the Panel 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 parties shall bear their respective costs, including attorney's fees.
- 3) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Rodney Halvorson's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Rodney Halvorson must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

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	= \$ 225.00
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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	= \$ 1,100.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 1,700.00</u>
Total Member Fees	= \$ 3,550.00

Forum Fees and Assessments

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

2 Pre-hearing conference sessions with the Panel @ \$750.00/session	= \$ 1,500.00
Pre-hearing conferences:	
February 18, 2004	1 session
July 14, 2004	1 session
5 Hearing sessions @ \$750.00/session	= \$ 3,750.00
Hearings:	
August 3, 2004	2 sessions
August 4, 2004	2 sessions
August 5, 2004	1 session

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

Fee Summary

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

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 2,625.00
Total Fees	= \$ 2,850.00
<u>Less payments</u>	= \$(975.00)
Balance Due NASD Dispute Resolution	= \$ 1,875.00

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

Member Fees	= \$ 3,550.00
<u>Less payments</u>	= \$(3,550.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are charged jointly and severally with the following fees and costs:

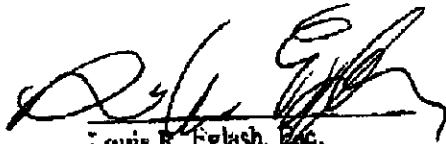
Forum Fees	= \$ 2,625.00
<u>Less payments by Respondent Morgan Stanley DW Inc.</u>	= \$(1,050.00)
Balance Due NASD Dispute Resolution	= \$ 1,575.00

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

Louis R. Eglash, Esq.	Public Arbitrator, Presiding Chair
Herbert Murex	Public Arbitrator
John Alen DeRosa	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Louis R. Eglash, Esq.
Chair, Public Arbitrator

8-6-04
Signature Date

Herbert Murex
Public Arbitrator

Signature Date

John Alen DeRosa
Non-Public Arbitrator

Signature Date

8/6/04
Date of Service

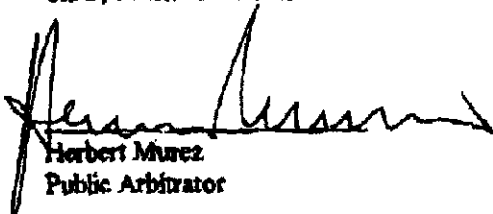
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