

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Patricia Morrow and Patricia Morrow as Trustee for the Morrow Family Trust dtd 9/27/1988,
Claimants v. Morgan Stanley DW Inc., Robert F. Pondt, Jr., and Gary A. Hamm, Respondents

Case Number: 03-05880

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimants:

Michael Huberman, Esq.
Huberman & Associates
La Quinta, California

For Respondents:

Michael A. Thurman, Esq.
Stradling Yocca Carlson & Rauth
Pasadena, California

CASE INFORMATION

Statement of Claim filed: August 10, 2003

Claimants' Joint Uniform Submission Agreement signed: Not Dated

Joint Statement of Answer filed by Respondents: November 6, 2003

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

Respondent Robert F. Pondt, Jr.'s Uniform Submission Agreement signed: September 15, 2003

Respondent Gary A. Hamm's Uniform Submission Agreement signed: December 21, 2004

CASE SUMMARY

Claimants alleged breach of fiduciary duty, negligence, failure to supervise and control, excessive trading, violation of Federal and State Securities Laws, NASD Rules of Fair Practice, and NYSE Rules. Claimants' allegation involved transactions in shares of various stocks, mutual funds, and bonds, including but not limited to Chevron, Exxon, General Electric, Cigna Insurance, Walt Disney, AT&T, Southern Bell, MFS Emerging Growth, Pimco Renaissance Fund Class B, and Morgan Stanley Dean Witter High Yield Class B.

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

RELIEF REQUESTED

Claimants requested \$499,000.00 in compensatory damages, unspecified punitive damages, unspecified interest, and costs, including attorney's fees.

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

OTHER ISSUES CONSIDERED AND DECIDED

On November 4, 2003, Claimants and Claimants' 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.

On September 15, 2003, Respondent Robert F. Pondt, Jr. 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 waivers of the Claimants 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.

By letter dated November 5, 2004, Claimants dismissed with prejudice Respondent Gary A. Hamm, stating that Claimants do not feel that any involvement Mr. Hamm might have or should have had with the Claimants' accounts caused the losses suffered.

By letter dated November 17, 2004, Claimants advised NASD Dispute Resolution of settlement with Respondents Morgan Stanley DW Inc. and Robert F. Pondt, Jr.

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. Claimants and Respondents have settled Claimants' claims in their entirety.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Gary A. Hamm'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 Gary A. Hamm must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. The Parties shall bear their respective costs, including attorney's fees.
4. All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code of Arbitration Procedure ("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
Hearing Process Fee	= \$ 2,750.00
Total Member Fees	= \$ 5,200.00

Fee Summary

1. Claimants are charged jointly and severally charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Less payments	= \$(1,425.00)
Refund due Claimants	= \$(1,125.00)

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

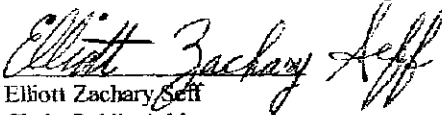
All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

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ARBITRATION PANEL

Elliott Zachary Seff	-	Public Arbitrator, Presiding Chair
G. Timothy Haight, DBA	-	Public Arbitrator
Donald G. Gloisten, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Elliott Zachary Seff
Chair, Public Arbitrator

January 10, 2005
Signature Date

G. Timothy Haight, DBA
Public Arbitrator

Signature Date

Donald G. Gloisten, Esq.
Non-Public Arbitrator

Signature Date

1/12/05
Date of Service

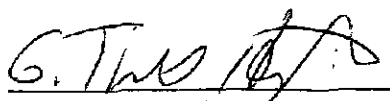
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G. Timothy Haight, DBA	-	Public Arbitrator
Donald G. Gloisten, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Elliott Zachary Seff
Chair, Public Arbitrator

Signature Date


G. Timothy Haight, DBA
Public Arbitrator

12/26/04
Signature Date

Donald G. Gloisten, Esq.
Non-Public Arbitrator

Signature Date

1/12/05
Date of Service

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G. Timothy Haight, DBA	-	Public Arbitrator
Donald G. Gloisten, Esq.	-	Non-Public Arbitrator

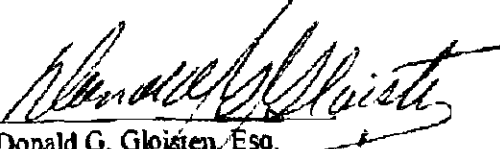
Concurring Arbitrators' Signatures

Elliott Zachary Seff
Chair, Public Arbitrator

Signature Date

G. Timothy Haight, DBA
Public Arbitrator

Signature Date



Donald G. Gloisten, Esq.
Non-Public Arbitrator

1/12/2005

Signature Date

1/12/05

Date of Service