

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
C. Dean Wolfe

Case Number: 04-00022

Name of the Respondents
Morgan Stanley & Co., Incorporated and
Alan Glazner

Hearing Site: Dallas, Texas

NATURE OF THE DISPUTE

Public Customer v. Member Firm and Associated Person

REPRESENTATION OF PARTIES

Claimant C. Dean Wolfe, hereinafter referred to as "Claimant": N. Henry Simpson, III, Esq. of the firm of Simpson, Woolley & McConachie, LLP, located in Dallas, Texas.

Respondents Morgan Stanley & Co., Incorporated ("Morgan Stanley") and Alan Glazner ("Glazner"), hereinafter collectively referred to as "Respondents": Michael J. Stanley, Esq. of the firm of Stanley Phillips, L.L.P., located in Houston, Texas.

CASE INFORMATION

Statement of Claim filed: January 2, 2004.

Claimant signed the Uniform Submission Agreement: December 23, 2003.

Joint Statement of Answer filed by Respondents on: March 25, 2004.

Respondents did not file executed Uniform Submission Agreements.

CASE SUMMARY

Claimant asserted the following causes of action: negligence/gross negligence/breach of industry standards; breach of contract; breach of duty, fiduciary and otherwise; *respondeat superior*; and negligent supervision, or alternatively, complete and total failure by Morgan Stanley to supervise Glazner. These causes of action related to Glazner's recommendation and subsequent increase in Claimant's stock allocation and risk profile with the purchase of technology stocks and the elimination of his bond position.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses:

1. Claimant's claims are barred in whole or in part by the doctrine of comparative responsibility;
2. Claimant is estopped from complaining about the transactions at issue;
3. Claimant, by his conduct, has waived any claims he might have had against Respondents which may be alleged in the Statement of Claim;
4. Claimant, acting with full knowledge and notice of the facts, ratified, approved, accepted, acquiesced, and confirmed in all respects the acts complained of in the Statement of Claim;
5. The Claimant's causes of action are barred by the applicable state or federal statutes of limitations;
6. Respondents are not liable to Claimant in any amount because, at all relevant times, they acted properly, in good faith and in a commercially reasonable manner with respect to Claimant's accounts;
7. Claimant assumed the risks of the investments that he made and through his decisions regarding when to purchase and whether to hold such securities;
8. All transactions upon which Claimant bases his alleged claims were conducted in accordance with all applicable Exchange rules and regulations; and
9. Claimant has failed to mitigate his damages, if any.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$211,459.00
Punitive Damages	\$211,459.00 or a multiple of the actual damages awarded
Interest	Both pre-judgment and post-judgment interest at the maximum rate allowed by law
Attorneys' Fees	Unspecified
Other Monetary/Non-Monetary Relief if any:	Any and all appropriate relief at law or equity, to which the Panel finds he is entitled.

Respondents requested that: (1) Claimants take nothing by way of this arbitration and that their claims be dismissed with prejudice; and (2) that the Panel award Respondents any further relief to which Respondents may show themselves entitled.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Morgan Stanley & Co., Incorporated and Alan Glazner did not file a properly executed submission to arbitration with NASD Dispute Resolution, but are required to submit to arbitration pursuant to the Code and, having answered the claim, appeared and testified at the hearing, are bound by the determination of the Arbitrator Panel on all issues submitted.

At hearing, Respondent Glazer requested expungement of this arbitration from his registration

records maintained by the NASD Central Registration Depository ("CRD"),

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. The claims asserted by Claimant C. Dean Wolfe against Respondents Morgan Stanley & Co., Incorporated and Alan Glazner are dismissed and denied in their entirety;
2. The parties shall bear their own costs of arbitration, including any attorneys' fees, except for those sums specifically enumerated in this decision;
3. Respondent Alan Glazner's request for expungement is denied; and,
4. 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
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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 & Co., Incorporated is a party and the following member fees are assessed:

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:

February 22-24, 2005 adjournment by Claimant (Waived by the Panel)	= \$ 1,125.00
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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 Panel @ \$1,125.00	= \$ 1,125.00
Pre-hearing conference: August 3, 2004 1 session	
Six (6) Hearing sessions @ \$1,125.00	= \$ 6,750.00
Hearing Dates: April 26, 2005 2 sessions	
April 27, 2005 2 sessions	
April 28, 2005 2 sessions	
Total Forum Fees	= \$ 7,875.00

The Panel has assessed \$3,937.50 of the forum fees to Claimant C. Dean Wolfe and has assessed the remaining \$3,937.50 of the forum fees, jointly and severally, to Respondents Morgan Stanley & Co., Incorporated and Alan Glazner.

FEE SUMMARY

Claimant C. Dean Wolfe is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 3,937.50
Total Fees	= \$ 4,237.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 2,812.50

Respondent Morgan Stanley & Co., Incorporated is solely liable for:

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

Respondents Morgan Stanley & Co., Incorporated and Alan Glazner are jointly and severally liable for:

Forum Fees	= \$ 3,397.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 3,397.50

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

ARBITRATION PANEL

Alice A. Waters, Esq. - Public Arbitrator, Presiding Chairperson
William M. Lamoreaux - Public Arbitrator
Jack R. Settles - Non-Public Arbitrator

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Concurring Arbitrators' Signatures

Alice A. Waters
Alice A. Waters, Esq.
Public Arbitrator, Presiding Chairperson

5-24-05
Signature Date

William M. Lamoreaux
William M. Lamoreaux
Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

I disagree with the decision and would find against the broker in this case.

Jack R. Settles
Jack R. Settles
Non-Public Arbitrator

Signature Date

5/25/05 JRM
Date of Service (For NASD Dispute Resolution office use only)

05/11/2005 13:48 FAX


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Concurring Arbitrators' Signatures

Alice A. Waters, Esq.
Public Arbitrator, Presiding Chairperson



Signature Date

5/11/05

William M. Lamoreaux
Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

I disagree with the decision and would find against the broker in this case.

Jack R. Settles
Non-Public Arbitrator

Signature Date

5/25/05 

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

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Concurring Arbitrators' Signatures

Alice A. Waters, Esq.
Public Arbitrator, Presiding Chairperson

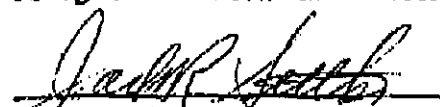
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