

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Gary T. King

Case Number: 04-00158

Name of the Respondents

Morgan Stanley DW Inc.

David Ayres

Hearing Site: Philadelphia, Pennsylvania

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

REPRESENTATION OF PARTIES

Claimant, Gary T. King, hereinafter collectively referred to as "Claimant", was represented by Christopher B. Jones, Esq., Law Offices of Christopher B. Jones, P.C., Scranton, Pennsylvania.

Respondents Morgan Stanley DW Inc. ("Morgan Stanley") and David Ayres ("Ayres"), hereinafter collectively referred to as "Respondents", were represented by Alexander D. Bono, Esq., Blank Rome LLP, Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on January 9, 2004.

Claimant signed the Uniform Submission Agreement on January 7, 2004.

Statement of Answer filed by Respondents on March 3, 2004.

A representative of Respondent Morgan Stanley signed the Uniform Submission Agreement on March 24, 2004.

Respondent Ayres signed the Uniform Submission Agreement on March 25, 2004.

CASE SUMMARY

Claimant asserted the following causes of action in his Statement of Claim, among others: unsuitability, fraud, misrepresentation, excessive trading, failure to supervise, and violations of the Pennsylvania Securities Act, and violations of the Pennsylvania Unfair Trade Practices and Consumer Protection Law. The causes of action relate to the purchase and sale of various unspecified stocks.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant's claims are barred by the doctrines of waiver, ratification and failure to mitigate damages; Claimant's claims are barred by the doctrines of laches and estoppel; failure to state a claim upon which relief may be granted; authorization; contributory and/or comparative negligence; Claimant's claims are barred by the Economic Loss doctrine and the Gist of Action doctrine; and Claimant's claims are barred by the applicable statutes of limitations.

RELIEF REQUESTED

Claimant requested the following damages:

Compensatory Damages	\$ 100,000.00
Punitive Damages	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents requested that the claims be dismissed in their entirety, that costs are assessed against Claimant, and that Mr. Ayres' record maintained at the Central Registration Depository ("CRD") be expunged concerning this claim.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the hearing, the parties fully and finally settled all claims by and between them. Therefore, the parties submit this Stipulated Award to the Arbitration Panel (the "Panel") for its consideration and request that it be entered.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The listed parties have amenable resolved their differences and have requested this Stipulated Award;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Ayres' 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 Ayres 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 attorneys' fees, except as Fees are specifically addressed below; and,
4. 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 = \$ 225.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Respondent Morgan Stanley is a party.

Member surcharge = \$ 1,100.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$ 1,700.00

Total Member Fees = \$ 3,550.00

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 = \$ 450.00

Pre-hearing conference: July 29, 2004 1 session

One (1) Pre-hearing session with Panel @ \$ 750 = \$ 750.00

Pre-hearing conference: June 16, 2004 1 session

Total Forum Fees = \$ 1,200.00

1. The Panel has assessed \$ 600.00 of the forum fees to Claimant.

2. The Panel has assessed \$ 600.00 of the forum fees to Respondent Morgan Stanley.

EEE SUMMARY

1. Claimant is assessed and shall pay:

Initial Filing Fee = \$ 225.00

Forum Fees = \$ 600.00

Retained Hearing Session Deposit = \$ 150.00

Total Fees = \$ 975.00

Less payments = \$ 1,435.00

Refund owed to Claimant = \$ 460.00

2. Respondent, Morgan Stanley, is assessed and shall pay:

Member Fees = \$ 3,550.00

Forum Fees = \$ 600.00

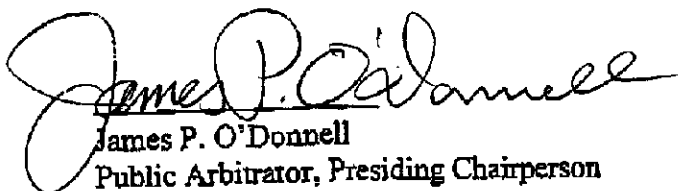
Total Fees	= \$ 4,150.00
Less payments	= \$ 5,400.00
Refund owed to Respondent Morgan Stanley	= \$ 1,250.00

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

ARBITRATION PANEL

James P. O'Donnell	-	Public Arbitrator, Presiding Chairperson
James W. Geiger	-	Public Arbitrator, Panelist
Kenneth Joseph Beahan	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures


James P. O'Donnell
Public Arbitrator, Presiding Chairperson

1/26/05
Signature Date

James Geiger
Public Arbitrator, Panelist

Signature Date

Kenneth Joseph Beahan
Non-Public Arbitrator, Panelist

Signature Date

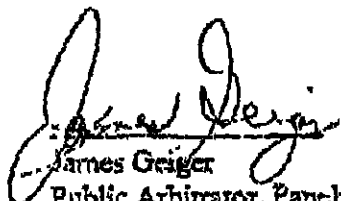
February 2, 2005
Date of Service (For NASD Dispute Resolution office use only)

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Public Arbitrator, Presiding Chairperson

Signature Date


James Griger

Public Arbitrator, Panelist

Signature Date

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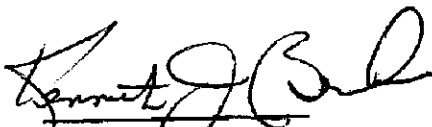
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