

**Stipulated Award
NASD Dispute Resolution**

COPY

In the Matter of the Arbitration Between:

Reuben Robert Beckmann, Claimant v. Morgan Stanley DW Inc., Kevin R. Montoya and John J. Jaber, Respondents

Case Number: 04-00629

Hearing Site: San Francisco, California

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

REPRESENTATION OF PARTIES

For Claimant:

Timothy A. Canning, Esq.
Attorney At Law
Novato, California

For Respondents:

Eric G. Wallis, Esq.
Reed Smith LLP
Oakland, California

CASE INFORMATION

Statement of Claim filed: January 29, 2004

Claimant's Uniform Submission Agreement signed: January 10, 2004

Joint Statement of Answer filed by Respondents Morgan Stanley DW Inc. ("Morgan Stanley"), Kevin R. Montoya and John J. Jaber: April 23, 2004

Respondent Morgan Stanley's Uniform Submission Agreement signed: March 2, 2004

Respondent Kevin R. Montoya's Uniform Submission Agreement signed: February 26, 2004

Respondent John J. Jaber's Uniform Submission Agreement signed: March 17, 2004

CASE SUMMARY

Claimant alleged that Respondents were liable to him for damages resulting from Claimant's investments through Respondents and caused by Respondents' acts and omissions including common law fraud, failure to supervise, negligence and breach of fiduciary duty. Claimant

alleged that the above-referenced dispute involved investments in various unspecified technology stocks.

Respondents denied the allegations of wrongdoing and denied that Claimant was damaged by any act of Respondents, and alleged several affirmative defenses.

RELIEF REQUESTED

Claimant requested \$3,000,000.00 in compensatory damages, punitive damages, costs, and disciplinary referrals to the appropriate enforcement agencies.

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

OTHER ISSUES CONSIDERED AND DECIDED

On February 22, 2004 and March 8, 2004, 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.

On February 23, 2004, Respondents' 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.

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

STIPULATION

The parties have stipulated to a dismissal with prejudice of all claims in this arbitration proceeding, and have further stipulated to a recommendation by the Panel for expungement of this dispute, complaint, and/or arbitration from Respondents Kevin R. Montoya and John J. Jaber's registration records maintained by the Central Registration Depository.

AWARD

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

1. All claims in this case are dismissed with prejudice.
2. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondents Kevin R. Montoya's and John J. Jaber's registration records maintained by the

NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondents Kevin R. Montoya and John J. Jaber must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

3. Each party shall bear its own costs and expenses, including attorney's fees.
4. All other relief 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	= \$ 500.00
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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 which gave rise to the dispute, claim, or controversy. Accordingly, the member firm Morgan Stanley is a party and the following fees are assessed:

Member Surcharge	= \$ 2,800.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	= \$ 5,000.00
Total Member Fees	= \$ 8,550.00

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 Chair/Panel. The following fees are assessed:

(1) Pre-hearing conference session with a single arbitrator @ \$450.00/session	= \$450.00
Pre-hearing conference: March 28, 2005	1 session

(2) Pre-hearing conference sessions with the Panel @ \$1,200.00/session	= \$2,400.00
Pre-hearing conferences: July 14, 2004	1 session
March 22, 2005	1 session

Total Forum Fees	= \$2,850.00
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1. The Panel assessed \$1,425.00 of the forum fees to Claimant.
2. The Panel assessed \$1,425.00 of the forum fees jointly and severally to Respondents Morgan Stanley, Kevin R. Montoya and John J. Jaber.

Fee Summary

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

Initial Filing Fee	= \$ 500.00
Forum Fees	= \$ 1,425.00
Total Fees	= \$ 1,925.00
Less payments	= \$(1,700.00)
Balance Due NASD Dispute Resolution	= \$ 225.00
2. Respondent Morgan Stanley is charged with the following fees and costs:

Member Fees	= \$ 8,550.00
Less payments	= \$(8,550.00)
Balance Due NASD Dispute Resolution	= \$ 0.00
3. Respondents Morgan Stanley, Kevin R. Montoya and John J. Jaber are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 1,425.00
Less payments	= \$(0.00)
Balance Due NASD Dispute Resolution	= \$ 1,425.00

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.

Parties' Signatures

Dated: _____

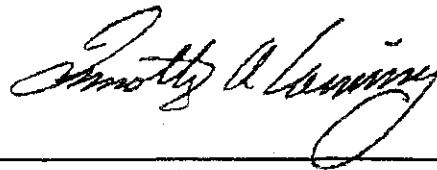
Timothy A. Canning, Esq.
Attorney At Law
Attorney for Claimant

Dated: _____

Eric G. Wallis, Esq.
Reed Smith LLP
Attorneys for Respondents

Parties' Signatures

Dated: 10/19/05



Timothy A. Canning, Esq.
Attorney At Law
Attorney for Claimant

Dated: _____

Eric G. Wallis, Esq.
Reed Smith LLP
Attorneys for Respondents

Parties' Signatures

Dated: _____

Timothy A. Canning, Esq.
Attorney At Law
Attorney for Claimant

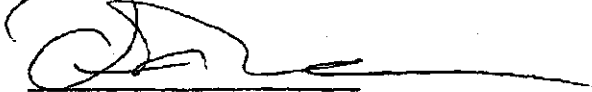
Dated: September 6, 2005

Eric G. Wallis, Esq.
Reed Smith LLP
Attorneys for Respondents

ARBITRATION PANEL

David I. Levine, J.D.	-	Public Arbitrator, Presiding Chair
Harry B. Endsley	-	Public Arbitrator
William A. Husa	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



David I. Levine, J.D.
Chair, Public Arbitrator

3/13/06
Signature Date

Harry B. Endsley
Public Arbitrator

Signature Date

William A. Husa
Non-Public Arbitrator

Signature Date

3/15/06
Date of Service

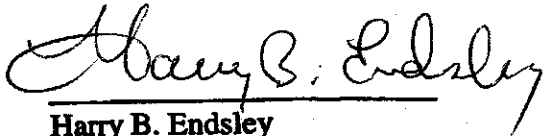
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William A. Husa	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

David I. Levine, J.D
Chair, Public Arbitrator

Signature Date



Harry B. Endsley
Public Arbitrator

11-4-2005
Signature Date

William A. Husa
Non-Public Arbitrator

Signature Date

3/15/06
Date of Service

ARBITRATION PANEL

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Harry B. Endsley	-	Public Arbitrator
William A. Husa	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

David I. Levine, J.D
Chair, Public Arbitrator

Signature Date

Harry B. Endsley
Public Arbitrator

Signature Date

William A. Husa
William A. Husa
Non-Public Arbitrator

11-7-05
Signature Date

3/15/06
Date of Service