

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Bernard Greenapple, individually and on behalf of the Bernard Greenapple IRA DWR Retirement Account #1 and Bernard Greenapple IRA DWR Retirement Account #2; Min Greenapple, individually and on behalf of the Min Greenapple IRA DWR Retirement Account; Greenapple Revocable Trust 3/21/90 #1; and Greenapple Revocable Trust 3/21/90 #2, Claimants v. Morgan Stanley DW Inc.; Noha M. Abdellatif; and Martin A. Klein, III, Respondents

Case Number: 04-03624

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimants:

William B. Young, Jr., Esq.
Colling, Gilbert, Wright & Carter
Maitland, Florida

For Respondents:

Edward S. Kim, Esq.
Bingham McCutchen LLP
Costa Mesa, California

CASE INFORMATION

Statement of Claim filed: May 20, 2004

Claimants' Joint Uniform Submission Agreement signed: June 21, 2003

Joint Statement of Answer filed by Respondents: September 30, 2004

Respondent Morgan Stanley DW Inc.'s Uniform Submission Agreement signed:
September 30, 2004

Respondent Noha M. Abdellatif's Uniform Submission Agreement signed: undated

Respondent Martin A. Klein, III's Uniform Submission Agreement signed:
August 2, 2004

CASE SUMMARY

Claimants alleged breach of fiduciary duty, misrepresentations, omissions, violation of the Securities Exchange Act of 1934, violation of California securities laws, violation of Deceptive Trade Practices Act, unsuitable trading, common law fraud, conversion, recklessness, breach of contract, and failure to supervise. Claimants' claims involved unspecified securities in accounts managed by Berkeley Capital Management and Insight Capital Research & Management.

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

RELIEF REQUESTED

Claimants requested \$213,789.00 in compensatory damages, unspecified punitive damages, pre- and post-Award interest, and costs, including attorney's fees.

Respondents requested dismissal of the Claimants' Statement of Claim in its entirety, expungement of Respondents Noha M. Abdellatif and Martin A. Klein, III's CRD records, and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

On December 18, 2004, 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 30, 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.

On September 1, 2005, Claimants dismissed Respondents Noha M. Abdellatif and Martin A. Klein, III from this arbitration.

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, testimony, 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 entered into a confidential settlement agreement.
- 2) Claimants withdrew all of the individual claims against the individual Respondents prior to the commencement of the hearing. The Panel hereby dismisses each and every claim against Respondents Noha M. Abdellatif and Martin A. Klein, III with prejudice.
- 3) The Panel hereby dismisses each and every claim against Respondent Morgan Stanley DW Inc. with prejudice.
- 4) The parties shall bear their respective costs, including attorney's fees.
- 5) All other relief requested and 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	= \$ 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
<u>Hearing Process Fee</u>	<u>= \$ 2,750.00</u>
Total Member Fees	= \$ 5,200.00

Adjournment Fees

The following adjournment fees are assessed:

September 27-30, 2005 hearing adjournment requested by parties = \$ 1,125.00

1. The Panel assessed \$562.50 of the adjournment fees jointly and severally to Claimants.
2. The Panel assessed \$562.50 of the adjournment fees to Respondent Morgan Stanley DW Inc.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

Cancellation of September 29, 2006 hearing date = \$ 300.00

1. Pursuant to party stipulation, \$150.00 of the three-day cancellation fees are assessed jointly and severally to Claimants.
2. Pursuant to party stipulation, \$150.00 of the three-day cancellation fees are assessed to Respondent Morgan Stanley DW Inc.

Forum Fees and Assessments

The Panel assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. 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:

3 Pre-hearing conference sessions with the Panel @ \$1,125.00/session = \$ 3,375.00

Pre-hearing conferences:	March 15, 2005	1 session
	May 2, 2005	1 session
	December 14, 2005	1 session

5 Hearing sessions @ \$1,125.00/session = \$ 5,625.00

Hearings:	September 26, 2006	2 sessions
	September 27, 2006	2 sessions
	September 28, 2006	1 session

Total Forum Fees = \$ 9,000.00

1. Pursuant to party stipulation, \$4,500.00 of the forum fees are jointly and severally assessed to Claimants.
2. Pursuant to party stipulation, \$4,500.00 of the forum fees are assessed to Respondent Morgan Stanley DW Inc.

Fee Summary

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

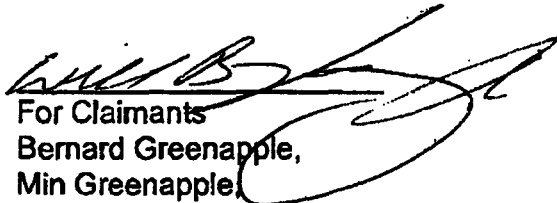
Initial Filing Fee	= \$ 300.00
Adjournment Fee	= \$ 562.50
Three-Day Cancellation Fee	= \$ 150.00
Forum Fees	= \$ 4,500.00
<u>Total Fees</u>	<u>= \$ 5,512.50</u>
<u>Less payments</u>	<u>= \$(1,425.00)</u>
Balance Due NASD Dispute Resolution	= \$ 4,087.50

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

Member Fees	= \$ 5,200.00
Adjournment Fee	= \$ 562.50
Three-Day Cancellation Fee	= \$ 150.00
Forum Fees	= \$ 4,500.00
<u>Total Fees</u>	<u>= \$10,412.50</u>
<u>Less payments</u>	<u>= \$(5,200.00)</u>
Balance Due NASD Dispute Resolution	= \$ 5,212.50

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



For Claimants
Bernard Greenapple,
Min Greenapple,

Greenapple Revocable Trust 3/21/90 #1,
Greenapple Revocable Trust 3/21/90 #2,
Bernard Greenapple IRA DWR Retirement Account #1,
Bernard Greenapple IRA DWR Retirement Account #2,
and Min Greenapple IRA DWR Retirement Account

11/9/06
Signature Date

For Respondents
Morgan Stanley DW Inc.,
Noha M. Abdellatif,
and Martin A. Klein, III

Signature Date

Parties' Signatures

For Claimants

Bernard Greenapple,

Min Greenapple,

Greenapple Revocable Trust 3/21/90 #1,

Greenapple Revocable Trust 3/21/90 #2,

Bernard Greenapple IRA DWR Retirement Account #1,

Bernard Greenapple IRA DWR Retirement Account #2,

and Min Greenapple IRA DWR Retirement Account

Signature Date



For Respondents

Morgan Stanley DW Inc.,

Noha M. Abdellatif,

and Martin A. Klein, III

Signature Date

ARBITRATION PANEL

Melvin S. Feldman	-	Public Arbitrator, Presiding Chair
Pamela Kay Nemeth	-	Public Arbitrator
Barton J. Brewer	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Melvin S. Feldman
Melvin S. Feldman
Chair, Public Arbitrator

11-13-06
Signature Date

Pamela Kay Nemeth
Pamela Kay Nemeth
Public Arbitrator

Signature Date

Barton J. Brewer
Barton J. Brewer
Non-Public Arbitrator

Signature Date

November 15, 2006
Date of Service

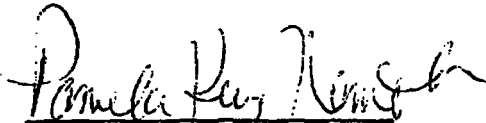
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Chair, Public Arbitrator

Signature Date



Pamela Kay Nemeth
Public Arbitrator

11-13-06

Signature Date

Barton J. Brewer
Non-Public Arbitrator

Signature Date

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