

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
George Large

Case Number: 04-04933

Name of the Respondent
Morgan Stanley DW, Inc.

Hearing Site: Orlando, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For George Large, hereinafter referred to as "Claimant": Randall C. Place, Esq., Blum & Silver, LLP, Coral Springs, Florida.

For Morgan Stanley DW, Inc., hereinafter referred to as "Respondent": Jon A. Jacobson, Esq., Greenberg Traurig, P.A., West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: July 7, 2004.

Claimant signed the Uniform Submission Agreement: June 26, 2004.

Statement of Answer filed by Respondent on or about: September 13, 2004.

Respondent signed the Uniform Submission Agreement: August 17, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: violation of industry rules; breach of contract; breach of fiduciary duty; common law fraud; overconcentration of Claimant's portfolio in speculative technology stocks and other unsuitable investments; failure to diversify Claimant's portfolio; failure to properly advise Claimant of risks; recommendation of a speculative trading strategy; failure to implement exit strategies or stop orders to minimize losses; negligence; and, negligent supervision, retention and hiring of the financial advisor. The causes of action relate to Claimant's investments in various stocks in the technology, telecommunications and internet sectors of the market.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested an award against Respondent for: compensatory damages of approximately \$100,000.00; interest at the legal rate from the date of purchase or reasonable market return; rescission; punitive damages; the costs of this proceeding; and for such other relief as is just and proper.

Respondent requested that Claimant's claims be denied in their entirety. Further, Respondent placed Claimant on notice of its intention to seek attorneys' fees as from a court of competent jurisdiction pursuant to Section 57.105(1), Florida Statutes.

OTHER ISSUES CONSIDERED AND DECIDED

Attorney Place and Claimant George Large appeared at the arbitration on October 27, 2005. Also at the arbitration were the three arbitrators and Attorney Jacobson, Respondent's representative, Steve Schelling, and Financial Advisor Norma Sepulveda. Attorney Place advised the panel of the problems at his home due to hurricane Wilma and stated that there was a curfew in his community and that he had photographs of fallen trees, wires and other debris. Attorney Place did not object to proceeding with the arbitration nor did he ask for additional time to prepare.

However, at the end of the entire arbitration proceeding, Attorney Place stated that he had not had a fair and full opportunity to present his case because the damage from hurricane Wilma had made it very difficult for him to obtain his arbitration material from his office, complete certain exhibits and prepare his witness.

Attorney Jacobson said he too had been hampered by hurricane Wilma's effect on south Florida in preparing certain exhibits. Attorney Jacobson stated that he had a full and fair opportunity to present his case.

It should be noted that the public had been warned of the likely path of hurricane Wilma several days prior to its impact on south Florida late on Sunday/early Monday October 22 and 23, 2005.

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

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

Respondent is liable on the claim of negligent supervision only and shall pay to Claimant the sum of \$5,000.00, plus interest at the Florida statutory rate from the date of the Award until the date of payment of the Award.

Respondent is liable and shall pay to Claimant the sum of \$225.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution.

No other costs are awarded.

Any and all claims for relief not specifically addressed herein, including Claimant's request for punitive damages, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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 firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$750.00
Hearing process fee	= \$1,700.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees incurred in this matter.

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:

There were no three-day cancellation fees incurred in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

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:

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00	= \$900.00
Pre-hearing conferences: September 21, 2005 1 session	
October 20, 2005 1 session	

One (1) Pre-hearing session with the Panel @ \$750.00	= \$750.00
Pre-hearing conference: November 19, 2004 1 session	
Six (6) Hearing sessions @ \$750.00	= \$4,500.00
Hearing Dates: October 25, 2005 1 session	
October 27, 2005 2 sessions	
October 28, 2005 3 sessions	

Total Forum Fees	= \$6,150.00
------------------	--------------

The Panel has waived the forum fees of \$750.00 for the October 25, 2005 hearing session.
The Panel has assessed the remainder of the forum fees of \$5,400.00 to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

FEE SUMMARY

Claimant is solely liable for:

Initial Filing Fee	= \$225.00
--------------------	------------

Total Fees	= \$225.00
------------	------------

Less payments	= \$225.00
---------------	------------

Balance Due NASD Dispute Resolution	= \$0.00
-------------------------------------	----------

Respondent is solely liable for:

Member Fees	= \$3,550.00
-------------	--------------

Forum Fees	= \$5,400.00
------------	--------------

Total Fees	= \$8,950.00
------------	--------------

Less payments	= \$3,550.00
---------------	--------------

Balance Due NASD Dispute Resolution	= \$5,400.00
-------------------------------------	--------------

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

ARBITRATION PANEL

Arthur L. Sirkin, Esq.	-	Public Arbitrator, Presiding Chair
Benjamin L. Abramowitz	-	Public Arbitrator
L. Matthew Byrd, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/S/_____
Arthur L. Sirkin, Esq.
Public Arbitrator, Presiding Chair

November 1, 2005
Signature Date

_____/S/_____
Benjamin L. Abramowitz
Public Arbitrator

November 1, 2005
Signature Date

_____/S/_____
L. Matthew Byrd, Esq.
Non-Public Arbitrator

November 1, 2005
Signature Date

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

ARBITRATION PANEL

Arthur L. Sirkin, Esq.
Benjamin L. Abramowitz
L. Matthew Byrd, Esq.

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

Arthur L. Sirkin, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Benjamin L. Abramowitz
Public Arbitrator

Signature Date


L. Matthew Byrd, Esq.
Non-Public Arbitrator

11/1/05
Signature Date

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

NASD Dispute Resolution
Arbitration No. 04-04983
Award Page 3

ARBITRATION PANEL


Arthur L. Sirkin, Esq. -
Benjamin L. Abramowitz -
L. Matthew Byrd, Esq. -

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

Arthur L. Sirkin, Esq.
Public Arbitrator, Presiding Chair

Signature Date


Benjamin L. Abramowitz
Public Arbitrator

1 November 2005
Signature Date

L. Matthew Byrd, Esq.
Non-Public Arbitrator

Signature Date

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

NASD Dispute Resolution

Arbitration No. 04-04933

Award Page 5

ARBITRATION PANEL

Arthur L. Sirkin, Esq.

Benjamin L. Abramowitz

L. Matthew Byrd, Esq.

Public Arbitrator, Presiding Chair

Public Arbitrator

Non-Public Arbitrator

Concurring Arbitrators' Signatures



Arthur L. Sirkin, Esq.

Public Arbitrator, Presiding Chair

11/01/05

Signature Date

Benjamin L. Abramowitz

Public Arbitrator

Signature Date

L. Matthew Byrd, Esq.

Non-Public Arbitrator

Signature Date

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