

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Christine Jennings, Claimant v. Morgan Stanley DW Inc. and Eric P. Krawitt, Respondents

Case Number: 04-05513

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimant:

Christine Jennings
In Propria Persona
Hermosa Beach, California

For Respondent:

Christine A. Pham, Esq.
Morgan Stanley DW Inc.
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: August 2, 2004

Claimant's Uniform Submission Agreement signed: August 2, 2004

Joint Statement of Answer filed by Respondents: September 29, 2004

Respondent Morgan Stanley DW Inc.'s Uniform Submission Agreement signed: September 29, 2004

Respondent Eric P. Krawitt's Uniform Submission Agreement signed: September 29, 2004

CASE SUMMARY

Claimant alleged breach of fiduciary duty, unsuitability, misrepresentation and non-disclosure, and failure to supervise. Claimant's allegations involved the alleged over concentration of her account in Star Telecommunications. Claimant also alleged that Respondents failed to properly diversify her account to include securities other than stocks. Other than the Star Telecommunications

stock, Claimant stated that she was advised to purchase AOL, Boeing, Cisco, Citicorp, General Electric, Pfizer, MCI/WoldCom, Microsoft, Peoplesoft, and PSINET.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested \$34,359.00 in compensatory damages and costs, including attorney's fees.

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

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Eric P. Krawitt did not file with the NASD Dispute Resolution a properly executed submission agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

On October 20, 2004, Claimant 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. Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's claims are denied in their entirety.
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Eric P. Krawitt's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Eric P. Krawitt must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless NASD specifically waives this requirement in writing, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the arbitration panel has made the following affirmative findings of fact: The claim, allegation, or information is false.

- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) 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	= \$ 175.00
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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	= \$ 875.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$1,000.00
Total Member Fees	= \$2,625.00

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 or the parties and the Panel. The following fees are assessed:

One (1) Pre-hearing conference session with the Panel @ \$600.00/session	= \$ 600.00
Pre-hearing conference: February 04, 2005 1 session	
Two (2) Hearing sessions @ \$600.00/session	= \$1,200.00
Hearing: September 27, 2005 2 sessions	
Total Forum Fees	= \$ 1,800.00

1. The Panel assessed \$900.00 of the forum fees to Claimant.
2. The Panel assessed \$900.00 of the forum fees jointly and severally to Respondents.

Fee Summary

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

Initial Filing Fee	= \$ 175.00
Forum Fees	= \$ 900.00
Total Fees	= \$ 1,075.00
Less payments	= \$ (775.00)
Balance Due NASD Dispute Resolution	= \$ 300.00

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

Member Fees	= \$ 2,625.00
Less payments	= \$(2,625.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Morgan Stanley DW Inc. and Eric P. Krawitt are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 900.00
Balance Due NASD Dispute Resolution	= \$ 900.00

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.

ARBITRATION PANEL

<i>Peter D. Steinbroner</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Elizabeth A. Copley, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Donald L. Lisle</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures


Peter D. Steinbroner
Chair, Public Arbitrator

9/30/05
Signature Date

Elizabeth A. Copley, Esq.
Public Arbitrator

Signature Date

Donald L. Lisle
Non-Public Arbitrator

Signature Date

September 30, 2005
Date of Service

ARBITRATION PANEL

Peter D. Steinbroner
Elizabeth A. Copley, Esq.
Donald L. Lisle

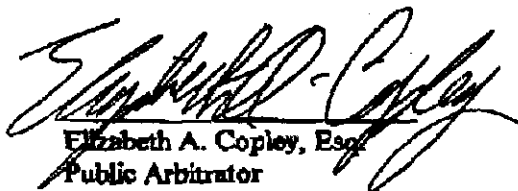
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Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

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Public Arbitrator



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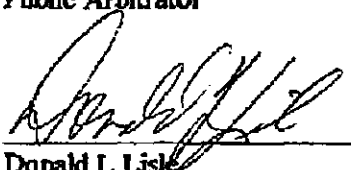
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