

**Stipulated Award
NASD Dispute Resolution**

In The Matter of the Arbitration Between:

Morgan Stanley DW Inc. (formerly Dean Witter Reynolds Inc.) and Morgan Stanley Funding Services Corp.
Claimants,

Vs.

John P. Hansen,
Respondent.

Case Number: 04-07514

Hearing Site: Chicago, Illinois

NATURE OF THE DISPUTE

Member and Non-Member v. Associated Person

REPRESENTATION OF PARTIES

Morgan Stanley DW Inc., formerly Dean Witter Reynolds, Inc. and Morgan Stanley Funding Services Corp. (collectively, "Morgan Stanley"), hereinafter collectively referred to as Claimants: Diane C. Fischer, Ronald P. Kane and Jennifer L. Klebes of Kane & Fischer, Ltd., Chicago, Illinois,

John P. Hansen ("Hansen"), hereinafter referred to as Respondent: Appeared *pro se*.

CASE INFORMATION

Statement of Claim filed on or about: October 27, 2004

Claimants' Submission Agreement jointly signed on: September 27, 2004

Claimants filed a Motion to Bar Defenses on: October 27, 2005

Respondent Hansen did not file a Statement of Answer nor a Uniform Submission Agreement.

CASE SUMMARY

Claimants, Morgan Stanley, alleged, among other things, non-payment of the outstanding balance due on a Promissory Note (the "Note") entered into between Morgan Stanley and Respondent, Hansen, on October 12, 2000, which became due and owing to Morgan Stanley upon Hansen's termination from Morgan Stanley on November 4, 2002, in the principal amount of \$55,397.25, plus accrued and accruing interest, attorneys fees and costs in accordance with the terms of the Note.

The parties resolved their dispute arising out of, and in connection with, the aforementioned Note by executing a Settlement Agreement. It is alleged that Respondent has failed to comply with the Settlement Agreement, and, despite demand, it is further alleged that Respondent has failed and refused to pay the outstanding balance due pursuant to the Settlement Agreement. Obtaining this Stipulated Award is among the remedies available to Morgan Stanley pursuant to the terms of the Settlement Agreement.

Morgan Stanley has filed an Affidavit in support of its request for reasonable attorneys' fees and costs as allowed for under the terms of the Settlement Agreement.

RELIEF REQUESTED

Morgan Stanley requested the following relief:

Compensatory Damages:	\$55,397.25
Interest:	\$11,453.31 (through November 30, 2005)
Costs:	\$5,846.61
Attorneys' Fees:	\$9,457.00
TOTAL:	\$82,154.17

OTHER ISSUES CONSIDERED AND DECIDED

The parties resolved their dispute by entering into a Settlement Agreement. Pursuant to the terms of that Settlement Agreement, this Stipulated Award ("Award") shall be signed by the arbitrators but no action will be taken by Morgan Stanley to enforce the Award unless Hansen fails to comply with the payment terms of the Settlement Agreement and Release. Should Hansen abide by the terms of the Settlement Agreement and pay Morgan Stanley the monies as agreed to, this Award shall be deemed to be satisfied.

The parties agree that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the original(s) remain on file with NASD Dispute Resolution.

AWARD

The parties have entered into a Settlement Agreement. As part of the Settlement Agreement, the parties have stipulated to the following award:

1. John P. Hansen shall pay to Morgan Stanley DW Inc. the total sum of \$82,154.17, less any payments made under the Settlement Agreement entered into by the parties in or about November 2005, plus interest at the rate of 10% per annum from November 30, 2005 to the date of full payment.

2. Except as otherwise specified herein, each party shall bear its own costs and attorneys fees.
3. John P. Hansen is liable for and shall pay to the NASD Dispute Resolution, Inc. one-half of the forum fees assessed by the Panel.
4. Morgan Stanley DW Inc. is liable for and shall pay to the NASD Dispute Resolution, Inc. one-half of the forum fees assessed by the Panel.
5. Any and all relief not specifically addressed herein is denied.

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 = \$1,000.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, Morgan Stanley DW Inc. is a party to this proceeding.

Member surcharge = \$1,100.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$1,700.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session x \$750.00 = \$ 750.00

Pre-hearing Date: June 7, 2005 1 session

Total Forum Fees = \$ 750.00

The parties have agreed to pay forum fees as follows:

Claimants shall pay 50% of the total forum fees in the amount of \$375.00; and

Respondent shall pay 50% of the total forum fees in the amount of \$375.00.

Pursuant to NASD Dispute Resolution Code of Arbitration Procedure Rule 10332(f):
Claimants' remaining Hearing Session Deposit of \$375.00 is retained by NASD.

SEE SUMMARY

Claimants, Morgan Stanley, are hereby jointly and severally liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$3,550.00
Forum Fees	= \$ 375.00
Hearing Deposit Retained y NASD	= \$ 375.00
Total Fees	= \$5,300.00
<u>Less payments</u>	= \$6,050.00
Refund Due from NASD Dispute Resolution	= \$ 750.00

Respondent, Hansen, is hereby solely liable for:

Forum Fees	= \$ 375.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 375.00

All balances are due to NASD Dispute Resolution.

ARBITRATION PANEL

John E. Sundeen	-	Non-Public Arbitrator, Presiding Chairperson
Carmen P. Michelotti	-	Non-Public Arbitrator
Jeffrey S. Fannon	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/ John E. Sundeen
John E. Sundeen
Non-Public Arbitrator, Presiding Chair

12/1/05
Signature Date

/s/ Carmen P. Michelotti
Carmen P. Michelotti
Non-Public Arbitrator

12/3/05
Signature Date

/s/ Jeffrey S. Fannon
Jeffrey S. Fannon
Non-Public Arbitrator

12/1/05
Signature Date

12/1/05
Date of Service (For NASD office use only)
Morgan Stanley DW Inc.

FEE SUMMARY

Claimants, Morgan Stanley, are hereby jointly and severally liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$3,350.00
Forum Fees	= \$ 375.00
Hearing Deposit Retained by NASD	= \$ 375.00
Total Fees	= \$5,300.00
Less payments	= \$6,050.00
Refund Due from NASD Dispute Resolution	= \$ 750.00

Respondent, Hansen, is hereby solely liable for:

Forum Fees	= \$ 375.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 375.00

All balances are due to NASD Dispute Resolution.

ARBITRATION PANEL

John E. Sundeen	-	Non-Public Arbitrator, Presiding Chairperson
Carmen P. Michelotti	-	Non-Public Arbitrator
Jeffrey S. Fannon	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


John E. Sundeen
Non-Public Arbitrator, Presiding Chair

12/1/2005
Signature Date

Carmen P. Michelotti
Non-Public Arbitrator

Signature Date

Jeffrey S. Fannon
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)
Morgan Stanley DW Inc.

FEE SUMMARY

Claimants, Morgan Stanley, are hereby jointly and severally liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$3,550.00
Forum Fees	= \$ 375.00
Hearing Deposit Retained by NASD	= \$ 375.00
Total Fees	= \$5,300.00
Less payments	= \$6,050.00
Refund Due from NASD Dispute Resolution	= \$ 750.00

Respondent, Hansen, is hereby solely liable for:

Forum Fees	= \$ 375.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 375.00

All balances are due to NASD Dispute Resolution.

ARBITRATION PANEL

John E. Sundeen	-	Non-Public Arbitrator, Presiding Chairperson
Carmen P. Michelotti	-	Non-Public Arbitrator
Jeffrey S. Fannon	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

John E. Sundeen
Non-Public Arbitrator, Presiding Chair

Signature Date

Carmen P. Michelotti
Carmen P. Michelotti
Non-Public Arbitrator

December 03, 2005
Signature Date

Jeffrey S. Fannon
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)
Morgan Stanley DW Inc.

NASD Dispute Resolution
Arbitration No. 04-07514
Stipulated Award Page 4 of 5

FEE SUMMARY

Claimants, Morgan Stanley, are hereby jointly and severally liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$3,550.00
Forum Fees	= \$ 375.00
<u>Hearing Deposit Retained v NASD</u>	<u>= \$ 375.00</u>
Total Fees	= \$5,300.00
<u>Less payments</u>	<u>= \$6,050.00</u>
Refund Due from NASD Dispute Resolution	= \$ 750.00

Respondent, Hansen, is hereby solely liable for:

Forum Fees	= \$ 375.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 375.00

All balances are due to NASD Dispute Resolution.

ARBITRATION PANEL

John E. Sundeen	-	Non-Public Arbitrator, Presiding Chairperson
Carmen P. Michelotti	-	Non-Public Arbitrator
Jeffrey S. Fannon	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

John E. Sundeen
Non-Public Arbitrator, Presiding Chair

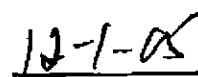
Signature Date

Carmen P. Michelotti
Non-Public Arbitrator

Signature Date



Jeffrey S. Fannon
Non-Public Arbitrator



Signature Date

Date of Service (For NASD office use only)
Morgan Stanley DW Inc.