

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Michael Aronow and Ellen D. Aronow (Claimants) v. Morgan Stanley Dean Witter Inc.,
Allison B. Kumble and Hillary Kumble-Freeman (Respondents)

Case Number: 05-01403

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimants Michael Aronow ("M. Aronow") and Ellen D. Aronow ("E. Aronow") hereinafter collectively referred to as "Claimants": George M. Gavalas, Esq., George M. Gavalas, P.C. Mineola, NY.

Respondents Morgan Stanley Dean Witter Inc. ("MSDW"), Allison B. Kumble (A. Kumble") and Hillary Kumble-Freeman ("H. Kumble"), hereinafter collectively referred to as "Respondents": Peter W. Homer, Esq., and Brian A. Briz, Esq., HomerBonner, Miami, FL.

CASE INFORMATION

Statement of Claim filed on or about: March 13, 2005.

Claimant M. Aronow signed the Uniform Submission Agreement: March 17, 2005.

Claimant E. Aronow signed the Uniform Submission Agreement: March 17, 2005.

Joint Statement of Answer filed by Respondents on or about: June 1, 2005.

Respondent MSDW signed the Uniform Submission Agreement: April 12, 2005.

Respondent A. Kumble did not sign the Uniform Submission Agreement.

Respondent H. Kumble did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action relating to account numbers 667-104454 and 667-012664: (1) breach of contract; (2) violation of industry rules, including but not limited to NYSE Rule 405 and NASD Rule 2310; (3) breach of implied covenant; (4) common law fraud; (5) negligence and (6) breach of fiduciary duty. The causes of action relate to unspecified securities.

Unless specifically admitted in their Answer, Respondents denied all allegations of wrongdoing set forth in the Statement of Claim. Further, Respondents explained that, as it relates to account 667-104454, Claimants executed a General Release in

connection with NASD-DR Case No. 02-02458 and released Respondents Allison B. Kumble and Hilary Kumble-Freeman from any claims relating to that account. Respondents further explained that as it relates to account 667-012664, Claimants granted sole discretionary authority to an independent third-party investment manager; thus, Respondents did not and could not recommend the specific investments that caused Claimants' alleged losses. Based on these and other facts, Respondents asserted various defenses and affirmative defenses, and requested expungement of the matter from Respondents Allison B. Kumble and Hilary Kumble-Freeman's Central Registration Depository ("CRD") records.

RELIEF REQUESTED

Claimants requested compensatory damages in excess of \$1,000,000.00, plus interest, rescissionary damages, punitive damages, attorneys' fees, and costs.

Respondents requested that all claims against them be dismissed, that Respondents be awarded their costs, that Respondents be permitted to seek their fees in a court of law, and that the Panel order expungement of this matter from Respondents Allison B. Kumble and Hilary Kumble-Freeman's CRD records.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents A. Kumble and H. Kumble did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim, are bound by the determination of the Panel on all issues submitted.

On June 12, 2006, the parties notified NASD that this matter had been resolved.

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

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. Claimants' claims for relief are dismissed with prejudice, with each party to bear its respective costs and attorneys' fees.

2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Allison B. Kumble's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Allison B. Kumble must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, 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 of the NASD Code of Arbitration Procedure, the arbitration panel has made the following affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Hillary Kumble-Freeman's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Hillary Kumble-Freeman must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, 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 of the NASD Code of Arbitration Procedure, the arbitration panel has made the following affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

4. (A) Claimants' claims and/or allegations relating to account number 667-104454 are factually impossible or clearly erroneous as they relate to Respondents Allison B. Kumble and Hilary Kumble-Freeman, for the following reasons: i) most of the losses in the account were attributed to investment transactions that were not at issue in this proceeding because they were not eligible for submission pursuant to Rule 10101 of the NASD Code of Arbitration Procedure, they were entered by Claimants' previous financial advisor, and Claimants executed a General Release in connection with NASD-DR Case No. 02-02458 and released Respondents Allison B. Kumble and Hilary Kumble-Freeman from claims relating to the account; ii) many of the transactions in the account during the time period at issue were unsolicited and entered at the direction of Claimant Michael Aronow, without a recommendation

from Respondents; and iii) the remaining transactions in the account during the time period at issue were authorized by Claimants and suitable given Claimants' investment objectives, risk tolerance, and financial circumstances. (B)

Respondents Allison B. Kumble and Hilary Kumble-Freeman were not involved in the alleged investment-related sales practice violations relating to account number 667-012664, as that account was managed by an independent investment advisor and Respondents Allison B. Kumble and Hilary Kumble-Freeman did not make any, nor could they make any, investment transactions in account 667-012664.

5. Any and all relief not specifically addressed herein, including punitive damages, 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	= \$ 375.00
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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 persons at the time of the events giving rise to the dispute. In this matter, Morgan Stanley Dean Witter Inc. is a party.

Member Surcharge	= \$2,250.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$4,000.00

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:

June 13-16 hearing dates, settled by the parties	
Claimants' share, jointly and severally	= \$ 150.00
Respondents' share, jointly and severally	= \$ 150.00

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. Forum fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$ 450.00 = \$ 450.00
Pre-hearing conference: March 21, 2006 1 session

Three (3) Pre-hearing sessions with the Panel @ \$1,200.00 = \$3,600.00
Pre-hearing conferences: October 20, 2005 1 session
August 8, 2006 1 session
August 30, 2006 1 session

Total Forum Fees = \$4,050.00

1. Pursuant to the parties' agreement, Respondent MSDW is assessed \$2,400.00 of the forum fees for the August 8, 2006 and August 30, 2006 pre-hearing conferences.
2. The Panel has assessed \$600.00 of the forum fees for the October 20, 2005 pre-hearing conference jointly and severally to Claimants.
3. The Panel has assessed \$600.00 of the forum fees to Respondent MSDW for the October 20, 2005 pre-hearing conference.
4. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, the remaining forum fees are assessed as follows:
 - a. Claimants are assessed \$112.50 of the forum fees, jointly and severally.
 - b. MSDW is assessed \$112.50 of the forum fees.
 - c. A. Kumble is assessed \$112.50 of the forum fees.
 - d. H. Kumble is assessed \$112.50 of the forum fees.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 1,200.00
<u>Three Day Cancellation Fee</u>	<u>= \$ 150.00</u>
Total Fees	= \$ 1,725.00
<u>Less payments</u>	<u>= \$ 1,575.00</u>
Balance Due NASD Dispute Resolution	= \$ 150.00

Pursuant to Rule 10332(f) of the Code of Arbitration Procedure, NASD is retaining the total amount of the initial hearing session deposited by the Claimants because this office was notified by the parties that they settled this matter within eight business days of the first scheduled hearing session.

2. Respondent MSDW is solely liable for:

Member Fees	= \$ 7,000.00
<u>Forum Fees</u>	<u>= \$ 3,112.50</u>
Total Fees	= \$10,112.50

<u>Less payments</u>	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 3,112.50

3. Respondent A. Kumble is solely liable for:

<u>Forum Fees</u>	= \$ 112.50
<u>Total Fees</u>	= \$ 112.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 112.50

4. Respondent H. Kumble is solely liable for:

<u>Forum Fees</u>	= \$ 112.50
<u>Total Fees</u>	= \$ 112.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 112.50

5. Respondents are jointly and severally liable for:

<u>Three Day Cancellation Fee</u>	= \$ 150.00
<u>Total Fees</u>	= \$ 150.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 150.00

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

ARBITRATION PANEL

Debra Siedman DeWan, Esq.	-	Public Arbitrator, Presiding Chair
Saverio J. Cina	-	Public Arbitrator
James R. Madan	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

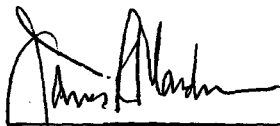
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Debra Siedman DeWan, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Saverio J. Cina
Public Arbitrator

Signature Date



James R. Madan
Non-Public Arbitrator

September 2 / 2006

Signature Date

September 12, 2006

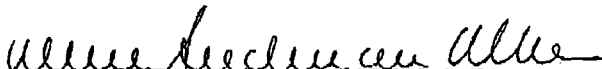
Date of Service (For NASD office use only)

ARBITRATION PANEL

Debra Siedman DeWan, Esq.	-	Public Arbitrator, Presiding Chair
Saverio J. Cina	-	Public Arbitrator
James R. Madan	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.


Debra Siedman DeWan, Esq.
Public Arbitrator, Presiding Chair

9/11/06
Signature Date

Saverio J. Cina
Public Arbitrator

Signature Date

James R. Madan
Non-Public Arbitrator

Signature Date

September 12, 2006

Date of Service (For NASD office use only)

ARBITRATION PANEL

Debra Siedman DeWan, Esq.	-	Public Arbitrator, Presiding Chair
Saverio J. Cina	-	Public Arbitrator
James R. Madan	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Debra Siedman DeWan, Esq.
Public Arbitrator, Presiding Chair

Signature Date



Saverio J. Cina
Public Arbitrator

9/01/06

Signature Date

James R. Madan
Non-Public Arbitrator

Signature Date

September 12, 2006

Date of Service (For NASD office use only)