

**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Morgan Stanley DW, Inc. (formerly Dean Witter Reynolds Inc.) (Claimant) v. Jean-Paul Schrader as Executor of the Estate of Shelby E. Schrader (Respondent)

Case Number: 05-01490

Hearing Site: New York, New York

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Nature of the Dispute: Member vs. Customer

**REPRESENTATION OF PARTIES**

Claimant Morgan Stanley DW, Inc. hereinafter referred to as "Claimant": Diane C. Fisher, Esq., Thomas A. Volz, Esq., and Ronald P. Kane, Esq., Kane & Fischer, Ltd., Chicago, IL.

Respondent Jean-Paul Schrader as Executor of the Estate of Shelby E. Schrader hereinafter referred to as "Respondent": *appeared pro se.*

**CASE INFORMATION**

Statement of Claim filed on or about: March 18, 2005.

Amended Statement of Claim filed on or about: July 22, 2005.

Claimant signed the Uniform Submission Agreement: January 21, 2005.

Statement of Answer filed by Respondent on or about: December 29, 2005.

Respondent did not submit a signed Uniform Submission Agreement.

**CASE SUMMARY**

Claimant asserted the following causes of action: failure to pay unsecured debit balance in account. The causes of action relate to Respondent's margin account.

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

**RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$86,065.91, interest in the amount of \$24,077.20 from January 2001 through October 31, 2004, interest, costs, and any further relief that the Panel deems just and proper.

Respondent requested dismissal of the Statement of Claim in its entirety, disgorgement of

interest and fees and compensation for losses of net worth.

### **OTHER ISSUES CONSIDERED AND DECIDED**

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

On or about March 14, 2006, the parties informed NASD Dispute Resolution that this case was settled and on March 21, 2006 submitted a Stipulated Award.

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. Respondent is liable for and shall pay Claimant compensatory damages in the amount of \$152,995.43.
2. Each party shall bear its own costs and attorneys' fees.
3. 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
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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 person at the time of the events giving rise to the dispute. In this matter, Morgan Stanley DW Inc. is a party.

Member Surcharge	= \$ 1,100.00
Pre-Hearing Process Fee	= \$ 750.00

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Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 1,700.00

**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:

March 16-17, 20, 2006, settled by parties	= \$ 300.00
Respondent's share	= \$ 300.00

**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:

Two (2) Pre-hearing conference sessions with the Panel @ \$750.00/session	= \$ 1,500.00
Pre-hearing conferences: July 25, 2005	1 session
August 10, 2005	1 session
Total Forum Fees	= \$ 1,500.00

1. The parties have agreed that Claimant shall pay \$750.00 of the forum fees.
2. The parties have agreed that Respondent shall pay \$750.00 of the forum fees.

**Fee Summary**

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 3,550.00
Forum Fees	= \$ 750.00
Total Fees	= \$ 5,300.00
Less payments	= \$ 5,300.00
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent is solely liable for:

Three-Day Cancellation Fee	= \$ 300.00
Forum Fees	= \$ 750.00
Total Fees	= \$ 1,050.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,050.00


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

**Parties' Signatures**

Morgan Stanley DW Inc.

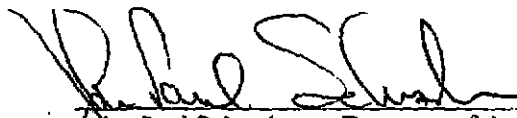
By:   
Michael V. Colvin  
Vice President

Dated: 3/14/06

John-Paul Schrader, as Executor of the Estate  
of Shelby E. Schrader

Dated: \_\_\_\_\_  
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**ARBITRATION PANEL**

Michael E. Curan, Esq.	-	Public Arbitrator, Presiding Chairperson
Sam Antar, Esq.	-	Public Arbitrator
David L. Becker, Esq.	-	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.



Michael E. Curan, Esq.  
Public Arbitrator, Presiding Chairperson

April 19, 2006  
Signature Date

\_\_\_\_\_  
Sam Antar, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
David L. Becker, Esq.  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

April 19, 2006

\_\_\_\_\_  
Date of Service (For NASD Dispute Resolution use only)

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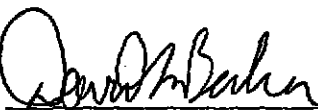
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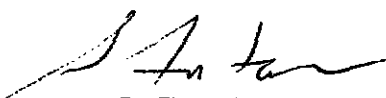
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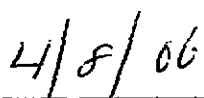
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