

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Barbara D. Betzner, Claimant v. Morgan Stanley DW Inc. (f/k/a Dean Witter Reynold Inc. and Morgan Stanley Dean Witter), Respondent

Case Number: 05-02514

Hearing Site: San Francisco, California

Nature of the Dispute: Customer v. Member

REPRESENTATION OF PARTIES

For Claimant:

Randy S. Cohn, Esq.
Katharine A. Wark, Esq.
SimmonsCooper LLC
East Alton, IL

For Respondent:

James J. Fontanilla, Esq.
Morgan Stanley Law Division
San Francisco, California

CASE INFORMATION

Statement of Claim filed: May 11, 2005

Claimant's Uniform Submission Agreement signed: April 22, 2005

Statement of Answer filed by Respondent: July 5, 2005

Respondent's Uniform Submission Agreement signed: July 5, 2005

CASE SUMMARY

Claimant alleged breach of fiduciary duty, breach of contract, violation of the Securities Exchange Act, violation of the California Corporate Securities Law of 1968, violation of the California Consumer Legal Remedy Act, and negligence. Claimant's allegations involved stock in Nortel Networks and BCE Inc.

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

RELIEF REQUESTED

Claimant requested in excess of \$140,000.00 in compensatory damages, \$420,000.00 in punitive damages, pre-judgment interest, and costs, including attorney's fees.

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

OTHER ISSUES CONSIDERED AND DECIDED

Respondent filed a Motion to Dismiss together with its Answer to the Statement of Claim on July 5, 2005. On September 23, 2005, Claimant filed an opposition. On October 12, 2005, Respondent filed a reply in support of its Motion to Dismiss. On October 20, 2005, the Panel conducted a conference call with the parties to hear oral argument on the motion. After due deliberation, the Panel denied Respondent's Motion to Dismiss.

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) Respondent is liable to and shall pay Claimant the sum of \$82,654.00 in compensatory damages.
- 2) Respondent is liable to and shall pay Claimant the sum of \$22,835.00 in interest.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested, including those for punitive damages, 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	= \$ 375.00
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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	= \$ 2,250.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 4,000.00</u>
Total Member Fees	= \$ 7,000.00

Forum Fees and Assessments

The Panel assessed forum fees for each session conducted or each decision rendered on a discovery-related motion decided on the papers. 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 conference sessions with the Panel @ \$1,200.00/session	= \$ 2,400.00
Pre-hearing conferences: August 31, 2005	1 session
October 20, 2005	1 session

Four (4) Hearing sessions @ \$1,200.00/session	= \$ 4,800.00
Hearings: March 28, 2006	2 sessions
March 29, 2006	2 sessions

Total Forum Fees	= \$ 7,200.00
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1. The Panel assessed \$3,600.00 of the forum fees to Claimant.
2. The Panel assessed \$3,600.00 of the forum fees to Respondent.

Fee Summary

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

Initial Filing Fee	= \$ 375.00
<u>Forum Fees</u>	<u>= \$ 3,600.00</u>
Total Fees	= \$ 3,975.00
<u>Less payments</u>	<u>= \$(1,575.00)</u>
Balance Due NASD Dispute Resolution	= \$ 2,400.00

2. Respondent is charged with the following fees and costs:

Member Fees	= \$ 7,000.00
<u>Forum Fees</u>	<u>= \$ 3,600.00</u>
Total Fees	= \$10,600.00
<u>Less payments</u>	<u>= \$ (7,000.00)</u>
Balance Due NASD Dispute Resolution	= \$ 3,600.00

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

Charles H. Essayan	-	Public Arbitrator, Presiding Chair
Lee A. Wolterding	-	Public Arbitrator
John L. Cordova	-	Non-Public Arbitrator

Concurring Arbitrators' Signature:

Charles H. Essayan
Chair, Public Arbitrator

Signature Date

Lee A. Wolterding
Public Arbitrator

Signature Date



John L. Cordova
Non-Public Arbitrator

3-31-06
Signature Date

3/31/06
Date of Service

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Chair, Public Arbitrator

Signature Date

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Public Arbitrator

03/31/06
Signature Date

John L. Cordova
Non-Public Arbitrator

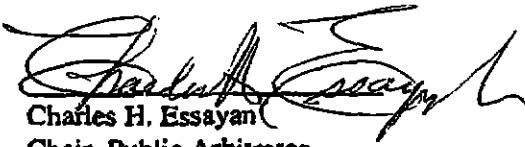
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