

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

TIBA Finanz Anstalt (Claimant/Counter Respondent)

v.

Morgan Stanley Dean Witter, Inc.
Keith Waddell, and
William Martin Lacy, Jr. (Respondents)

-and-

Morgan Stanley Dean Witter, Inc. (Counter Claimant)

v.

TIBA Finanz Anstalt (Counter Respondent)

-and-

Morgan Stanley Dean Witter, Inc. (Third Party Claimant)

v.

Nevis Trust Limited,
Peter Buchel,
Claudio Marxer,
and Stephen A. Jernigan (Third Party Respondents)

Case Number: 99-00688

Hearing Site: Oklahoma City, Oklahoma

REPRESENTATION OF PARTIES

Claimant TIBA Finanz Anstalt ("TIBA"): Joseph H. Bocock, Esq., McAfee & Taft, Oklahoma City, Oklahoma.

Respondent Morgan Stanley Dean Witter Reynolds, Inc., ("Dean Witter"): Bruce W. Day, Esq., Day, Edwards, Federman, Propester & Christe, Oklahoma City, Oklahoma.

Respondent Charles Keith Waddell ("Waddell"): James U. White, Esq., White, Coffey, Galt & Fite, P.C., Oklahoma City, Oklahoma.

Third-party Respondents Peter Buchel ("Buchel") and Claudio Marxer ("Marxer"): Michael K. Harrah, Esq., Oklahoma City, Oklahoma.

Third-party Respondent Nevis Trust Limited ("Nevis Trust") was *pro se*.

Third-party Respondent Stephen A. Jernigan ("Jernigan") was *pro se*.

CASE INFORMATION

Statement of Claim filed on or about: February 16, 1999

Claimant TIBA signed the Uniform Submission Agreement: February 12, 1999

Claimant TIBA Withdrawal of Claims against Respondents Lacy and Waddell:
March 24, 2000

Statement of Answer filed by Respondent Dean Witter on or about: July 01, 1999

Respondent Dean Witter signed the Uniform Submission Agreement: June 25, 1999

Counterclaim filed by Respondent Dean Witter on or about: July 01, 1999

Third Party Claim filed by Respondent Dean Witter on or about: July 01, 1999

Statement of Answer filed by Respondent Waddell on or about: June 29, 1999

Respondent Waddell signed the Uniform Submission Agreement: June 26, 1999

Statement of Answer filed by Respondent Lacy on or about: June 28, 1999

Respondent Lacy signed the Uniform Submission Agreement: June 23, 1999

Statement of Answer filed by Third Party Respondent Buchel on or about:
March 20, 2000

Third Party Respondent Buchel signed the Uniform Submission Agreement:
February 18, 2000

Statement of Answer filed by Third Party Respondent Marxer on or about:
March 20, 2000

Third Party Respondent Marxer signed the Uniform Submission Agreement:
February 09, 2000

Motion to Decline Jurisdiction and Dismiss Counterclaim submitted by Claimant
TIBA: October 28, 1999

Objection to Claimant's Motion to Decline Jurisdiction and Dismiss Counterclaim
submitted by Respondent Dean Witter: November 01, 1999

CASE SUMMARY

Claimant asserted the following causes of action: gross negligence or wilful misconduct, misappropriation, and failure to supervise.

Counter Claimant Dean Witter asserted the following causes of action:
reimbursement

Third Party Claimant Dean Witter asserted the following causes of action:
proximate cause of injuries to Claimant TIBA.

Unless specifically admitted in its Answer, Respondent Dean Witter denied the allegations made in the Statement of Claim.

Unless specifically admitted in his Answer, Respondent Waddell denied the allegations made in the Statement of Claim.

Unless specifically admitted in his Answer, Respondent Lacy denied the allegations made in the Statement of Claim.

Unless specifically admitted in his Answer, Third Party Respondent Buchel denied the allegations made in the Third Party Claim.

Unless specifically admitted in his Answer, Third Party Respondent Marxer denied the allegations made in the Third Party Claim.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$1,100,000.00
Punitive Damages	\$1,000,000.00
Interest	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified

Respondent Dean Witter requested:

Against Counter Respondent:

Compensatory Damages	20,000.00
Attorneys' Fees	unspecified
Other Costs	unspecified

Against Third Party Respondents:

Compensatory Damages	unspecified
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OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made by/on behalf of the Dean Witter the undersigned Panel determined that Third Party Respondents Jernigan and Nevis Trust have been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Third Party Respondents Nevis Trust and Jernigan did not file with the NASD Regulation, Inc. Office of Dispute Resolution a properly executed submission to arbitration but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Panel on all issues submitted.

Due to Claimant's Withdrawal of Claims against Respondents Lacy and Waddell filed on March 24, 2000 this award does not apply to said Respondents

Claimant TIBA's Post-hearing Motion for Sanctions is denied.

Respondent Dean Witter's Post-hearing Motion to Strike is denied.

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

1. By majority, (2-1), the Panel hereby denies all claims asserted by Claimant TIBA Finanz Anstalt.
2. The Full Panel hereby denies all Counterclaims asserted by Morgan Stanley Dean Witter against TIBA Finanz Anstalt.
3. The Full Panel hereby denies all Third Party Claims asserted by Morgan Stanley Dean Witter against Third Party Respondents Nevis Trust Limited, Peter Buchel, Claudio Marxer, and Stephen A. Jernigan.
4. Any and all relief not address herein is hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$250.00
Counter claim	= \$500.00
Third Party Claim filing fee	= \$500.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$2,500.00
Pre-hearing process fee	= \$ 600.00
<u>Hearing process fee</u>	<u>= \$4,500.00</u>
Total	= \$7,600.00

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:

Three (3) Pre-hearing sessions with Panel x \$1,000.00	= \$ 3,000.00
Pre-hearing conferences: October 28, 1999	1 session
January 19, 1999	1 session
March 24, 1999	1 session
Ten (10) Hearing sessions x \$1,000.00	= \$10,000.00
Hearing Dates: April 24, 2000	2 sessions
April 25, 2000	2 sessions
April 26, 2000	2 sessions
April 27, 2000	2 sessions
April 28, 2000	2 sessions
Total Forum Fees	= \$13,000.00

1. The Panel has assessed \$6,500.00 of the forum fees to TIBA.
2. The Panel has assessed \$6,500.00 of the forum fees to Dean Witter.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Claimant TIBA = \$70.00.

Fee Summary

1. Claimant TIBA shall be and hereby is solely liable for:

Initial Filing Fee	= \$ 250.00
Forum Fees	= \$ 6,500.00
Administrative Costs	= \$ 70.00
Total Fees	= \$ 6,820.00
Less payments	= \$ 1,320.00
Balance Due NASD Regulation, Inc.	= \$ 5,500.00

2. Respondent Dean Witter be and hereby is solely liable for:

Counter Claim	= \$ 500.00
Third Party Filing Fee	= \$ 500.00
Member Fees	= \$ 7,600.00
Forum Fees	= \$ 6,500.00
Total Fees	= \$15,150.00
Less payments	= \$18,900.00
Balance Due NASD Regulation, Inc.	= \$ (3,750.00)

All balances are due to NASD Regulation, Inc.

Concurring Arbitrators' Signatures:



Robert N. Naifeh, Esq.
Public Arbitrator

7-5-2000
Signature Date

Glenn E. Johnson
Industry Arbitrator

Signature Date

Partially Concurring and Partially Dissenting Arbitrator's Signature:

Clell I. Cunningham, III, Esq.
Public Arbitrator, Presiding Chair

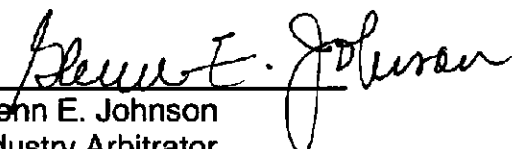
Signature Date

Date of Service (For NASD office use only)

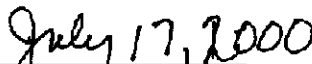
Concurring Arbitrators' Signatures:

Robert N. Naifeh, Esq.
Public Arbitrator

Signature Date



Glenn E. Johnson
Industry Arbitrator



Signature Date

Partially Concurring and Partially Dissenting Arbitrator's Signature:

Clell I. Cunningham, III, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Date of Service (For NASD office use only)

Concurring Arbitrators' Signatures:

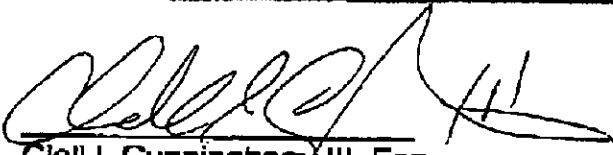
Robert N. Naifeh, Esq.
Public Arbitrator

Signature Date

Glenn E. Johnson
Industry Arbitrator

Signature Date

Partially Concurring and Partially Dissenting Arbitrator's Signature:



Clall I. Cunningham III, Esq.
Public Arbitrator, Presiding Chair

7-5-00

Signature Date

Date of Service (For NASD office use only)

Concurring Arbitrators' Signatures:

/s/ Robert N. Naifeh
Robert N. Naifeh, Esq.
Public Arbitrator

July 5, 2000
Signature Date

/s/ Glenn E. Johnson
Glenn E. Johnson
Industry Arbitrator

July 17, 2000
Signature Date

Partially Concurring and Partially Dissenting Arbitrator's Signature:

/s/ Clell I. Cunningham, III
Clell I. Cunningham, III, Esq.
Public Arbitrator, Presiding Chair

July 5, 2000
Signature Date

Date of Service (For NASD office use only)