

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Anthony Lekkos, (Claimant) v. Morgan Stanley & Company Inc. (Respondent).

Case Number: 99-02939

Hearing Site: Houston, Texas.

REPRESENTATION OF PARTIES

Claimant, Anthony Lekkos ("Lekkos"): Brett B. Stalcup, Esq. of Dallas, Texas.

Respondent Morgan Stanley & Company ("Morgan Stanley"): David J. Beck, Esq of the law firm of Beck, Redden & Secrest, located in Houston, Texas.

CASE INFORMATION

Statement of Claim filed on or about: July 27, 1999.

Claimant, Lekkos signed the Uniform Submission Agreement: June 1, 1999.

Respondent, Morgan Stanley filed the Statement of Answer on or about: September 15, 1999.

Morgan Stanley signed the Uniform Submission Agreement on September 7, 1999.

CASE SUMMARY

Claimant asserted the following causes of action: Breach of Contract, Misrepresentation, Omissions and Violation of Securities Laws, intentional, negligence, gross negligence/ and or reckless disregard. The statement of claim also contained a request for Declaratory Judgment. All causes of actions relate to the trading of common stock.

Respondent, Morgan Stanley denied the allegations set forth in the Statement of Claim and asserted the following defenses:

1. Claimant's Statement of Claim does not seek any monetary relief from Respondents, but instead, seeks a declaration that the Settlement is null and void.
2. Claimant's allegations fail to state a claim upon which relief can be granted, have no basis in law or fact and are patently frivolous.

3. Neither Respondent, Morgan Stanley nor its agents or representatives had a relationship with Mr. Parker that was improper and which created a conflict of interest. The declarations of Charles Chasin, Lisa Polsky, Jonathan Orseck, W. Barry Schneider, Willie Langston and Robert Gauntt are clear that the conflict of interest alleged by Claimant simply did not exist.
4. Claimant has failed to state any facts to support a claim of economic duress.

RELIEF REQUESTED

Claimant requested:

Declaratory Relief	
Punitive Damages	unspecified
Interest	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified

Respondent requested that any claims against it be dismissed.

OTHER ISSUES CONSIDERED AND DECIDED

Claimant filed a Motion to Stay on April 30, 2001. Respondent's response to Claimant's Motion to Stay Arbitration Proceeding was filed on May 11, 2001. The Panel denied the Claimant's Motion to Stay the Arbitration proceedings.

Respondent Morgan Stanley filed Motion for Summary Judgment on April 24, 2000. Claimant filed a response to Respondent's Motion for Summary Judgment on May 4, 2000. The Panel denied Respondent's Motion for Summary Judgment.

On June 4, 2001 Morgan Stanley filed a Post-hearing brief regarding attorney's fees. On June 22, 2001 Lekkos filed a Post-hearing brief regarding attorney's fees.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondent Morgan Stanley & Company, Inc. are dismissed in their entirety.
2. Claimant Anthony Lekkos is liable for and shall pay to the Respondent \$37,116 (thirty-seven thousand, one hundred and sixteen dollars) as attorneys' fees. In

deciding to award attorneys' fees, the panel considered the arguments of the parties, as well as the pleadings filed on their behalf, and determined that authority existed for an award of attorney's fees to the Respondent.

3. Except as specified otherwise herein, each party shall bear its own costs and attorney's fees.
4. 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, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial Claim Filing Fee	= \$250.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is the Respondent, Morgan Stanley & Company Inc:

The Member Firm:

Member surcharge	= \$1,200
Pre-hearing process fee	= \$ 600
Hearing process fee	= \$2,000
Total Member Fees	= \$3,800

Adjournment Fees

Adjournments requested during these proceedings:

Adjournment by Claimant, Anthony Lekkos and Morgan Stanley:

Hearing dates:	May 31, -June 1, 2000	= \$ 1000.00 (waived)
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Adjournment requested by Claimant Anthony Lekkos:

Hearing dates	October 31, -November 2, 2000	= \$1000.00 (waived)
	April 3, -5, 2001	= \$1000.00

Total adjournment Fees	= \$1000.00
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Forum Fees and Assessments

The panel has the authority to assess 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:

Four (4) Pre-hearing sessions with Panel x \$1000.00	= \$ 3,000.00
Pre-hearing conference: January 25, 2000	1 session
May 23, 2000	1 session
May 31, 2000	1 session

Three (3) Hearing sessions x \$ 1000.00	= \$ 3000.00
Hearing Dates: May 31, 2001	2 sessions
June 1, 2001	1 session

Total Forum Fees	= \$ 6000.00
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The panel has assessed the entire \$6000.00 in Forum Fees to the Claimant, Anthony Lekkos.

Fee Summary

1. Claimant, Anthony Lekkos, be and hereby is solely liable for:

Adjournment Fees	= \$ 1,000.00
Forum Fees	= \$ 6,000.00
Initial Filing Fee	= \$ 250.00
Total Fees	= \$ 8,250.00
<u>Less payments</u>	<u>= \$ 1,250.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 6,000.00

2. Respondent, Morgan Stanley & Company Inc., be and hereby are jointly and severally liable for:

<u>Member Fees</u>	<u>= \$3,800.00</u>
Total Fees	= \$3,800.00
<u>Less payments</u>	<u>= \$3,800.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Daniel R. Schneider, Esq.	-	Non-Public, Presiding Chair
James M. Kendrick, JD	-	Public Arbitrator
Jeff Kilgore, Esq.	-	Public Arbitrator

Concurring Arbitrators' Signatures

Daniel R. Schneider
Non-Public Arbitrator, Presiding Chair

Signature Date

James M. Kendrick, JD
Public Arbitrator

Signature Date

Jeff Kilgore, Esq.
Public Arbitrator

Signature Date

Date of Service (For NASD-Dispute Resolution office use only)

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Daniel R. Schneider, Esq. -
James M. Kendrick, JD -
Jeff Kilgore, Esq. -

Non-Public, Presiding Chair
Public Arbitrator
Public Arbitrator

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Non-Public Arbitrator, Presiding Chair

Signature Date



James M. Kendrick, JD
Public Arbitrator

7-24-2001

Signature Date

Jeff Kilgore, Esq.
Public Arbitrator

Signature Date

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