Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants
Mohammad and Azmina Kassamali, JTTEN
Mohammad Kassamali

Case Number: 02-00508

Name of the Respondent
Morgan Stanley DW Inc.

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Mohammad and Azmina Kassamali, JTTEN (M & AK) and Mohammad Kassamali ("MK"), hereinafter referred to as "Claimants": Wayne Schwartz, Esq., Blum, Silver & Schwartz, LLP, Plantation, Florida.

For Morgan Stanley DW Inc. ("MSDW"), hereinafter referred to as "Respondent": Todd Zuckerbrod, Esq., Greenberg Traurig, P.A., West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: January 24, 2002.
Claimants signed the Uniform Submission Agreement: January 7, 2002.
Statement of Answer filed by Respondent on or about: March 26, 2002.
Respondent signed the Uniform Submission Agreement: April 24, 2002.

CASE SUMMARY

Claimants asserted the following causes of action: 1) violation of industry rules; 2) violation of Section 517.301, Florida Statutes; 3) breach of contract; 4) breach of fiduciary duty; 5) common law fraud; 6) negligence; and 7) negligent supervision, hiring and retention. The causes of action relate to transactions in naked options, purchases made on margin in unspecified securities products and to the purchase and sale of various shares of stock including, but not limited to: Agile Software Corp., AOL, Inc., Ariba, Inc., At Home Corp., BroadCom, Corp., Broad Vision, Cisco Systems, Inc., CMGI, Inc., Commerce One, Dell Computer, E. Piphany, Inc., E-Tek Dynamics, Intel Corp., Internet Capital Group, Inc., I 2 Technologies, Inc., JDS Uniphase Corp., Lucent Technologies, Microsoft, Portal Software, Inc., QualComm, Inc., Rambus, Inc., Red Hat, Inc., Tegal Corp. and Yahoo, Inc.

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

RELIEF REQUESTED

Claimants requested compensatory damages of $2,205,000.00, plus interest at the legal rate from the date of purchase or reasonable market return, rescission, punitive damages, reasonable attorney's fees to be determined by a court of competent jurisdiction, the costs of this proceeding and such other relief as is deemed just and proper.

Respondent requested that all claims against it be denied, that Respondent be found the prevailing party for purposes of entitlement to fees pursuant to Section 517, Florida Statutes and such other and further relief as is deemed appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent MSDW is liable on the claims of negligent supervision, breach of fiduciary duty and negligence and shall pay to Claimants the sum of $75,000.00 in compensatory damages, plus interest at the Florida statutory rate from the date of the Award until the date of payment of the Award.
2. Any and all claims for relief not specifically addressed herein, including Claimants' claims for relief pursuant to Section 517.301, Florida Statutes, Claimants' request for punitive damages and the parties' requests for attorneys' fees, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= $500.00

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. Accordingly, MSDW is a member firm and a party.

Member surcharge	= $2,800.00
Pre-hearing process fee	= $ 750.00

Hearing process fee = $5,000.00

Adjournment Fees

No adjournments were granted during these proceedings for which fees were assessed.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were incurred during these proceedings.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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:

Two (2) Pre-hearing sessions with a single arbitrator @ $450.00			= $ 900.00
Pre-hearing conferences:	March 3, 2003	1 session	
	March 10, 2003	1 session	
One (1) Pre-hearing session with the Panel @ $1,200.00			= $ 1,200.00
Pre-hearing conference:	July 23, 2002	1 session	
Twelve (12) Hearing sessions @ $1,200.00			= $14,400.00
Hearing Dates:	January 19, 2004	2 sessions	
	January 20, 2004	2 sessions	
	January 21, 2004	2 sessions	
	January 22, 2004	2 sessions	
	January 23, 2004	2 sessions	
	January 30, 2004	2 sessions	
Total Forum Fees			= $16,500.00

The Panel has assessed $8,250.00 of the forum fees jointly and severally to Claimants.
The Panel has assessed $8,250.00 of the forum fees to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative fees were incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= $ 500.00
Forum Fees	= $ 8,250.00
Total Fees	= $ 8,750.00
Less payments	= $ 1,700.00
Balance Due NASD Dispute Resolution	= $ 7,050.00

Respondent is solely liable for:

Member Fees	= $ 8,550.00
Forum Fees	= $ 8,250.00
Total Fees	= $16,800.00
Less payments	= $ 9,150.00
Balance Due NASD Dispute Resolution	= $ 7,650.00

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

ARBITRATION PANEL

Carl Shechter, Esq. - *Public Arbitrator, Presiding Chairperson*
Willie E. Williams - *Public Arbitrator*
David A. Pracker - *Non-Public Arbitrator*

Concurring Arbitrators' Signatures

/s/
Carl Shechter, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Willie E. Williams
Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

/s/
David A. Pracker
Non-Public Arbitrator

Signature Date

February 23, 2004
Date of Service (For NASD Dispute Resolution office use only)

No administrative fees were incurred during these proceedings.

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Willie E. Williams - *Public Arbitrator*
David A. Pracker - *Non-Public Arbitrator*

Concurring Arbitrators' Signatures

Carl Shechter, Esq.
Public Arbitrator, Presiding Chairperson

2-18-04
Signature Date

Willie E. Williams
Public Arbitrator

Signature Date

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Willie E. Williams	-	*Public Arbitrator*
David A. Pearlson	-	*Non-Public Arbitrator*

Concurring Arbitrators' Signatures

Carl Shechter, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Willie E. Williams

Willie E. Williams
Public Arbitrator

02/18/2004
Signature Date

Dissenting Arbitrator's Signature

David A. Pracher
Non-Public Arbitrator

2/18/04
Signature Date

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