Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Hyman B. Taitelman

Case Number: 04-02155

Names of the Respondents
Morgan Stanley DW, Inc.
Donald Horras

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

For Hyman B. Taitelman, hereinafter referred to as "Claimant": Scott L. Silver, Esq., Blum, Silver & Schwartz, LLP, Coral Springs, Florida.

For Morgan Stanley DW, Inc. ("MSDW") and Donald Horras ("Horras"), hereinafter collectively referred to as "Respondents": Joseph C. Coates, III, Esq. and Jon A. Jacobson, Esq., Greenberg Traurig, P.A., West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: March 24, 2004.
Claimant signed the Uniform Submission Agreement: March 18, 2004.
Statement of Answer filed by Respondents on or about: June 14, 2004.
Respondent MSDW signed the Uniform Submission Agreement: June 23, 2004.
Respondent Horras signed the Uniform Submission Agreement: June 24, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: violation of industry rules, including NYSE Rule 405 and NASD Rule 2310; breach of contract; breach of fiduciary duty; common law fraud; negligence; and, negligent supervision. The causes of action relate to the purchase in Claimant's accounts of various variable annuities with sub-accounts allocated to mutual funds invested in technology, telecommunication and internet sectors of the market, including, but not limited to the following: Morgan Stanley Select Dimensions Variable Annuity; Morgan Stanley Dean Witter Variable Annuity II; Best of America Variable Annuity; Nationwide Choice; and, MFAS Regatta Platinum.

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

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of $447,000.00, interest at the legal rate from the date of purchase or reasonable market return, rescission, reasonable attorney's fees to be determined by a court of competent jurisdiction, punitive damages, the cost of this proceeding, and such other relief as is deemed just and proper by the Panel.

Respondents requested that the Panel dismiss Claimant's claims in their entirety, assess all forum fees against Claimant, expunge any reference to this matter from the public and non-public NASD Central Registration Depository ("CRD") records of Respondent Horras, and grant such other and further relief as the Panel deemed just and appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

During the evidentiary hearing, Respondents moved to dismiss claims on certain accounts for lack of standing on the part of Claimant as trustee to bring them. Claimant opposed the motion, arguing that the trustee had standing. The Panel denied the motion.

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, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Compensatory damages are awarded to Claimant on the claim of negligence against Respondent Horras and on the claim of negligent supervision against Respondent MSDW. Accordingly, Respondents are jointly and severally liable and shall pay to Claimant compensatory damages in the amount of $59,167.17.

Respondents are jointly and severally liable and shall reimburse Claimant the amount of $300.00, representing the non-refundable claim filing fee paid by Claimant to NASD Dispute Resolution.

All other claims for relief made by any party that are not specifically addressed herein, including Claimant's requests for pre-judgment interest, punitive damages and attorney's 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	= $ 300.00

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 person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Respondent MSDW is a member firm and a party.

Member Surcharge	= $1,700.00
Pre-hearing process fee	= $ 750.00
Hearing process fee	= $2,750.00
Total Member Fees	= $5,200.00

Adjournment Fees
Adjournments granted during these proceedings for which fees were assessed:

No adjournments were requested during these proceedings.

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.

No three-day cancellation fees were assessed in this matter.

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.

Injunctive relief fees were not assessed in this matter.

Forum Fees and Assessments
The Panel has assessed forum fees for each session conducted. 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:

One (1) Pre-hearing session with the Panel @ $1,125.00/session			= $1,125.00
Pre-hearing conference:	August 26, 2004	1 session	
Six (6) Hearing sessions @ $1,125.00/session			= $6,750.00
Hearing Dates:	April 12, 2005	2 sessions	
	April 13, 2005	2 sessions	
	April 14, 2005	2 sessions	
Total Forum Fees			= $7,875.00

The Panel has assessed the total forum fees of $7,875.00 to Respondent MSDW.

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.

There were no administrative costs incurred in this matter.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= $ 300.00
Total Fees	= $ 300.00
Less Payments	= $ 300.00
Balance Due NASD Dispute Resolution	= $ 0.00

Respondent MSDW is solely liable for:

Member Fees	= $ 5,200.00
Forum Fees	= $ 7,875.00
Total Fees	= $13,075.00
Less Payments	= $ 5,200.00
Balance Due NASD Dispute Resolution	= $ 7,875.00

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

ARBITRATION PANEL

Nancy J. Cliff, Esq.	-	Public Arbitrator, Presiding Chairperson
Adam Matthew Moskowitz, Esq.	-	Public Arbitrator
Jonathan Seth Robbins, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Nancy J. Cliff, Esq.
Public Arbitrator, Presiding Chairperson

April 15, 2005
Signature Date

/s/
Adam Matthew Moskowitz, Esq.
Public Arbitrator

April 15, 2005
Signature Date

/s/
Jonathan Seth Robbins, Esq.
Non-Public Arbitrator

April 18, 2005
Signature Date

April 18, 2005
Date of Service (For NASD Dispute Resolution office use only)

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Respondent MSDW is solely liable for:

Member Fees	= $ 5,200.00
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Nancy J. Cliff, Esq.
Public Arbitrator, Presiding Chairperson

4/15/05
Signature Date

Adam Matthew Moskowitz, Esq.
Public Arbitrator

Signature Date

Jonathan Seth Robbins, Esq.
Non-Public Arbitrator

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Signature Date

Adam Matthew Moskowitz, Esq.
Public Arbitrator
4/15/05
Signature Date

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Non-Public Arbitrator
Signature Date

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

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Signature Date

Adam Matthew Moskowitz, Esq.
Public Arbitrator

Signature Date

Jonathan Seth Robbins, Esq.
Non-Public Arbitrator

4/18/05
Signature Date

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