Final points on motion to dismiss

First of all, I welcome the opportunity to speak to the respondent's motions to dismiss beyond the original papers submitted to the panel.

I am confident that the panel has already taken the time necessary to understand the basic and fundamental reasons to proceed to the hearing dates allocated in June. A reiteration of several important points is appropriate, and I expect to take no longer than 7 minutes.

The scope of the conflict revolves around Morgan Stanley's abject behavior in a set of circumstances of their making. Deliberate conduct has violated the law. Fiduciary violation, lack of accountability, enforcement deficiency, lack of due diligence, front running, self dealing, allowing an individual to act as a general securities principal without being properly registered, violating various NASD rules, as well as the Securities Act of 1933 and a colossal skill at cover up breach the basic fundamental and lawful responsibilities of this member firm's conduct.

The position I have represented is the very position that Morgan Stanley mandates brokers take in their ethical business practices in protecting the firm from this very type of behavior. The firm's fear is that being the one person who knows all of the aspects of the violations and discrepancies, I will be able to finally put Morgan Stanley

and Mr. Carberry in a position "under oath" and offer the panel the depth of testimony which will lead to the remaining investors receiving the lawful remedy of rescission. The three arbitrators have the opportunity of hearing the truth which has led to Tennessee's rescission under blue sky violations and Florida's rescission success from the pricing violations found in the consent agreement from FINRA, an examination which I initiated in Feb. of 2005.

Without my direct involvement with the division of securities of the State of Florida, I don't believe that approximately 738 Florida investors would have been receiving something over $13,000,000 which is taking place right now. I have, by virtue of Florida's actions, been directly involved with assisting about 25% of the 2807 pricing infractions noted by FINRA in 2007. I appreciate the State of Fla. extending me the courtesy of my meeting with the division of securities commissioner, Rick White, general counsel Rob Beitler and senior examiner Michael Banyas in Tallahassee on March 3, 2008 for 2 1/2 hours by myself. It was the catalyst that achieved these results.

The spectacular lengths taken by my former firm to inhibit brokers and investors alike from a clear understanding of the KLSN disaster is breathtaking. By adhering to the "investor protection….market integrity" adage of FINRA, I am utilizing this remedy forum correctly. The fact that they were forced into a rescission mode in Florida has not diminished the need for the testimony to come in front of

the panel. .

This motion to dismiss is their last and final opportunity to keep the hearing from proceeding. I expect the testimony to be convincing, decisive, and overwhelming. Otherwise, I can assure you that I would not be spending my time unwinding this unlawful behavior.

Morgan Stanley has been involved with two separately crafted documents related directly to this case: a consent agreement with FINRA and consent orders with the member states of the NASAA. These agreements and orders have significant value in identifying issues in this specific situation. We are continually focusing on the need for transparency these days with the financial firms. The hearing will assure transparency in this dispute. At this time, allow me to read the first sentence of a news release from the NASAA dated Feb. 24, 2009. The heading is:

NASAA Statement on FINRA Leadership :

this release is discussing the transition from FINRA 's CEO position that Mary Shapiro recently relinquished to her successor Richard Ketchum.

"In today's financial climate, investors more than ever need the protections provided by state, federal and industry regulatory organizations, working in a collaborative, coordinated and cooperative manner with one another."

This hearing will allow the FINRA dispute resolution process to work effectively with other agency's documentation to unlock the entire truth. This is the collaborative, coordinated and cooperative manner referred to in the aforementioned quote. The time has come for a compressive look based on regulatory standards.

In conclusion, I would now simply ask the three arbitrators to remember that hearing the case and judging from the testimony is the best method for being able to discharge the arbitrator's responsibilities. I respectfully request the motions be denied.

Thank you…