

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

John W. Niehaus Trust, John W. Niehaus, Trustee (Claimant) v. McDonald Investments, Inc. and William P. Cseplo (Respondents)

Case Number: 02-07000

Hearing Site: Cincinnati, Ohio

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

REPRESENTATION OF PARTIES

Claimant John W. Niehaus Trust ("Niehaus Trust") hereinafter referred to as "Claimant": Andrew W. Green, Esq., CPA, Andrew W. Green, PLLC, Burlington, KY.

Respondents McDonald Investments, Inc. ("McDonald Investments") and William P. Cseplo ("Cseplo") hereinafter collectively referred to as "Respondents": Kimberly M. Oreh, Esq., of the firm Calfee, Halter & Griswold, LLP, Cleveland, OH.

CASE INFORMATION

Statement of Claim filed on or about: November 19, 2002.

Claimant signed the Uniform Submission Agreement: November 9, 2002.

Joint Statement of Answer filed by Respondents on or about: February 20, 2003.

Respondent McDonald Investments signed the Uniform Submission Agreement: February 6, 2003.

Respondent Cseplo signed the Uniform Submission Agreement: March 4, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability; failure to diversify; failure to communicate/advise; and failure to supervise. Claimant's claim involved Frontier Corp./Global Crossing coupon notes.

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

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$350,000.00; rescission; costs; attorneys' fees; and any and all other relief at law or equity to which Claimant is

entitled.

Respondents requested that the Panel deny all claims in their entirety; assess all forum costs to the Claimant; and such further relief as the Panel deems necessary and appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

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, and 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. Claimant's claims are dismissed in their entirety.
2. Any and all relief not specifically addressed herein, including Respondents' request for expungement, is denied.

FEES

Pursuant to 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
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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 that employed the associated person at the time of the events giving rise to the dispute. Accordingly, McDonald Investments, Inc. is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 20-22, 2004, joint adjournment request	= Waived
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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:

One (1) Pre-hearing session with a single arbitrator @ \$450.00 = \$ 450.00
Pre-hearing conference: December 22, 2003 1 session

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$1,125.00
Pre-hearing conference: July 31, 2003 1 session

Four (4) Hearing sessions @ \$1,125.00 = \$4,500.00
Hearing Dates: September 14, 2004 2 sessions
September 15, 2004 2 sessions

Total Forum Fees = \$6,075.00

1. The Panel has assessed \$1,125.00 of the forum fees against Claimant.
2. The Panel has assessed \$4,950.00 of the forum fees against Respondent McDonald Investments.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,425.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent McDonald Investments is solely liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,950.00
Total Fees	= \$10,150.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 4,950.00

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

ARBITRATION PANEL

Benjamin B. Segel, Esq.	-	Public Arbitrator, Presiding Chairperson
Raymond Nardo	-	Public Arbitrator
Barbara Ann Turner	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument is which is my award.



Benjamin B. Segel, Esq.
Public Arbitrator, Presiding Chairperson

9/23/04
Signature Date

Raymond Nardo
Public Arbitrator

Signature Date

Barbara Ann Turner
Non-Public Arbitrator

Signature Date

October 4, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

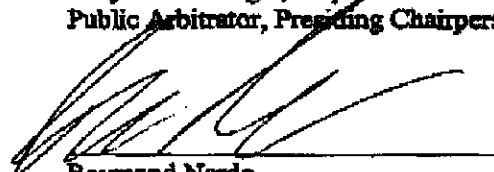
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Benjamin B. Segal, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Raymond Nardo
Public Arbitrator

9/23/04
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Benjamin B. Segel, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Raymond Nardo
Public Arbitrator

Signature Date

Barbara Ann Turner
Barbara Ann Turner
Non-Public Arbitrator

September 23, 2004
Signature Date

October 4, 2004

Date of Service (For NASD Dispute Resolution use only)