

STIPULATED AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Sadru Patel

and

Case Number: 03-04895
Hearing Site: Chicago, Illinois

Names of Respondents

McDonald Investments, Inc. and
Larry R. Bishop

NATURE OF DISPUTE

Customer v. Member Firm and Associated Person

REPRESENTATION OF PARTIES

Sadru Patel ("**Claimant**") was represented by Stephen S. Berkeley, Esq., Shaheen, Novoselsky, Staat & Filipowski, LLP, Chicago, Illinois.

McDonald Investments, Inc. ("**McDonald**") and Larry R. Bishop ("**Bishop**"), hereinafter collectively referred to as "Respondents," were represented by Kenneth F. Berg, Esq., Ulmer & Berne, LLP, Chicago, Illinois

CASE INFORMATION

The Statement of Claim was filed on or about July 2, 2003. The Submission Agreement of Claimant, Sadru Patel, was signed on or about June 24, 2003.

The Statement of Answer was filed jointly by Respondents, McDonald Investments, Inc. and Larry R. Bishop, on or about September 2, 2003. The Submission Agreement of Respondent, McDonald Investments, Inc., was signed on or about September 15, 2003. The Submission Agreement of Respondent, Larry R. Bishop, was signed on or about September 3, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: suitability, misrepresentations, omissions, negligence, breach of contract and failure to supervise. The causes of action related to the recommendation and purchase of various unspecified securities.

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

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$148,000.00
Punitive/Exemplary Damages	Unspecified
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. In addition, Respondent, Larry R. Bishop, requested that all references to this claim be expunged from his CRD record.

OTHER ISSUES CONSIDERED & DECIDED

On or about March 11, 2005, the Claimants settled all claims against Respondents.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrators order as follows:

- 1.) Claimant's claims, each and all, are hereby dismissed with prejudice, pursuant to the parties' settlement agreement;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) The panel recommends the expungement of all reference to the above captioned arbitration from Respondent, Larry R. Bishop's, registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent, Larry R. Bishop, must obtain confirmation

from a court of competent jurisdiction before the CRD will execute the expungement directive; and

- 4.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee 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 that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm is McDonald Investments, Inc.

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

Forum Fees and Assessments

The Arbitration Panel assesses 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:

One (1) Pre-hearing session with Panel x \$1,125.00	= \$ 1,125.00
Pre-hearing conference: May 19, 2004 1 session	

Total Forum Fees = \$ 1,125.00

The Arbitration Panel has assessed \$562.50 of the forum fees to Sadru Patel.

The Arbitration Panel has assessed \$562.50 of the forum fees to McDonald Investments, Inc.

Fee Summary

Claimant, Sadru Patel, is liable for:

Initial Filing Fee	= \$ 300.00
Retention of Hearing Session Deposit	= \$ 562.50
Forum Fees	= \$ 562.50
Total Fees	= \$ 1,425.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, McDonald Investments, Inc., is liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 5,762.50
Less payments	= \$ 5,762.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Pursuant to Rule 10332(g) of NASD Code of Arbitration Procedures: *Any matter submitted and thereafter settled or withdrawn subsequent to the commencement of the first hearing session, including a pre-hearing conference with an arbitrator, shall be subject to an assessment of forum fees and costs incurred pursuant to Rules 10319, 10321, 10322, and 10326 based on hearing sessions held and scheduled within eight business days after the Association receives notice that the matter has been settled or withdrawn. The arbitrator(s) shall determine by whom such forum fees and costs shall be borne. As NASD Dispute Resolution received notice of the settlement within eight business days of the first scheduled hearing, \$562.50 of the Claimant's remaining hearing session deposit is retained.*

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

ARBITRATOR

Herbert J. Paske – Non-Public Arbitrator

Arbitrator's Signature:

/s/ Herbert J. Paske
Herbert J. Paske
Non-Public Arbitrator

January 10, 2006
Signature Date

January 11, 2006
Date of Service (For NASD office use only)

ARBITRATOR

Herbert J. Paske – Non-Public Arbitrator

Arbitrator's Signature:

Herbert J. Paske
Non-Public Arbitrator

1-10-06
Signature Date

Date of Service (For NASD office use only)