

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Michael D. Welsh v. McDonald Investments, Inc., Richard Lowrie and Ralph String

Case Number: 03-05527

Hearing Site: Cleveland, Ohio

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

REPRESENTATION OF PARTIES

Claimant, Michael D. Welsh ("Welsh") hereinafter referred to as "Claimant": Edward F. Siegel, Esq., Law Offices of Edward F. Siegel, Cleveland, OH.

Respondents, McDonald Investments, Inc., ("McDonald"), Richard Lowrie ("Lowrie"), and Ralph String ("String") hereinafter collectively referred to as "Respondents": Marc Feldman, Esq., Ulmer & Berne, LLP, Cleveland, OH.

CASE INFORMATION

Statement of Claim filed on or about: July 22, 2003.

Claimant signed the Uniform Submission Agreement: July 14, 2003.

Joint Statement of Answer filed by Respondents McDonald, String, and Lowrie on or about: October 24, 2003.

Respondent McDonald signed the Uniform Submission Agreement: August 18, 2003.

Respondent Lowrie signed the Uniform Submission Agreement: September 10, 2003.

Respondent String signed the Uniform Submission Agreement: August 26, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: violation of Rule 405 of the NYSE and NASD Rule 2310 relating to suitability, breach of fiduciary duty, breach of contract, and excessive fees. The causes of action relate to various mutual funds and common stocks.

Unless specifically admitted in its Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$92,141; refund of all commissions;

costs of arbitration proceedings, and interest at the rate of 10% per annum from the date of the initial investment.

Respondents requested dismissal of the Statement of Claim in its entirety and requested an award in their favor. Further, Respondents asked that they be awarded their costs of defense, including attorney's fees, forum fees, expenses and that the Panel recommend the expungement of any and all references to this matter from the CRD records of Richard Lowrie and Ralph String.

OTHER ISSUES CONSIDERED AND DECIDED

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

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. Claimant's claims are dismissed in their entirety.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Richard Lowrie's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Richard Lowrie must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Ralph String's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Ralph String must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
4. Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 225.00
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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 persons at the time of the events giving rise to the dispute. In this matter, the member firm, McDonald Investments, Inc., is a party.

Member Surcharge	= \$	1,100.00
Pre-Hearing Process Fee	= \$	750.00
<u>Hearing Process Fee</u>	= \$	<u>1,700.00</u>
Total Member Fees	= \$	3,550.00

Adjournment Fees

The following adjournment fees are assessed:

August 10-12, 2004, adjournment requested by Claimants = Waived

Forum Fees and Assessments

The 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. Forum fees associated with these proceedings are:

One (1) Pre-hearing conference session with a single arbitrator @ \$450.00/session = \$ 450.00
Pre-hearing conference: May 4, 2004 1 session

One (1) Pre-hearing conference session with the Panel @ \$ 750.00/session = \$ 750.00
Pre-hearing conference: January 15, 2004 1 session

Total Forum Fees	= \$	1,200.00
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1. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Claimant Welsh has been assessed \$ 300.00 of the forum fees.
2. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Respondent McDonald has been assessed \$ 300.00 of the forum fees.
3. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Respondent Lowrie has been assessed \$ 300.00 of the forum fees.
4. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Respondent String has been assessed \$ 300.00 of the forum fees.

Fee Summary

1. Claimant Welsh is solely liable for:

Initial Filing Fee	= \$	225.00
<u>Forum Fees</u>	= \$	300.00
Total Fees	= \$	525.00
<u>Less payments</u>	= \$	975.00
Refund Due Claimant	= \$	450.00

2. Respondent Mc Donald is solely liable for:

Member Fees	= \$	3,550.00
<u>Forum Fees</u>	= \$	300.00
Total Fees	= \$	3,850.00
<u>Less payments</u>	= \$	3,550.00
Balance Due NASD Dispute Resolution	= \$	300.00

3. Respondent Lowrie is solely liable for:

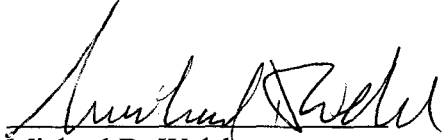
<u>Forum Fees</u>	= \$	300.00
Total Fees	= \$	300.00
<u>Less payments</u>	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	300.00

4. Respondent String is solely liable for:

<u>Forum Fees</u>	= \$	300.00
Total Fees	= \$	300.00
<u>Less payments</u>	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	300.00

All balances are due and payable to NASD Dispute Resolution

Parties' Signatures



Michael D. Welsh
Claimant

6/21/08

Signature Date

McDonald Investments, Inc.
Respondent

Signature Date

Richard Lowrie
Respondent

Signature Date

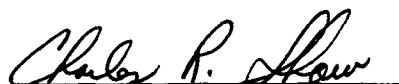
Ralph String
Respondent

Signature Date

Parties' Signatures

Michael D. Welsh
Claimant

Signature Date


McDonald Investments Inc.
Respondent

6/23/05
Signature Date

Richard Lowrie
Respondent

Signature Date

Ralph String
Respondent

Signature Date

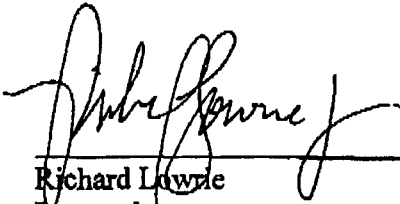
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Michael D. Welsh
Claimant

Signature Date

McDonald Investments, Inc.
Respondent

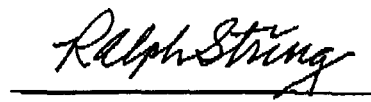
Signature Date



Richard Lowrie
Respondent

7/21/05

Signature Date



Ralph String
Respondent

7-21/05

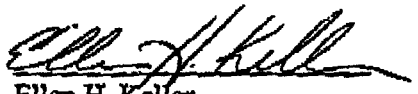
Signature Date

ARBITRATION PANEL

Ellen H. Keller	-	Public Arbitrator, Presiding Chair
Michael L. Fortney	-	Public Arbitrator
David A. Ruckman	-	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.


Ellen H. Keller
Public Arbitrator, Presiding Chair

7/6/2005
Signature Date

Michael L. Fortney
Public Arbitrator

Signature Date

David A. Ruckman
Non-Public Arbitrator

Signature Date

August 12, 2005
Date of Service (For NASD office use only)

ARBITRATION PANEL

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Michael L. Fortney	-	Public Arbitrator
David A. Ruckman	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

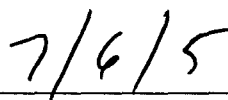
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Public Arbitrator, Presiding Chair

Signature Date



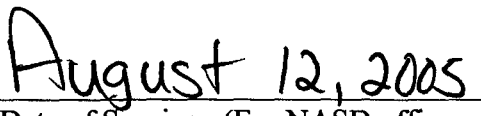
Michael L. Fortney
Public Arbitrator



Signature Date

David A. Ruckman
Non-Public Arbitrator

Signature Date



Date of Service (For NASD office use only)

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Ellen H. Keller
Public Arbitrator, Presiding Chair

Signature Date

Michael L. Fortney
Public Arbitrator

Signature Date



David A. Ruckman
Non-Public Arbitrator

63005
Signature Date

August 12, 2005
Date of Service (For NASD office use only)