

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Names of Claimants

Charles and Marian Roelent

and

Case Number: 03-05747
Hearing Site: Detroit, Michigan

Names of Respondents

McDonald Investments, Inc.,
Charles W. Rashid, and
Ronald P. Rashid

NATURE OF CASE

Customers v. Member and Associated Persons

REPRESENTATION OF PARTIES

Charles and Marian Roelent ("Claimants") was represented by Anthony V. Trogan, Esq., and Lysa Postula-Stein, Esq., Anthony V. Trogan, PLLC, West Bloomfield, Michigan.

McDonald Investments, Inc. ("McDonald") was represented by Michael N. Ungar, Esq., and Marc H. Feldman, Esq., Ulmer & Berne LLP, Cleveland, Ohio.

Charles W. Rashid and Ronald P. Rashid were represented by Thomas C. McNeil, Esq., Dickenson Wright PLLC, Detroit, Michigan. Charles Rashid and Ronald Rashid were represented by Ulmer & Berne LLP until on or about April 1, 2004.

CASE INFORMATION

The Statement of Claim was filed on or about August 6, 2003. The Submission Agreement of Claimants, Charles and Marian Roelent, was signed on or about July 29, 2003.

The Statement of Answer was filed jointly by Respondent McDonald Investments, Inc., Charles W. Rashid, and Ronald P. Rashid, on or about November 20, 2003. The Submission Agreement of Respondent McDonald was signed on or about August 20, 2003. The Submission Agreement of Respondent, Charles W. Rashid, was signed on or about October 4, 2003. The Submission Agreement of Respondent, Ronald P. Rashid, was signed on or about September 24, 2003.

CASE SUMMARY

Claimants asserted the following legal theories: breach of contract, common law fraud, conspiracy, promissory estoppel, negligence, malpractice, breach of fiduciary duty and breach of Michigan securities law. The causes of action relate to Claimants' allegations that Respondents changed the character of Claimants' accounts from a conservative income orientation to aggressive and speculative equity accounts. Claimants asserted that Respondents advised Claimants to engage in margin trading in the purchase of Robotic Vision Systems, Inc., and other unspecified securities. Claimants also alleged that McDonald failed to properly supervise Ronald Rashid and Charles Rashid.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: Claimants fail to state a claim upon which relief can be granted; at all times, Claimants were advised of and assumed the risks of market fluctuation; and to the extent that any losses or diminution in value of Claimants' investments occurred, such losses were the result of unforeseen market fluctuations and were with the risks assumed.

RELIEF REQUESTED

Claimants requested an award in the amount of \$1,206,000.00 as out-of-pocket losses, plus interest, costs, attorneys' fees exemplary and punitive damages, rescission, and additional or alternative damages as allowed by the panel.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. Respondent, Ronald P. Rashid, requested that all references to this matter be expunged from his CRD records.

OTHER ISSUES CONSIDERED & DECIDED

Claimants voluntarily dismissed all claims against Respondent, Ronald P. Rashid, with prejudice on or about October 26, 2004.

The parties have agreed that Claimants will reasonably cooperate with, and will not oppose, Respondent Ronald Rashid's efforts to secure expungement of all references to this proceeding from the registered representative's records maintained by the CRD.

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 the NASD Dispute Resolution (the "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.) Claimants' claims, each and all, against Respondents McDonald Investments, Inc., and Charles W. Rashid, are dismissed with prejudice;
- 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 Ronald P. Rashid's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent, Ronald P. Rashid, 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 attorney fees, is hereby denied with prejudice.

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 = \$ 500.00

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 persons at the time of the events giving rise to the dispute. In this matter, the member firm is McDonald Investments, Inc.

Member surcharge = \$ 2,800.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$ 5,000.00

Adjournment Fees

Adjournments requested during these proceedings:

October 25-28, 2004 adjournment requested jointly (fee waived) = \$ 1,200.00

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 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 Panel x \$1,200.00 = \$ 1,200.00

Pre-hearing conference: April 7, 2004 1 session

Total Forum Fees = \$ 1,200.00

The Arbitration Panel has assessed \$600.00 of the forum fees jointly and severally to Charles and Marian Roelent.

The Arbitration Panel has assessed \$600.00 of the forum fees to McDonald Investments, Inc.

FEE SUMMARY

Claimants, Charles and Marian Roelent, are jointly and severally liable for:

Initial Filing Fee	= \$ 500.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 1,100.00
Less payments	= \$ 1,700.00
Balance Refunded by NASD Dispute Resolution	= \$ 600.00

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

Member Fees	= \$ 8,550.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 9,150.00
Less payments	= \$ 8,550.00
Balance Due NASD Dispute Resolution	= \$ 600.00

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

ARBITRATION PANEL

Robert J. Scafuri, Esq. - Public Arbitrator, Presiding Chair
Kenneth J. Safran, Esq. - Public Arbitrator
Matthew Scott Brown - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Robert J. Scafuri, Esq.
Robert J. Scafuri, Esq.
Public Arbitrator, Presiding Chair

11/09/04
Signature Date

/s/ Kenneth J. Safran, Esq.
Kenneth J. Safran, Esq.
Public Arbitrator

11/09/04
Signature Date

/s/ Matthew Scott Brown
Matthew Scott Brown
Non-Public Arbitrator

11/09/04
Signature Date

11/10/04
Date of Service (For NASD office use only)

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