
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
McDonald Investments, Inc.

Case Number: 04-01755

Name of the Respondent
Ross A. Bunson

Hearing Site: Tampa, Florida

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

For McDonald Investments, Inc., hereinafter referred to as "Claimant": Robert N. Rapp, Esq., Sharon A. Luarde, Esq. and Alexander E. Gertsburg, Esq., Calfee Halter & Griswold LLP, Cleveland, Ohio.

For Ross A. Bunson, hereinafter referred to as "Respondent": Jason S. Haselkorn, Esq. and Cory S. Zadanosky, Esq., Boose, Casey, Ciklin, Lubitz, Martens, McBane & O'Connell, West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: March 12, 2004.

Claimant signed the Uniform Submission Agreement: February 27, 2004.

Statement of Answer, Affirmative Defenses and Counterclaim filed by Respondent on or about: June 2, 2004.

Respondent signed the Uniform Submission Agreement: July 27, 2004.

Reply to Counterclaim filed by Claimant on or about: July 14, 2004.

CASE SUMMARY

Claimant alleged the following causes of action: 1) confession of award on cognovit promissory notes; 2) breach of contract 3) unjust enrichment and promissory estoppel. The causes of action arise out of an unpaid loan agreement and cognovit notes that Respondent executed when he began his employment with Claimant.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses, including ratification, estoppel, comparative negligence, failure to mitigate, assumption of risk, failure to state a claim, Claimant forced Respondent to resign and caused him damages in excess of the amount of the claim, statements made to Respondent's clients regarding placement and transition of accounts that caused damage to Respondent, setoff, arbitrariness, bad faith, and unclean hands.

Respondent alleged the following causes of action in his Counterclaim: 1) wrongful termination; and 2) defamation.

Unless specifically admitted in its Answer, Claimant denied the allegations made in the Counterclaim and asserted various defenses.

RELIEF REQUESTED

Claimant requested: 1) dismissal of the Counterclaim in its entirety; 2) compensatory damages in the amount of \$77,987.20 on its Statement of Claim; 3) interest; 4) costs; 5) attorneys' fees; and 6) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

Respondent requested: 1) dismissal of the Statement of Claim in its entirety; and 2) compensatory damages in the amount of \$550,000.00 on his Counterclaim.

OTHER ISSUES CONSIDERED AND DECIDED

On or about April 13, 2005, the parties filed their notice of settlement and proposed Stipulated Award. On or about April 25, 2005, the parties filed their joint request for the entry of a Stipulated Award. On or about May 4, 2005, the Panel granted the parties' request and agreed to the entry of a Stipulated Award.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered.

AWARD

The parties have entered into a settlement agreement and stipulated to the entry of this Stipulated Award upon the terms set forth herein. After considering the pleadings and the parties' stipulation, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable to Claimant in the amount of \$77,987.20. However, pursuant to the terms of the parties settlement agreement, Respondent shall tender to Claimant \$46,500.00, payable in the installments described below. At such time as Respondent fully complies with the terms of the below installment plan, Claimant will forgive, cancel and deem fully satisfied the remaining balance of \$31,487.20.

2. Within three days of receipt by Bunson or his attorney of a copy of a settlement agreement executed by Claimant, Respondent shall tender to Claimant an initial payment of \$12,500.00. Beginning with a second payment on or before May 1, 2005, and no later than the first day of each month thereafter, Respondent shall tender to Claimant thirty-four (34) additional monthly payments of \$1,000.00 each, until the full amount of \$46,500.00 is paid in full. Respondent agrees that the entire amount of \$46,500.00 shall be paid in full no later than February 1, 2008. All payments shall be made to the order of McDonald Investments Inc., and shall be mailed in accordance with the above dates to:

Paul A. Weick, Esq.
KeyBank N.A.

McDonald Investment Center
800 Superior Avenue
Mailcode OH-01-02-2059
Cleveland, Ohio 44114

3. Should Respondent fail to tender to Claimant any monthly payment due and owing according to the schedule set forth in Paragraph 2 above, and should such failure persist for fourteen calendar days following notice by Claimant, the entire balance of \$77,987.20, shall become immediately due and owing by Respondent to Claimant, less any amounts properly paid according to the schedule set forth in Paragraph 2. The notice shall be in writing, but may be made in any way (including facsimile, e-mail, or any other written means of correspondence) upon either Respondent or his counsel, Cory Zadanosky, Esq. Respondent shall ensure that his counsel and Claimant are at all times prior to his tender of final payment aware of his current home and business address, telephone number, and facsimile number. Respondent shall satisfy this requirement by sending any change of address, telephone number or facsimile number to the name and address set forth in Paragraph 2 above. Respondent further agrees that, should he default on his obligation as set forth in this Agreement, he consents to and shall be liable for an award and/or judgment for all amounts due and owing as a result of the default without further notice or hearing. Respondent further agrees that, in the event of his default, he will pay all attorney fees and costs of Claimant associated with the enforcement of this Agreement, as well as all of Claimant's costs incurred during the underlying Arbitration.

After considering the pleadings, and the voluntary submissions and stipulations of the parties with respect to this Award, the Panel has determined that the above terms shall serve as the full and final resolution of all issues submitted for determination.

Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$1,000.00
Counterclaim filing fee	= \$ 375.00

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. Accordingly, Claimant is a member firm and a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

There were no three-day cancellation fees assessed during these proceedings.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

There were no injunctive relief fees assessed during these proceedings.

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 per session = \$ 450.00

Pre-hearing conference: December 28, 2004 1 session

Two (2) Pre-hearing sessions with Panel @ \$1,200.00 per session = \$2,400.00

Pre-hearing conferences: October 4, 2004 1 session

May 4, 2005 1 session

Total Forum Fees = \$2,850.00

Pursuant to the agreement of the parties, the Panel has assessed forum fees in the amount of \$1,425.00 to Claimant and \$1,425.00 to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$5,850.00
Forum Fees	= \$1,425.00
Total Fees	= \$8,275.00
Less payments	= \$7,600.00
Balance Due NASD Dispute Resolution	= \$ 675.00

Respondent is solely liable for:

Counterclaim Filing Fee	= \$ 375.00
Forum Fees	= \$1,425.00
Total Fees	= \$1,800.00
Less payments	= \$1,575.00
Balance Due NASD Dispute Resolution	= \$ 225.00

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

ARBITRATION PANEL

<i>Ronald W. Devoe</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Patricia Morin, M.S.</i>	-	<i>Public Arbitrator</i>
<i>Arthur De Stefano</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

_____/s/_____
Ronald W. Devoe
Public Arbitrator, Presiding Chairperson

May 6, 2005
Signature Date

_____/s/_____
Patricia Morin, M.S.
Public Arbitrator

May 6, 2005
Signature Date

_____/s/_____
Arthur De Stefano
Non-Public Arbitrator

May 5, 2005
Signature Date

May 9, 2005
Date of Service (For NASD Dispute Resolution office use only)

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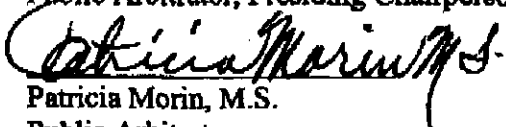
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Public Arbitrator, Presiding Chairperson

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Public Arbitrator

Signature Date

05-06-05

Signature Date

Arthur De Stefano
Non-Public Arbitrator

Signature Date

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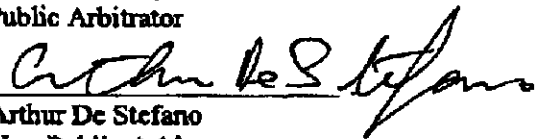
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