

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Edward and Georgia Paskel (Claimants) v. McDonald Investments Inc., and Mark Morena (Respondents)

Case Number: 04-03570

Hearing Site: Cleveland, Ohio

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

REPRESENTATION OF PARTIES

Claimants Edward Paskel and Georgia Paskel hereinafter collectively referred to as "Claimants": James P. Graven, Esq., of the Law Offices of James P. Graven, Toledo, OH.

Respondents McDonald Investments Inc. ("McDonald Investments") and Mark Morena ("Morena") hereinafter collectively referred to as "Respondents": Joseph S. Simms, Esq., Ulmer Berne LLP, Cleveland, OH.

CASE INFORMATION

Statement of Claim filed on or about: May 13, 2004.

Edward Paskel signed the Uniform Submission Agreement: May 12, 2004.

Georgia Paskel signed the Uniform Submission Agreement: May 12, 2004.

Joint Statement of Answer filed by Respondents on or about: August 27, 2004.

McDonald Investments signed the Uniform Submission Agreement: September 16, 2004.

Morena signed the Uniform Submission Agreement: October 18, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: unsuitability; breach of fiduciary duty; negligence; breach of contract; breach of Ohio securities laws; failure to supervise, and respondeat superior. The causes of action relate to various mutual funds.

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

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$72,763.00; punitive damages in an amount to be determined by the Panel; interest; attorney fees; all costs and such other relief as the Panel deems just, proper and equitable.

Respondents requested dismissal of the Statement of Claim in its entirety, all costs and forum fees to be assessed against Claimants and that all references to this matter be expunged from the Central Registration Depository records of Respondent Morena.

OTHER ISSUES CONSIDERED AND DECIDED

On or about August 11, 2005, the parties notified NASD-DR that they had settled this matter and that they would be submitting a Stipulated Award.

On April 24, 2006, the Panel held a telephonic conference to hear oral argument from all parties on Respondent Morena's application for expungement. After due deliberation, the Panel determined to grant Respondent Morena's application for expungement.

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, 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. The parties have amenablely resolved their differences and have requested this Stipulated Award be executed by the Panel.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Mark Morena's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Mark Morena must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the arbitration panel has made the following affirmative findings of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

3. The parties shall bear their respective costs, including attorney's fees, except as fees are specifically addressed below.
4. Any and all relief not specifically addressed herein, including punitive damages, 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	= \$ 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
Hearing Process Fee	= \$ 1,700.00

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:

Two (2) Pre-hearing conference sessions with the Panel @ \$ 750.00 per session	= \$ 1,500.00
Pre-hearing conferences:	
November 15, 2004	1 session
April 24, 2006	1 session
Total Forum Fees	= \$ 1,500.00

1. The Panel has assessed \$750.00 of the forum fees to Respondent Morena.
2. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Claimants have been assessed \$250.00 of the forum fees.
3. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, McDonald Investments has been assessed \$250.00 of the forum fees.
4. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Morena has been assessed \$250.00 of the forum fees.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 225.00
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<u>Forum Fees</u>	= \$ 250.00
Total Fees	= \$ 475.00
<u>Less payments</u>	= \$ 975.00
Refund Due Claimants	= \$ 500.00

2. Respondent McDonald Investments is solely liable for:

Member Fees	= \$ 3,550.00
<u>Forum Fees</u>	= \$ 250.00
Total Fees	= \$ 3,800.50
<u>Less payments</u>	= \$ 3,800.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondent Morena is solely liable for:

<u>Forum Fees</u>	= \$ 1,000.00
Total Fees	= \$ 1,000.00
<u>Less payments</u>	= \$ 250.00
Balance Due NASD Dispute Resolution	= \$ 750.00

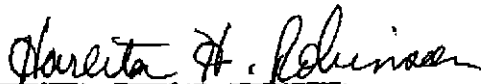
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

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ARBITRATION PANEL

Harlita H. Robinson, CPA	-	Public Arbitrator, Presiding Chair
Benjamin B. Segel, Esq.	-	Public Arbitrator
Warren Gill	-	Industry Arbitrator

Concurring Arbitrators' Signatures



Harlita H. Robinson, CPA
Public Arbitrator, Presiding Chair

4/24/06

Signature Date

Benjamin B. Segel, Esq.
Public/Industry Arbitrator

Signature Date

Warren Gill
Industry Arbitrator

Signature Date

April 25, 2006
Date of Service (For NASD office use only)

ARBITRATION PANEL

Harlita H. Robinson, CPA
Chair

Benjamin B. Segel, Esq.
Warren Gill

-

Public Arbitrator, Presiding

-

Public Arbitrator

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Industry Arbitrator

Concurring Arbitrators' Signatures

Harlita H. Robinson, CPA
Public Arbitrator, Presiding Chair

Signature Date



Benjamin B. Segel, Esq.
Public Arbitrator

4/25/06

Signature Date

Warren Gill
Industry Arbitrator

Signature Date

April 25, 2006
Date of Service (For NASD office use only)