

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Howard A. Fredricks and Florence E. Fredricks, Claimants v. Don S. McNeill, Respondent

Case Number: 99-01144

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimants:

Karen Novorr, Esq.
Law Office of Karen Novorr
Corona, California

For Respondent:

Don S. McNeill
In Pro Per
Bellflower, California

CASE INFORMATION

Statement of Claim filed: March 4, 1999

Amended Statement of Claim: April 6, 1999

Claimant Howard A. Fredricks' Uniform Submission Agreement signed: February 3, 1999

Claimant Florence E. Fredricks' Uniform Submission Agreement signed: February 3, 1999

Statement of Answer filed by Respondent Don S. McNeill: August 1, 1999

CASE SUMMARY

Claimants alleged fraud, breach of contract, breach of fiduciary duty, suitability, and violation of NASD Rules. Claimants also alleged emotional distress.

The allegations arise out of Respondent's purchase and/or sale of commercial paper in Chrysler Financial Corporation, American Adjustable Rate Term Trust, Newport Pacific Income Fund 1, Airless Technology Group, Inc. and Moreno Valley Development Fund IV.

Respondent denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

RELIEF REQUESTED

Claimants requested \$ 400,000.00 in compensatory damages, and unspecified emotional distress damages. Claimants also requested punitive damages, interest, costs, and attorney fees.

Respondent requested dismissal of the Claimants' Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Don S. McNeill did not file with the NASD Regulation, Inc. Office of Dispute Resolution a properly executed Uniform Submission Agreement to arbitrate. In accordance with membership rules of NASD, Respondent Don S. McNeill is nonetheless required to submit to this arbitration.

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.

AWARD

After considering the pleadings, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. All of the Claimants' claims are denied in their entirety.
2. Each party shall bear its own costs of arbitration, including attorney's fees.
3. All other relief requested and not granted is expressly denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. has received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 200.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the event of the dispute. Accordingly, the member firm Thomas White & Co., Respondent Don S. McNeill's former firm, is assessed the following fees:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 2,500.00</u>
Total Member Fees	= \$ 4,600.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Panel. The following fees are assessed:

One Pre-hearing conference session with the Panel @ \$750.00/session	= \$ 750.00
Pre-hearing conference: May 23, 2000 1 session	
One Hearing session @ \$750.00/session	= \$ 750.00
Hearing: June 15, 2000 1 session	
Total Forum Fees	= \$ 1,500.00

1. The Arbitration Panel has assessed \$ 1,500.00 of the forum fees jointly and severally to Claimants Howard A. Fredricks and Florence E. Fredricks.

Fee Summary

1. Claimants Howard A. Fredricks and Florence E. Fredricks are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 200.00
<u>Forum Fees</u>	= \$ 1,500.00
Total Fees	= \$ 1,700.00
<u>Less payments</u>	= \$ (950.00)
Balance Due NASD Regulation, Inc.	= \$ 750.00

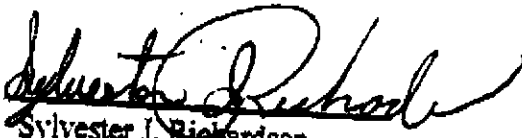
2. Member Firm Thomas White & Co. is charged with the following fees and costs:

Member Fees	= \$ 4,600.00
<u>Less payments</u>	= \$(2,100.00)
Balance Due NASD Regulation, Inc.	= \$ 2,500.00

All balances are payable to NASD Regulation, Inc. and are due within 30 days of the Award's date of service.

NASD Regulation, Inc. Office of Dispute Resolution
Arbitration No 99-01144
Award Page 5 of 5

Concurring Arbitrators' Signatures


Sylvester J. Richardson
Chair, Public Arbitrator

June 23, 2000
Signature Date

William I. Berks
Public Arbitrator

Signature Date

Stephen F. Kempa
Non-Public Arbitrator

Signature Date

6/23/00
Date of Service

Concurring Arbitrators' Signatures

Sylvester J. Richardson
Chair, Public Arbitrator

Signature Date


William L. Berks
Public Arbitrator

June 21, 2000
Signature Date

Stephen F. Kempa
Non-Public Arbitrator

Signature Date

Date of Service

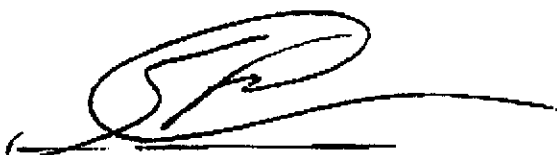
Concurring Arbitrators' Signatures

Sylvester J. Richardson
Chair, Public Arbitrator

Signature Date

William I. Berks
Public Arbitrator

Signature Date



Stephen F. Kempa
Non-Public Arbitrator



Signature Date

Date of Service