

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Monica Hickey May and Catherine Margaret May, (Claimants) vs. Schroder & Co., Inc.,
(Respondent)

Case Number: 99-01977

Hearing Site: New York, NY

REPRESENTATION OF PARTIES

Claimants, Monica Hickey May and Catherine Margaret May, hereinafter collectively referred to as "Claimants": Robert L. Rotmil, Esq., Glauberman Kessler & Rotmil, LLP, New York, NY.

Respondent, Schroder & Co., Inc., hereinafter referred to as "Respondent": Richard W. Smirl, Esq., Keesal, Young & Logan, Long Beach, CA.

CASE INFORMATION

Statement of Claim filed on or about: April 26, 1999.

Monica Hickey May signed the Uniform Submission Agreement: April 19, 1999.

Catherine Margaret May signed the Uniform Submission Agreement: April 23, 1999.

Statement of Answer filed by Respondent on or about: July 6, 1999.

Respondent signed the Uniform Submission Agreement: September 17, 1999.

CASE SUMMARY

Claimants asserted the following causes of action: suitability; breach of fiduciary duty; and, failure to supervise.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses: Claimants failed to state a claim upon which relief may be granted; the doctrine of waiver; Claimants' alleged losses were proximately caused by their own conduct and negligence, or Claimants were contributorily negligent; Claimants assumed the risks of their investment strategy; Claimants' claims are barred by the statute of limitations and the principle of laches; Claimants' losses were the result of market fluctuations; Claimants' damages against Respondent should be limited to the percentage of responsibility that Respondent bears for their loss; Claimants failed to use the requisite due diligence in monitoring, managing and handling their investments; Claimants have no private right of action to enforce violations of NASD or NYSE rules; and, Claimants

failed to join one or more indispensable parties to this action.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$99,982.00
Punitive Damages	unspecified
Interest	unspecified
Other Costs	unspecified

Respondent requested an award dismissing the Statement of Claim in its entirety, plus costs.

OTHER ISSUES CONSIDERED AND DECIDED

Arbitrator AnnMarie Miller failed to appear at the hearing in this matter and the parties agreed to proceed with two arbitrators.

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

1. Respondent be and hereby is liable for and shall pay to Claimant the sum of \$19,875.00 in compensatory damages.
2. Respondent be and hereby is liable for and shall pay to Claimant the sum of \$2,534.00 in interest accruing from September 29, 1998 to March 8, 2000.
3. Respondent be and hereby is liable and shall reimburse Claimant for all out of pocket costs, including deposit, incurred in this matter.
4. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$ 225.00

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(s) at the time of the events giving rise to the dispute. In this matter, Schroder & Co., Inc. is a party.

Member surcharge = \$1,000.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$1,500.00

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. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$750.00 = \$ 750.00

Pre-hearing conference: December 3, 1999 1 session

Four (4) Hearing sessions x \$750.00 = \$3,000.00

Hearing Dates: March 6, 2000 2 sessions

March 8, 2000 2 sessions

Total Forum Fees = \$3,750.00

The Panel has assessed \$3,750.00 of the forum fees against Respondent.

Fee Summary

1. Claimant be and hereby is solely liable for:

<u>Initial Filing Fee</u>	= \$ 225.00
<u>Total Fees</u>	= \$ 225.00
<u>Less payments</u>	= \$ 975.00
<u>Refund Due Claimant</u>	= \$ 750.00

2. Respondent be and hereby is solely liable for:

<u>Member Fees</u>	= \$3,100.00
<u>Forum Fees</u>	= \$3,750.00
<u>Total Fees</u>	= \$6,850.00
<u>Less payments</u>	= \$3,100.00
<u>Balance Due NASD Regulation, Inc.</u>	= \$3,750.00

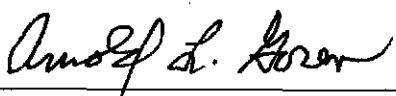
All balances are due and payable to NASD Regulation, Inc.

Concurring Arbitrators' Signatures

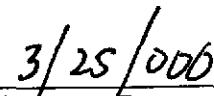
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Bertrand M. Lanchner, Esq.
Public Arbitrator, Presiding Chair

Signature Date



Arnold L. Goren
Public Arbitrator



Signature Date

April 18, 2000
Date of Service (For NASD office use only)

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 which is my award.



Bertrand M. Lanchner, Esq.
Public Arbitrator, Presiding Chair

March 27, 2000
Signature Date

Arnold L. Goren
Public Arbitrator

Signature Date

April 18, 2000
Date of Service (For NASD office use only)