

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Joseph Michael Leeba Family Trust, Claimant v. M.L. Stern & Co., LLC and Michael Stephen Butsko, Respondents

Case Number: 00-05233

Hearing Site: San Diego, California

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

REPRESENTATION OF PARTIES

For Claimant:

James C. Krause, Esq.
Krause & Kalfayan
San Diego, California

For Respondents M.L. Stern & Co., LLC
and Michael Stephen Butsko:

James D. Portman, Esq.
M.L. Stern & Co., LLC
Beverly Hills, California

CASE INFORMATION

Statement of Claim filed: November 21, 2000

Claimant's Uniform Submission Agreement signed: November 15, 2000

Joint Statement of Answer filed by Respondents M.L. Stern & Co., LLC and Michael Stephen Butsko: March 1, 2001

Respondent M.L. Stern & Co., LLC's Uniform Submission Agreement signed: March 22, 2001

CASE SUMMARY

Claimant alleged negligence, negligent misrepresentation, and breach of fiduciary duty. The dispute involved the purchase and/or sale of Boston Chicken Bonds.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$67,000.00 in compensatory damages. Additionally, Claimant requested disgorgement of commissions and fees, interest, attorney's fees, and arbitration costs.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety and sought reimbursement of arbitration costs.

OTHER ISSUES CONSIDERED AND DECIDED

On September 19, 2001, NASD Dispute Resolution received notification of settlement from Claimant.

Respondent Michael Stephen Butsko did not file with NASD Dispute Resolution a properly executed submission agreement but is required to submit to arbitration pursuant to the Code and having answered the claim, is bound by the determination of the Panel on all issues submitted.

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

After considering the pleadings, and the Parties' request for this Stipulated Award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's claims are dismissed with prejudice.
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Michael Stephen Butsko's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Michael Stephen Butsko must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) The Panel executes this Stipulated Award without making findings on the merits as to the existence of broker or dealer wrongdoing.
- 4) The parties shall bear their respective costs, including attorney's fees.
- 5) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee = \$ 225.00

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 events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm M.L. Stern & Co., LLC is a party and the following fees are assessed:

Member Surcharge	= \$ 1,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 1,500.00</u>
Total Member Fees	= \$ 3,100.00

Fee Summary

1. Claimant Joseph Michael Leebe Family Trust is charged with the following fees and costs:

<u>Initial Filing Fee</u>	<u>= \$ 225.00</u>
Total Fee	= \$ 225.00
Less payments	= \$(225.00)
<u>Less Refund Paid to Claimant</u>	<u>= \$(750.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent M.L. Stern & Co., LLC is charged with the following fees and costs:

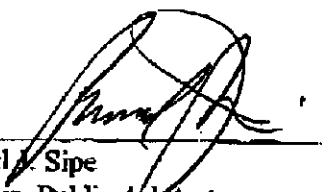
Member Fees	= \$ 3,100.00
<u>Less payments</u>	<u>= \$(3,100.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATION PANEL

Paul J. Sipe	-	Public Arbitrator, Presiding Chair
Howard N. Hamel, J.D.	-	Public Arbitrator
Arnold Packer	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Paul J. Sipe
Chair, Public Arbitrator

11-17-04
Signature Date

Howard N. Hamel, J.D.
Public Arbitrator

Signature Date

Arnold Packer
Non-Public Arbitrator

Signature Date

11/18/04
Date of Service

ARBITRATION PANEL

Paul J. Sipe	•	Public Arbitrator, Presiding Chair
Howard N. Hamel, J.D.	•	Public Arbitrator
Arnold Packer	•	Non-Public Arbitrator

Consenting Arbitrators' Signatures

Paul J. Sipe
Chair, Public Arbitrator

Signature Date

Howard N. Hamel, J.D.
Public Arbitrator

Signature Date


Arnold Packer
Non-Public Arbitrator

11/12/07
Signature Date

11/18/04
Date of Service