

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Paula E. Meisel, As Trustee For Ethan Meisel, Adam Meisel, and Jamie Meisel vs. OLDE Discount Corporation (now known as H & R Block Financial Advisors, Inc.) and Edward Gottlieb

Case Number: 01-01011

Hearing Site: Chicago, IL

REPRESENTATION OF PARTIES

Claimant, Paula E. Meisel, hereinafter collectively referred to as "Claimant" by Paul J. Sussman, Esq., 125 South Wacker Drive, Suite 1100, Chicago, Illinois.

Respondents, H&R Block Financial Advisors, Inc. (formerly known as OLDE Discount Corporation) and Edward Gottlieb, hereinafter (collectively) referred to as "Respondents" by Howard M. Klausmeier, Esq. and David T. Doyle, Esq. in-house counsels for H&R Block Financial Advisors, Inc., Detroit, Michigan.

CASE INFORMATION

Statement of Claim filed on or about: March 5, 2001

Claimant, *(Paula E. Meisel)*, signed the Uniform Submission Agreement March 5, 2001

Statement of Answer filed by Respondents, *(H R Block Financial Advisors, Inc. fka OLDE Discount Corporation and Edward Gottlieb)*, on or about: April 24, 2001

Respondent, *(OLDE Discount Corporation)*, signed the Uniform Submission Agreement: March 27, 2001

Respondent, *(Edward Gottlieb)*, signed Uniform Submission Agreement April 24, 2001

CASE SUMMARY

Claimants asserted the following causes of action: Fraud, Churning, Breach of Fiduciary Duty, Material Misrepresentations, Unauthorized Trading, and Unsuitable Recommendation.

Unless specifically admitted in its Answer, Respondents *(OLDE Discount Corporation and Edward Gottlieb)* denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant attempted to recover investment losses that resulted from her own informed, reasoned and deliberate trading strategy and from the normal fluctuations of the stock market.

RELIEF REQUESTED

Claimants requested: punitive damages in the amount of \$500,000, compensatory

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damages in the amount of \$301,000 plus cost and attorney's fees.

Respondents (*OLDE Discount Corporation and Edward Gottlieb*) requested: Claims be dismissed in its entirety with prejudice, Claimant may not recover punitive damages, exemplary damages, or attorney's fees as the recovery of such damages is not permitted under applicable federal and state law and that all reference to this matter be expunged from the CRD record of Mr. Gottlieb.

OTHER ISSUES CONSIDERED AND DECIDED

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. In either case, the parties have agreed to receive conformed copies of the Award while the original(s) remain on file with the NASD.

A Stipulation to Dismiss and Expunge the Registered Representative's Record was filed with the NASD.

AWARD

After considering the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrators order as follows:

- 1) Claimants' withdrawal of their claims is accepted and Respondents are dismissed from this matter with prejudice.
- 2) The matter is settled (subject to any conditions of a settlement agreement) between the remaining parties
- 3) The parties shall each bear their own costs, subject to any settlement agreement, except for those specifically not included herein; and
- 4) The panel recommends the expungement of all reference to the above captioned arbitration from Respondent Gottlieb's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Gottlieb must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and
- 5) That any relief not specifically enumerated, including punitive damages is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$375.00
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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 person at the time of the events giving rise to the dispute. H R Block is a party.

Member surcharge	= \$2,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$3,500.00

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 Panel at \$1,200.00	= \$1,200.00
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Pre-hearing conference:	November 29, 2001	1 session
Total Forum Fees		= \$1,200.00

1. The Panel has assessed \$600.00 of the forum fees to Paula E. Meisel.
2. The Panel has assessed \$600.00 of the forum fees jointly and severally to H & R Block Financial Advisors, Inc. and Edward Gottlieb.

Fee Summary

1. Claimant Paula E. Meisel is solely liable for:

Initial Filing Fee	= \$375.00
Forum Fees	= \$600.00
Total Fees	= \$975.00
Less payments	= \$975.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

2. Respondent H & R Block Financial Advisors, Inc., is solely liable for:

<u>Member Fees</u>	= \$6,100.00
<u>Total Fees</u>	= \$6,100.00
<u>Less payments</u>	= \$6,100.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

3. Respondents H & R. Block Financial Advisors and Edward Gottlieb are jointly and severally liable for:

<u>Forum Fee</u>	= \$600.00
<u>Less payments</u>	= \$600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

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

ARBITRATION PANEL

Kenneth N. Adamson, Esq.	-	Public Arbitrator, Presiding Chairperson
Willaim M. Getzoff, Esq.	-	Public Arbitrator
Richard E. Ascher	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/ Kenneth N. Adamson

09/13/02

Kenneth N. Adamson, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/ William M. Getzoff

09/13/02

Willaim M. Getzoff, Esq.
Public Arbitrator

Signature Date

Richard E. Ascher
Non-Public Arbitrator

Signature Date

09/17/02

Date of Service (For NASD Dispute Resolution office use only)

2. Respondent H & R Block Financial Advisors, Inc., is solely liable for:

Member Fees	= \$6,100.00
Total Fees	= \$6,100.00
Less payments	= \$6,100.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

3. Respondents H & R. Block Financial Advisors and Edward Gottlieb are jointly and severally liable for:

Forum Fee	= \$600.00
Less payments	= \$600.00
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Willaim M. Getzoff, Esq.	-	Public Arbitrator
Richard E. Ascher	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Kenneth N. Adamson

Kenneth N. Adamson, Esq.
Public Arbitrator, Presiding Chairperson

September 13, 2002

Signature Date

Willaim M. Getzoff, Esq.
Public Arbitrator

Signature Date

Richard E. Ascher
Non-Public Arbitrator

Signature Date

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<u>Total Fees</u>	= \$6,100.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

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<u>Forum Fee</u>	= \$600.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

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Kenneth N. Adamson, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


Willaim M. Getzoff, Esq.
Public Arbitrator

9/13/02
Signature Date

Richard E. Ascher
Non-Public Arbitrator

Signature Date

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