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**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Name of the Claimant

John J. and Marianne Maxwell

Case Number: 02-05453

Name of the Respondent

H&R Block Financial Advisors, Inc.

Hearing Site: Tampa, Florida

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**REPRESENTATION OF PARTIES**

For John J. and Marianne Maxwell, referred to as "Claimant": Bruce W. Barnes, Esq., Bruce W. Barnes, P.A., Clearwater, Florida.

For H&R Block Financial Advisors, Inc., referred to as "Respondent H&R Block": Howard M. Klausmeier, Assistant General Counsel with Respondent H&R Block, Detroit, Michigan.

**CASE INFORMATION**

Statement of Claim filed on or about: September 9, 2002.

Claimant signed the Uniform Submission Agreement on: September 6, 2002.

Statement of Answer filed by Respondent H&R Block on or about: November 15, 2002.

Respondent H&R Block signed the Uniform Submission Agreement on: October 4, 2002.

**CASE SUMMARY**

Claimant alleged the following causes of action: 1) violation of the anti-fraud provisions of Section 10(b) of the Securities and Exchange Act of 1934 and Rule 10b-5 promulgated thereunder; 2) violation of the anti-fraud provisions of Section 517.301, Florida Statutes; 3) fraud; 4) negligent misrepresentations and omissions; 5) breach of fiduciary duty; 6) unsuitability; 7) negligence; and 8) breach of contract. The causes of action relate to investments in a corporate bond in Enron.

Respondent H&R Block denied the allegations made in the Statement of Claim and asserted various defenses.

**RELIEF REQUESTED**

Claimant requested: 1) compensatory damages in the amount of \$99,611.09; 2) interest; 3) punitive damages; 4) costs; 5) attorneys' fees; and 6) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

Respondent H&R Block requested: 1) dismissal with prejudice of the Statement of Claim; 2) costs; and 3) attorneys' fees.

**OTHER ISSUES CONSIDERED AND DECIDED**

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**

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims, including statutory claims, are denied in their entirety.
2. Claimant's requests for punitive damages, costs and attorneys' fees are denied.
3. Respondent H&R Block's requests for costs and attorneys' fees are denied.
4. Any and all claims for relief not specifically addressed herein are denied.

**FEES**

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

**Filing Fees**

NASD 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 at the time of the events giving rise to the dispute. Accordingly, Respondent H&R Block is a member firm and a party.

Member surcharge = \$1,100.00  
Pre-hearing process fee = \$ 750.00  
Hearing process fee = \$1,700.00

**Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed.

**Injunctive Relief Fees**

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

There were no injunctive relief fees assessed during these proceedings.

**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 @ \$750.00 per session	= \$ 750.00
Pre-hearing conference: February 11, 2003 1 session	
Four (4) Hearing sessions @ \$750.00 per session	= \$3,000.00
Hearing Dates: September 9, 2003 2 sessions	
September 10, 2003 2 sessions	
<hr/> Total Forum Fees	<hr/> = \$3,750.00

The Panel has assessed the total forum fees in the amount of \$3,750.00 to Respondent H&R Block.

**Administrative Costs**

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

**Fee Summary**

Claimant is solely liable for:

Initial Filing Fee	= \$ 225.00
Total Fees	= \$ 225.00
Less payments	= \$ 225.00
Balance Due NASD	= \$ 0.00

Respondent H&R Block is solely liable for:

Member Fees	= \$3,550.00
Forum Fees	= \$3,750.00
Total Fees	= \$7,300.00
Less payments	= \$3,550.00

Balance Due NASD

= \$3,750.00

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

**ARBITRATION PANEL**

<i>Horace A. Andrews</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Muriel Desloovere, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Robert H. Nelson</i>	-	<i>Non-Public Arbitrator</i>

**Concurring Arbitrators' Signatures**

                    /s/                      
Horace A. Andrews  
Public Arbitrator, Presiding Chairperson

September 24, 2003  
Signature Date

                    /s/                      
Muriel Desloovere, Esq.  
Public Arbitrator

September 23, 2003  
Signature Date

                    /s/                      
Robert H. Nelson  
Non-Public Arbitrator

September 24, 2003  
Signature Date

September 29, 2003  
Date of Service (For NASD use only)

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Balance Due NASD

= \$3,750.00

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ARBITRATION PANEL

Horace A. Andrews  
Muriel Desloovere, Esq.  
Robert H. Nelson

- Public Arbitrator, Presiding Chairperson  
- Public Arbitrator  
- Non-Public Arbitrator

Concurring Arbitrators' Signatures

  
\_\_\_\_\_  
Horace A. Andrews  
Public Arbitrator, Presiding Chairperson

9/24/03  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Muriel Desloovere, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Robert H. Nelson  
Non-Public Arbitrator

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Horace A. Andrews  
Public Arbitrator, Presiding Chairperson

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Signature Date

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Muriel Desloovere, Esq.  
Public Arbitrator

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9-23-03  
Signature Date

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Robert H. Nelson  
Non-Public Arbitrator

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**ARBITRATION PANEL**

<i>Horace A. Andrews</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Muriel Desloovere, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Robert H. Nelson</i>	-	<i>Non-Public Arbitrator</i>

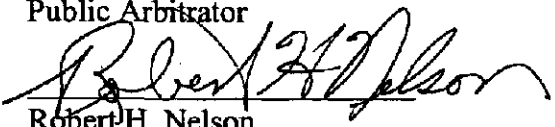
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Public Arbitrator, Presiding Chairperson

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Signature Date

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Muriel Desloovere, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

  
Robert H. Nelson  
Non-Public Arbitrator

09/24/03  
Signature Date

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Date of Service (For NASD use only)