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

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In the Matter of the Arbitration Between:

Name of the Claimant  
H&R Block Financial Advisors, Inc.

Case Number: 02-06490

Name of the Respondent  
Steven F. Fondo

Hearing Site: Boca Raton, Florida

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Nature of the Dispute: Member vs. Associated Person.

**REPRESENTATION OF PARTIES**

For H&R Block Financial Advisors, Inc. ("H&R"), hereinafter referred to as "Claimant": Kathleen A. Dedenbach, Assistant General Counsel, H&R, Detroit, Michigan.

Steven F. Fondo ("Fondo"), hereinafter referred to as "Respondent", appeared pro se.

**CASE INFORMATION**

Statement of Claim filed on or about: October 17, 2002.

Claimant signed the Uniform Submission Agreement: October 17, 2002.

Statement of Answer filed by Respondent on or about: December 20, 2002.

Respondent signed the Uniform Submission Agreement: December 19, 2002.

Counterclaim filed by Respondent on or about: December 23, 2002.

Answer To Counterclaim filed by Claimant on or about: January 6, 2003.

**CASE SUMMARY**

Claimant alleged that Respondent owed to Claimant \$60,000.00 on a promissory note and that Claimant was entitled to payment of the full amount of the note plus interest, attorneys' fees and costs.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses. In addition, Respondent filed a Counterclaim alleging that the position Respondent accepted with Claimant had been misrepresented to him.

Unless specifically admitted in its Answer To Counterclaim, Claimant denied the allegations made in the Counterclaim and asserted various defenses.

**RELIEF REQUESTED**

Claimant requested compensatory damages of \$60,000.00, plus interest, attorney's fees and costs.

Respondent requested that the Statement of Claim be dismissed and that he be permitted to retain the \$60,000.00 as reimbursement for relocation expenses and damage to his career as a result of Claimant's alleged misrepresentation.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On November 14, 2003, the parties filed with NASD Dispute Resolution a proposed Stipulated Award for review and approval by the Panel.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies.

### **AWARD**

After considering the pleadings and the proposed Stipulated Award submitted by the parties, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant is awarded and Respondent shall pay to Claimant the sum of Sixty Thousand Dollars (\$60,000.00).
2. Claimant has withdrawn its claims for interest, attorney's fees and costs.
3. Respondent's Counterclaim is dismissed in its entirety.
4. All other claims not specifically addressed herein are denied in their entirety.
5. This Stipulated Award shall not be construed as a finding of fact with respect to any of the allegations made in the Statement of Claim or the Counterclaim.

### **FEES**

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

#### **Filing Fees**

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

Initial claim filing fee	= \$1,000.00
Counterclaim filing fee	= \$ 250.00

The initial Counterclaim filing fee was preliminarily waived by the Director of Arbitration. The Panel made the final determination to maintain the waiver.

#### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, H&R is a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	= \$2,200.00
Total Member Fees	= \$4,050.00

**Adjournment Fees**

No adjournments were requested in this matter.

**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.

Injunctive relief fees were not assessed in this matter.

**Forum Fees and Assessments**

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with the Panel @ \$1,000.00/session	= \$1,000.00
Pre-hearing conference: April 23, 2003 1 session	
One (1) Pre-hearing session with a single arbitrator @ \$450.00/session	= \$ 450.00
Pre-hearing conference: October 28, 2003 1 session	
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Total Forum Fees	= \$1,450.00

Pursuant to the agreement of the parties, the Panel has assessed forum fees of \$725.00 to Claimant and \$725.00 to Respondent.

**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 in this matter.

**Fee Summary**

Claimant is solely liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$4,050.00
Forum Fees	= \$ 725.00
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Total Fees	= \$5,775.00
Less Payments	= \$5,300.00
Balance Due NASD Dispute Resolution	= \$ 475.00

Respondent is solely liable for:

<u>Forum Fees</u>	= \$725.00
Total Fees	= \$725.00
<u>Less Payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$725.00

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

**ARBITRATION PANEL**

Nicholas John Taldone, Esq. -	Public Arbitrator, Presiding Chairperson
Sterling F. Tremayne -	Public Arbitrator
Lionel P. Greenbaum -	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

\_\_\_\_\_/s/\_\_\_\_\_  
Nicholas John Taldone, Esq.  
Public Arbitrator, Presiding Chairperson

December 15, 2003  
Signature Date

\_\_\_\_\_/s/\_\_\_\_\_  
Sterling F. Tremayne  
Public Arbitrator

December 11, 2003  
Signature Date

\_\_\_\_\_/s/\_\_\_\_\_  
Lionel P. Greenbaum  
Non-Public Arbitrator

December 12, 2003  
Signature Date

December 22, 2003  
Date of Service (For NASD Dispute Resolution office use only)

**NASD Dispute Resolution**

Arbitration No. 02-06490

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Respondent is solely liable for:

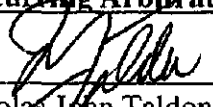
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Sterling F. Treymayne -	Public Arbitrator
Lionel P. Greenbaum -	Non-Public Arbitrator

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\_\_\_\_\_  
Nicholas John Taldone, Esq.  
Public Arbitrator, Presiding Chairperson

12/15/03  
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Signature Date

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Sterling F. Treymayne  
Public Arbitrator

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Signature Date

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Non-Public Arbitrator

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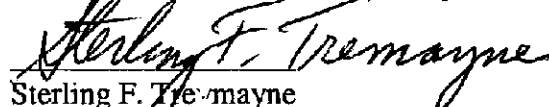
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**ARBITRATION PANEL**

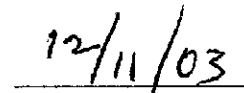
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Sterling F. Tremayne -	Public Arbitrator
Lionel P. Greenbaum -	Non-Public Arbitrator

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Public Arbitrator, Presiding Chairperson

  
Sterling F. Tremayne  
Public Arbitrator

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