

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimants

Dan D. Ashouri
Shiron Ashouri
Latifeh Haghighi

Case Number: 03-00536

Name of the Respondents

H&R Block Financial Advisors, Inc.
f/k/a OLDE Discount Corporation
Mark Joseph Freitag

Hearing Site: Washington, DC

Nature of the Dispute: Customer vs. Member and Associated Person

REPRESENTATION OF PARTIES

Claimants, Dan D. Ashouri ("D. Ashouri"), Shiron Ashouri ("S. Ashouri"), and Latifeh Haghighi ("Haghighi"), hereinafter collectively referred to as "Claimants", were represented by Michael Knoll, Esq., Law Office of Michael Knoll, Ossining, New York.

Respondents, H&R Block Financial Advisors, Inc. f/k/a OLDE Discount Corporation ("H&R Block") and Mark Joseph Freitag ("Freitag"), hereinafter collectively referred to as "Respondents", were represented by Howard M. Klausmeier, Esq., H&R Block, Detroit, Michigan.

CASE INFORMATION

Statement of Claim filed on January 20, 2003.

Claimant D. Ashouri signed the Uniform Submission Agreement on December 15, 2002.

Claimant S. Ashouri signed the Uniform Submission Agreement on December 15, 2002.

Claimant Haghighi signed the Uniform Submission Agreement on December 15, 2002.

Joint Statement of Answer filed by Respondents on or about April 7, 2003.

Respondent Freitag signed the Uniform Submission Agreement on March 24, 2003.

A representative of Respondent H&R Block executed the Uniform Submission Agreement on February 28, 2003.

CASE SUMMARY

Claimants asserted the following causes of action, among others: churning; breach of fiduciary duty; suitability; violation of Federal securities laws, including but not limited to Sections 10 and 20 of the Securities and Exchange Act of 1934 and Rule 10 (b) 5 promulgated thereunder; violation of NYSE and NASD Rules of Fair Practice, failure to supervise, and *respondeat superior*. The causes of action relate to the purchase of various unspecified stocks and Nuveen

Unit Trusts.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: Claimants failed to state a claim on which relief may be granted; Claimants' claims are barred by the doctrines of laches, waiver, estoppel and ratification; assumption of the risk; and, statutes of limitations.

RELIEF REQUESTED

Claimants in their Statement of Claim requested:

Compensatory Damages	\$985,709.00
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified
Claimants also requested disgorgement and restitution of all fees, commissions, selling concessions, underwriting fees, and margin interest.	

Respondents in their Statement of Answer requested that the Statement of Claim be dismissed with prejudice, that the Arbitration Panel ("Panel") award them their costs and attorneys' fees and that the Panel order the expungement of this matter from Respondent Freitag's record maintained by the NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED AND DECIDED

At the conclusion of Claimants' case-in-chief, Respondents moved for dismissal of all claims. Claimants opposed the Motion. The Panel did not rule on the Motion and it is now moot by reason of the Award.

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, and the post-hearing submissions, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondents H&R Block and Freitag are denied in their entirety;
2. All claims for punitive damages and attorneys' fees are denied in their entirety;
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Freitag's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Freitag must obtain confirmation from

a court of competent jurisdiction before the CRD will execute the expungement directive;

4. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
5. Any and all relief not specifically addressed herein is denied in its entirety.

FEES

Pursuant to 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	= \$ 375.00
--------------------------	-------------

Member Fees

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

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$4,000.00</u>
Total Member Fees	= \$7,000.00

Member Surcharge of \$2,250.00 refunded pursuant to Rule 10333(a) of the Code.

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 Panel @ \$1,200.00	= \$1,200.00
Pre-hearing conference: November 20, 2003 1 session	
Six (6) Hearing sessions @ \$ 1,200.00	= \$7,200.00
Hearing Dates: July 13, 2004 2 sessions	
July 14, 2004 2 sessions	
July 15, 2004 2 sessions	
Total Forum Fees	= \$8,400.00

1. The Panel has assessed \$8,400.00 of the forum fees to Claimant Dan Ashouri.

FEE SUMMARY

1. Claimants are assessed and shall pay the following fees:

Initial Filing Fee	= \$ 375.00
Total Fees	= \$ 375.00
Less payments	= \$1,575.00
Overpayment applied to Forum Fees	= \$1,200.00

2. Claimant Dan Ashouri is assessed and shall pay the following fees:

Forum Fees	= \$8,400.00
Total Fees	= \$8,400.00
Less payments	= \$1,200.00
Balance Due NASD Dispute Resolution	= \$7,200.00

3. Respondent H&R Block is assessed and shall pay the following fees:

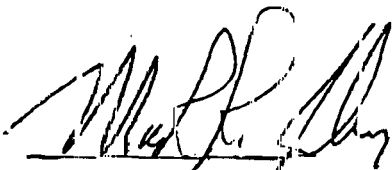
Member Fees	= \$7,000.00
Total Fees	= \$7,000.00
Less payments	= \$7,000.00
Balance Due NASD Dispute Resolution	= \$ 00.00

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

ARBITRATION PANEL

Mark R. Joelson, Esq.	-	Public Arbitrator, Presiding Chairperson
Richard C. Hotvedt, Esq.	-	Public Arbitrator, Panelist
Louis P. Sitnik	-	Non-Public Arbitrator, Panelist

Consenting Arbitrators' Signatures



Mark R. Joelson, Esq.
Public Arbitrator, Presiding Chairperson

8/9/04

Signature Date

Richard C. Horvedt, Esq.
Public Arbitrator, Panelist

Signature Date

Louis P. Simik
Non-Public Arbitrator, Panelist

Signature Date

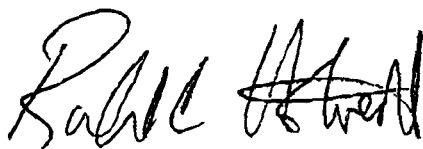
8/13/04

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

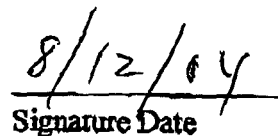
Concurring Arbitrators' Signatures

Mark R. Joelson, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date




Richard C. Hotvedt, Esq.
Public Arbitrator, Panelist


Signature Date

Louis P. Sitnik
Non-Public Arbitrator, Panelist

Signature Date



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

Concurring Arbitrators' Signatures

Mark R. Joelson, Esq
Public Arbitrator, Presiding Chairperson

Signature Date

Richard C. Hotvedt, Esq.
Public Arbitrator, Panelist

Signature Date

Louis P. Sitnik
Louis P. Sitnik
Non-Public Arbitrator, Panelist

8/4/04
Signature Date

8/13/04

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