

**STIPULATED AWARD  
NASD Dispute Resolution**

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In the Matter of the Arbitration Between

Names of Claimants

Ronald Barrons and Carmen Barrons

and

Case Number: 03-04932

Hearing Site: Detroit, Michigan

Names of Respondents

Leonard & Company, Lawrence Edward  
Bullock and John Michael Fluetsch

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**NATURE OF CASE**

Customers v. Member and Associated Persons

**REPRESENTATION OF PARTIES**

Ronald Barrons and Carmen Barrons ("Claimants") were represented by Robert Bertsch, Esq., and Richard Singer, Esq., Bertsch & Associates, P.C., Port Washington, New York.

Leonard & Company ("Leonard"), Lawrence Edward Bullock ("Bullock"), and John Michael Fluetsch ("Fluetsch"), hereinafter referred to as "Respondents," were represented by Dennis J. Levasseur, Esq., Bodman LLP, Detroit, Michigan.

**CASE INFORMATION**

The Statement of Claim was filed on or about July 8, 2003. The Submission Agreement of Ronald Barrons and Carmen Barrons was signed on or about June 26, 2003.

The Statement of Answer was filed jointly by all Respondents on or about August 28, 2003. The Submission Agreement of Leonard & Company was signed on or about August 15, 2003. The Submission Agreement of Lawrence Edward Bullock was signed on or about August 14, 2003. The Submission Agreement of John Michael Fluetsch was signed on or about August 14, 2003.

**CASE SUMMARY**

Claimants asserted the following causes of action: breach of fiduciary duty; unsuitability; misrepresentation; negligence; unauthorized trading; violations of the Michigan Uniform Securities Act; and violations of Section 10(b) and 20 of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The causes of action related to the purchase of various securities including Applied Micro Circuits Corp., I2 Tech, Inc., JDS Uniphase Corp., and Veritas Software.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: the losses complained of by Claimants were due to trading activity that Claimants authorized and initiated based on full disclosure of the risks associated with that activity; Claimants failed to state a claim upon which relief could be granted; Respondents did not owe Claimants a fiduciary duty; Claimants' claims were not ripe for adjudication; and Claimants' claims were barred by the applicable statute of limitations and doctrines of assumption of the risk, comparative or contributory negligence, and ratification

### **RELIEF REQUESTED**

Claimants requested an award in the amount of \$80,000.00, plus interest, costs, attorneys' fees, and any other relief the panel deemed appropriate.

Respondents requested that the claims asserted against them be denied in their entirety and that they recover their costs, attorneys' fees, and that the CRD records of Bullock and Fluetsch be expunged of all references to this matter.

### **OTHER ISSUES CONSIDERED & DECIDED**

The parties have agreed that the Stipulated 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 Dispute Resolution (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' claims, having been withdrawn, are dismissed with prejudice;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) The panel recommends the expungement of all reference to the above captioned arbitration from Respondents' Lawrence Edward Bullock's and John Michael Fluetsch's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondents, Lawrence Edward Bullock and John Michael Fluetsch, must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and

- 4.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

### **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 = \$ 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 persons at the time of the events giving rise to the dispute. In this matter, the member firm is Leonard & Company.

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

#### **Forum Fees and Assessments**

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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:

Two (2) Pre-hearing sessions with Panel x \$750.00	= \$ 1,500.00
Pre-hearing conferences: March 29, 2004      1 session	
May 7, 2004      1 session	
<hr/> Total Forum Fees	<hr/> = \$ 1,500.00

Pursuant to NASD Code of Arbitration Procedure Rule 10332(f), Claimants' Hearing Session Deposit of \$750.00 is retained by NASD. The parties have agreed and the Arbitration Panel has assessed \$375.00 of additional forum fees jointly and severally to Ronald Barrons and Carmen Barrons.

Pursuant to the parties agreement, the Arbitration Panel has assessed \$375.00 of the forum fees to Leonard & Company.

### FEE SUMMARY

Claimants, Ronald Barrons and Carmen Barrons, are jointly and severally liable for:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,350.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 375.00

Respondent, Leonard & Company, is liable for:

Member Fees	= \$ 3,550.00
Forum Fees	= \$ 375.00
Total Fees	= \$ 3,925.00
Less payments	= \$ 1,850.00
Balance Due NASD Dispute Resolution	= \$ 2,025.00

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

### ARBITRATION PANEL

A. Robert Stevenson, Esq. - Public Arbitrator, Presiding Chair  
John J. Hasluck, Esq. - Public Arbitrator  
John Olcott Hastings - Non-Public Arbitrator

Concurring Arbitrators:

/s/ A. Robert Stevenson, Esq.  
A. Robert Stevenson, Esq.  
Public Arbitrator, Presiding Chair

01/10/05  
Signature Date

/s/ John J. Hasluck Esq.  
John J. Hasluck, Esq.  
Public Arbitrator

01/03/05  
Signature Date

/s/ John Olcott Hastings  
John Olcott Hastings  
Non-Public Arbitrator

01/03/05  
Signature Date

01/14/05  
Date of Service (For NASD office use only)

NASD Dispute Resolution  
**R** JAN 14 2005

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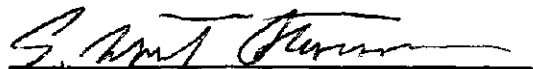
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NASD Dispute Resolution  
Arbitration No. 03-04832  
Stipulated Award Page 4 of 4

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