

**AWARD  
NASD DISPUTE RESOLUTION**

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**In the Matter of the Arbitration Between:**

James F. Johnson vs. Michael Bernard McLaughlin, Sr., Bernard, Lee & Edwards Securities, Inc. and Oron J. Unger

Case Number: 04-00544

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**SITUS:** Indianapolis, Indiana

**NATURE OF DISPUTE:** Customer v. Terminated Member, Associated Person and Non-Member Person

**REPRESENTATION OF PARTIES:**

James F. Johnson, hereinafter referred to as "Claimant": A. Daniel Woska, Esq., of the law firm Woska & Hayes, LLP, located in Oklahoma City, Oklahoma.

Respondents Bernard, Lee & Edwards Securities, Inc. ("Bernard Lee"), Michael Bernard McLaughlin, Sr. ("McLaughlin") and Oron J. Unger ("Unger") did not enter an appearance in this matter.

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**DATE FILED:** On or about January 22, 2004

Amended Statement of Claim filed on or about: April 13, 2004

Uniform Submission Agreement signed on: June 2, 2003 and April 5, 2004

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**CASE SUMMARY:** Claimants alleged breach of fiduciary duty, unsuitability, failure to supervise and breach of contract.

The NASD Regulation Inc. Office of Dispute Resolution has received a copy of the Notice filed in the United States Bankruptcy Court by Bernard, Lee & Edwards Securities, Inc. under the Bankruptcy Code. Pursuant to these filings, all matters concerning this party are indefinitely stayed.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned Arbitrator determined that Respondents McLaughlin and Unger have been properly served with the Statement of Claim, and that arbitration of the matter would proceed without said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondent Unger did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

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**Claim Data**

Claim: \$95,000.00  
Punitive: unspecified  
Attorney's Fees: unspecified  
Filing Fees: \$ 0.00  
Other: \$ 0.00

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**Award Data**

Award: \$95,000.00  
Punitive: \$ 0.00  
Attorney's Fees: \$ 0.00  
Filing Fees: \$ 0.00  
Other: \$ 0.00

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**OTHER ISSUES:**

On September 28, 2004, Claimant Johnson filed a Motion for Default and Summary Judgment against remaining Respondents, Michael Bernard McLaughlin and Oron J. Unger. The Panel, having reviewed the pleadings submitted by Claimant, grants the Motion for Default and Summary Judgment against Respondent Unger.

Respondent Michael Bernard McLaughlin, Sr. is not an NASD associated person. As a result, NASD does not have jurisdiction over the claims asserted against McLaughlin and they were not adjudicated.

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**AWARD:** The undersigned Arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows:

- 1) Respondent, Oron J. Unger, is solely liable for and shall pay to Claimant, James F. Johnson, the sum of \$95,000.00 in compensatory damages.
- 2) Except as otherwise specified herein, parties shall bear their own costs, including attorney's fees.
- 3) Any and all relief not specifically enumerated, including punitive damages, is hereby denied with prejudice.

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**FORUM FEES:**

One (1) Pre-hearing session with a full panel @ 750.00 = \$ 750.00  
Pre-hearing conference: September 3, 2004 1 session  
  
Paper Decision Fee = \$ 300.00  
Total Forum Fees = \$1,050.00

**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 person at the time of the events giving rise to the dispute. There are no member fees assessed in this matter.

The Arbitrator assessed all forum fees in the amount of \$1,050.00 solely against Respondent, Oron J. Unger.

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**ARBITRATION PANEL**

Joseph L. Claypool, Esq.

Sole Public Arbitrator

/s/ Joseph L. Claypool, Esq.  
Joseph L. Claypool, Esq.

5/5/05  
Signature Date

5/5/05  
Date of Service (For NASD-DR office use only)

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