

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant

Leona M. Polczinski

and

Case Number: 04-02493
Hearing Site: Milwaukee, Wisconsin

Respondents

H&R Block Financial Advisors, Inc.
f/k/a Olde Discount Corporation and
James Francis Hayes

NATURE OF DISPUTE

Customer v. Member and Associated Person

REPRESENTATION OF PARTIES

Leona M. Polczinski ("Claimant") was represented by David J. Hase, Esq., Cook & Franke S.C, Milwaukee, Wisconsin.

H&R Block Financial Advisors, Inc. f/k/a Olde Discount Corporation ("H&R Block") and James Francis Hayes ("Hayes"), hereinafter collectively referred to as "Respondents", were jointly represented by Donald P. Wray, H&R Block Financial Advisors, Inc., f/k/a Olde Discount Corporation, Detroit, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about April 7, 2004. The Submission Agreement of Claimant was signed on or about March 25, 2004.

The Statement of Answer was filed jointly by H&R Block and Hayes on or about June 29, 2004. The Submission Agreement of Respondent H&R Block was signed on or about April 15, 2004 by David C. Andrew, Esq. The Submission Agreement of Respondent Hayes was signed on or about April 15, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty; misrepresentation; omission of facts; and suitability. The causes of action relate to the purchase and recommendation of Unit Investment Trusts by Respondent Hayes for

Claimant's H&R Block investment account.

Unless specifically admitted in its Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimant failed to state a claim on which relief may be granted; Claimant's claims are barred by the statute of frauds; and Claimant's claims are barred by laches, waiver, estoppel and ratification.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$220,000.00
Punitive Damages	Unspecified
Attorney's Fees	Unspecified
Interest	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. Respondents also requested that this matter be permanently expunged from James Hayes registration records, maintained by the NASD Central Registration Depository.

OTHER ISSUES CONSIDERED & DECIDED

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. In either case, the parties have agreed to receive conformed copies of the award while the originals remain on file with NASD Dispute Resolution ("NASD").

AWARD

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

- 1.) Claimant, Leona M. Polczinski's claim against Respondents, H&R Block Financial Advisors, Inc. f/k/a Olde Discount Corporation and James Francis Hayes, is denied and 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 Respondent James Francis Hayes' registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent James Francis Hayes must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 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	\$ 300.00
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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. In this matter, the member firm is H&R Block Financial Advisors, Inc., f/k/a Olde Discount Corporation

Member surcharge	\$ 1,700.00
Pre-hearing process fee	\$ 750.00
Hearing process fee	\$ 2,750.00
Total Member Fees	\$ 5,200.00

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 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	x	\$ 1,125.00	\$ 1,125.00
Pre-hearing conference:	October 4, 2004	1 session	
Six (6) Hearing sessions	x	\$ 1,125.00	\$ 6,750.00
Hearing Dates:	June 21, 2005	2 sessions	
	June 22, 2005	2 sessions	
	June 23, 2005	2 sessions	
Total Forum Fees			\$ 7,875.00

The Arbitration Panel has assessed
the following forum fees to Claimant
Polczinski

\$ 3,937.50

The Arbitration Panel has assessed
the following forum fees jointly and
severally to Respondents H&R Block
and Hayes

\$ 3,937.50

Fee Summary

Claimant, Leona M. Polczinski, shall be and hereby is liable for:

Initial Filing Fee	\$ 300.00
Forum Fees	\$ 3,937.50
Total Fees	\$ 4,237.50
Less Payments	\$ 1,425.00
Balance Due NASD Dispute Resolution	\$ 2,812.50

Respondent, H&R Block, shall be and hereby is liable for:

Member Fee	\$ 5,200.00
Total Fees	\$ 5,200.00
Less Payments	\$ 5,200.00
Balance Due NASD Dispute Resolution	\$ 0.00

Respondents, H&R Block and Hayes, shall be and hereby are jointly and severally liable for:

Forum Fees	\$ 3,937.50
Total Fees	\$ 3,937.50
Less Payments	\$ 0.00
Balance Due NASD Dispute Resolution	\$ 3,937.50

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

ARBITRATION PANEL

Herbert S. Bratt, Esq. - Public Arbitrator, Presiding Chair
David E. Jarvis - Public Arbitrator
Frank Samuelsohn - Non-Public Arbitrator

Concurring Arbitrators:

Herbert S. Bratt, Esq.
Public Arbitrator, Presiding Chair

Signature Date

David E. Jarvis
Public Arbitrator

Signature Date

Frank Samuelsohn
Non-Public Arbitrator

Signature Date

7/7/05
Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 04-0283
Award Page 5 of 5

Respondents, H&R Block and Hayes, shall be and hereby are jointly and severally liable for:

Forum Fees	\$ 3,937.50
Total Fees	\$ 3,937.50
Less Payments	\$ 0.00
Balance Due NASD Dispute Resolution	\$ 3,937.50

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ARBITRATION PANEL

Herbert S. Bratt, Esq. - Public Arbitrator, Presiding Chair
David E. Jarvis - Public Arbitrator
Frank Samuelsohn - Non-Public Arbitrator

Concurring Arbitrators:

Herbert S. Bratt, Esq.
Public Arbitrator, Presiding Chair

Signature Date

David E. Jarvis
Public Arbitrator

Signature Date

Frank Samuelsohn
Non-Public Arbitrator

6/30/15
Signature Date

Date of Service (For NASD office use only)

06/30/2005 15:48 FAX

NASD

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NASD Dispute Resolution
Arbitration No. 04-02493
Award Page 5 of 5

Respondent, H&R Block, shall be and hereby is liable for:

Member Fee	\$ 5,200.01
Total Fees	\$ 5,200.01
Less Payments	\$ 5,200.01
Balance Due NASD Dispute Resolution	\$ 0.01

Respondents, H&R Block and Hayes, shall be and hereby are jointly and severally liable for:

Forum Fees	\$ 3,937.51
Total Fees	\$ 3,937.51
Less Payments	\$ 0.01
Balance Due NASD Dispute Resolution	\$ 3,937.51

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ARBITRATION PANEL

Herbert S. Bratt, Esq. - Public Arbitrator, Presiding Chair
David E. Jarvis - Public Arbitrator
Frank Samuelsohn - Non-Public Arbitrator

Concurring Arbitrators:

Herbert S. Bratt, Esq.
Public Arbitrator, Presiding Chair

David E. Jarvis
Public Arbitrator

Signature Date

7/5/05
Signature Date

Frank Samuelsohn
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 04-02493
Award Page 2 of 5

Respondent, H&R Block, shall be and hereby is liable for:

Member Fee	\$ 5,200.01
Total Fees	\$ 5,200.01
Less Payments	\$ 5,200.01
Balance Due NASD Dispute Resolution	\$ 0.01

Respondents, H&R Block and Hayes, shall be and hereby are jointly and severally liable for:

Forum Fees	\$ 3,937.51
Total Fees	\$ 3,937.51
Less Payments	\$ 0.01
Balance Due NASD Dispute Resolution	\$ 3,937.51

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ARBITRATION PANEL

Herbert S. Bratt, Esq. - Public Arbitrator, Presiding Chair
David E. Jarvis - Public Arbitrator
Frank Samuelsohn - Non-Public Arbitrator

Concurring Arbitrators:


Herbert S. Bratt, Esq.
Public Arbitrator, Presiding Chair

July 1, 2005
Signature Date

David E. Jarvis
Public Arbitrator

Signature Date

Frank Samuelsohn
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)