

**AWARD**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between

Name of Claimant

H & R Block Financial Advisors, Inc.

and

04-02820  
Phoenix, Arizona

Name of Respondent

William M. Deegan

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Nature of the Dispute: Member vs. Associated Person.

**REPRESENTATION OF PARTIES**

H & R Block Financial Advisors, Inc. ("Claimant") was represented by Kathleen A. Dedenbach, Esq., H & R Block Financial Advisors, Inc., Detroit, Michigan.

William M. Deegan ("Respondent") did not appear or participate in the hearing.

**CASE INFORMATION**

The Statement of Claim was filed on or about April 16, 2004. Motion for Default Award was filed on or about October 1, 2004. Submission Agreement of Claimant H & R Block Financial Advisors, Inc. was signed on April 23, 2004 by David Andrew.

**CASE SUMMARY**

Claimant alleged that Mr. Deegan was previously employed by the Claimant and that a Promissory Note was executed in exchange for an \$80,000.00 loan which was given as part of Respondent's compensation. Claimant further alleged that Respondent resigned his employment and has failed to make any payment on the note.

**RELIEF REQUESTED**

Claimant requested an award in the total amount of \$88,822.00 as principal and interest on the note, attorneys' fees and costs.

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

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrators have determined that Respondent William M. Deegan, has been properly served with the Statement of Claim pursuant to Rule 10314 of the NASD Code of Arbitration Procedure (the "Code"). The undersigned arbitrators have also determined that Respondent William M. Deegan, has received due notice of the hearing as required under Rule 10315 of the Code and that arbitration of the matter would proceed pursuant to Rule 10318 of the Code.

Respondent William M. Deegan did not file with the NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and is bound by the determination of the arbitration panel on all issues submitted.

The Arbitration Panel granted Ms. Dedenbach's request to participate telephonically.

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 original(s) remain on file with the NASD Dispute Resolution (the "NASD").

### **AWARD**

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

1. Respondent William M. Deegan shall be and hereby is liable for and shall pay to Claimant H & R Block Financial Advisors, Inc. the sum of \$88,822.00 (**Eighty Eight Thousand Eight Hundred Twenty Two Dollars and No Cents**).
2. Respondent William M. Deegan shall be and hereby is liable for and shall pay to Claimant H & R Block Financial Advisors, Inc. the sum of \$1,500.00 (**One Thousand Five Hundred Dollars and No Cents**) as reimbursement for forum fees incurred in this matter.
3. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees, not specifically awarded or otherwise provided for above.

**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 = \$1,000.00

**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. In this matter, the member firm(s) is H & R Block Financial Advisors, Inc.

Member surcharge	\$	1,100.00
Pre-hearing process fee	\$	750.00
Hearing process fee	\$	1,700.00
Total Member Fees	\$	3,550.00

**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:

1 Pre-hearing session(s) with Panel	x	\$750.00	\$	750.00
September 2, 2004	1	session		
1 Hearing session	x	\$750.00	\$	750.00
October 27, 2004	1	session		
Total Forum Fees			\$	1,500.00

The Arbitration Panel has assessed \$1,500.00 of the forum fees to H & R Block Financial Advisors, Inc.

**Fee Summary**

Claimant, H & R Block Financial Advisors, Inc., shall be and hereby is liable for:

Initial Filing Fee = \$ 1,000.00

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Member Fees	= \$	3,550.00
<u>Forum Fees</u>	= \$	<u>1,500.00</u>
Total Fees	= \$	6,050.00
<u>Less payments</u>	= \$	<u>-5,300.00</u>
Balance Due NASD Dispute Resolution	= \$	750.00

All balances are due to NASD Dispute Resolution

**ARBITRATION PANEL**

Helen L. DeGrasse - Non-Public Arbitrator, Presiding Chair  
Paul J. Roshka, Jr., Esq. - Non-Public Arbitrator  
Paul J. Robinson - Non-Public Arbitrator

Concurring Arbitrators:

Helen L. DeGrasse  
Helen L. DeGrasse  
Non-Public Arbitrator, Presiding Chair

10/27/04  
Signature Date

Paul J. Roshka, Jr., Esq.  
Paul J. Roshka, Jr., Esq.  
Non-Public Arbitrator

Signature Date

Paul J. Robinson  
Paul J. Robinson  
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

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Signature Date

  
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Non-Public Arbitrator

10-27-04

Signature Date

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Non-Public Arbitrator

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Paul J. Robinson  
Non-Public Arbitrator

Signature Date

10/27/2004

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