
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Earl Weingarden Revocable Living Trust
U/A DTD 2-25-77
Earl Weingarden Trustee

Case Number: 05-02553

Names of the Respondents

H&R Block Financial Advisors, Inc.
f/k/a Olde Discount Corporation
Michael Karfis

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Earl Weingarden Revocable Living Trust U/A DTD 2-25-77, Earl Weingarden Trustee, hereinafter referred to as "Claimant": Darren C. Blum, Esq., Blum & Silver, LLP, Coral Springs, Florida.

For H&R Block Financial Advisors, Inc. f/k/a Olde Discount Corporation ("H&R Block") and Michael Karfis ("Karfis"), hereinafter collectively referred to as "Respondents": David T. Doyle, Esq., and Howard M. Klausmeier, Esq., in-house counsel for H&R Block Financial Advisors, Inc., Detroit, Michigan.

CASE INFORMATION

Statement of Claim filed on or about: May 11, 2005.

Claimant signed the Uniform Submission Agreement: May 7, 2005.

Statement of Answer filed by Respondents on or about: August 19, 2005.

Respondent H&R Block signed the Uniform Submission Agreement: June 27, 2005.

Respondent Karfis signed the Uniform Submission Agreement: October 13, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: violation of industry rules, including but not limited to NYSE's Rule 405 and NASD's Rule 2130; breach of contract; breach of fiduciary duty; negligence; common law fraud; misrepresentation and/or omission of material facts; fraudulent inducement; unsuitability; and, negligent hiring, retention and supervision. The

causes of action relate to, amount of other things, the purchase in Claimant's account, of unspecified technology stocks.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: Respondents acted professionally and accurately according to Claimant's wishes in regard to his account. Respondents at all times acted in accordance with applicable laws and regulations.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$5,500,000.00; interest at the legal rate from the date of purchase or reasonable market return; rescission; and, punitive damages.

Respondents requested dismissal of all claims; the expungement of all references to this matter from the NASD Central Registration Depository ("CRD") registration records of Respondent Karfis; and, that Claimant be assessed Respondents' defense costs and expenses.

OTHER ISSUES CONSIDERED AND DECIDED

On or about April 11, 2006, the parties filed with NASD a Stipulation to Dismiss and Expunge Registered Representative's Record wherein the parties requested that the Panel dismiss with prejudice, Respondents H&R Block and Karfis and requested that the Panel issue an Award expunging this matter from the CRD record of Respondent Karfis. Additionally, the parties filed a proposed Stipulated Award. On or about April 27, 2006, the Panel issued an Order granting the parties' request.

The parties agreed that the Stipulated Award in this matter may be executed by any or all of the arbitrators in counterpart copies, or that a handwritten, signed Stipulated Award may be entered. In either case, the parties have agreed to receive conformed copies of the Stipulated Award while the original(s) remain on file with NASD Dispute Resolution.

AWARD

After considering the parties' Stipulation to Dismiss and Expunge Registered Representative's Record and the parties' Proposed Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Claimant's withdrawal of his claims is accepted and Respondents are dismissed from this matter with prejudice.

The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Karfis' registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Karfis must obtain confirmation from a court of competent jurisdiction before the NASD CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure (the "Code"), the Panel has made the following affirmative findings of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

Any and all claims for relief not specifically addressed herein, including Claimant's request for punitive damages, are denied.

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	= \$ 600.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Respondent H&R Block is a member firm and a party.

Member surcharge	= \$3,350.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$5,500.00</u>
Total Member Fees	= \$9,600.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred in this matter.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No three-day cancellation fees were incurred in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

Forum Fees and Assessments

The Arbitrator (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) Decision on a discovery related motion decided by the
Chairperson @ \$200.00 per motion

October 19, 2005 1 session = \$ 200.00

One (1) Pre-hearing session with the Panel @ \$1,200.00

= \$1,200.00

Pre-hearing conference: October 20, 2005 1 session

Total Forum Fees = \$1,400.00

The Panel has assessed forum fees in the amount of \$700.00 to Claimant.

The Panel has assessed forum fees in the amount of \$700.00 to Respondents, jointly and severally.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 600.00
<u>Forum Fees</u>	= \$ 700.00
Total Fees	= \$1,300.00
<u>Less payments</u>	= \$1,300.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent H&R Block is solely liable for:

<u>Member Fees</u>	= \$9,600.00
Total Fees	= \$9,600.00
<u>Less payments</u>	= \$9,600.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 700.00
Total Fees	= \$ 700.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 700.00

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

ARBITRATION PANEL

Kimberly A. Gilmour, Esq.	-	Public Arbitrator, Presiding Chairperson
James W. Geiger, Esq.	-	Public Arbitrator
Ronald F. Rohe	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Kimberly A. Gilmour, Esq.
Public Arbitrator, Presiding Chairperson

May 3, 2006
Signature Date

/s/
James W. Geiger, Esq.
Public Arbitrator

May 3, 2006
Signature Date

/s/
Ronald F. Rohe
Non-Public Arbitrator

May 3, 2006
Signature Date


May 5, 2006
Date of Service (For NASD Dispute Resolution office use only)

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Kimberly A. Gilmour, Esq.
Public Arbitrator, Presiding Chairperson

5/3/06
Signature Date

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Public Arbitrator

Signature Date

Ronald F. Rohe
Non-Public Arbitrator

Signature Date

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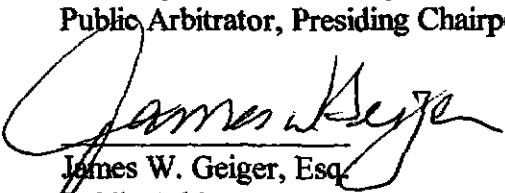
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Signature Date



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Public Arbitrator

May 3, 2006

Signature Date

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Non-Public Arbitrator

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Public Arbitrator

Signature Date



Ronald F. Rohe
Non-Public Arbitrator

5-3-06

Signature Date

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