

**Award  
NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Darrell Lake, Executor for the Estate of Walter J. Suckiel and Trustee of Walter J. Suckiel Community Property Trust 10/1/99, Claimants v. WM Financial Services, Inc. and Roy M. Leonard, Respondents

Case Number: 05-03705

Hearing Site: Los Angeles, California

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

**REPRESENTATION OF PARTIES**

For Claimants:

Steven B. Lehat, Esq.  
Law Offices of Steven B. Lehat  
Irvine, California

For Respondents:

Gregory J. Sherwin, Esq.  
Fields, Fehn & Sherwin  
Los Angeles, California

**CASE INFORMATION**

Statement of Claim filed: July 14, 2005

Claimants' Uniform Submission Agreement signed: July 8, 2005

Joint Statement of Answer filed by Respondents WM Financial Services, Inc. ("WMFS") and Roy M. Leonard: September 30, 2005

**CASE SUMMARY**

Claimants alleged the following claims with respect to investments in an annuity from Jackson Mutual: 1) Fiduciary Breach and Negligence; 2) Inappropriate Securities; 3) Misrepresentation of Non-Disclosures/Omissions of Fact; 4) Failure to Supervise; 5) Breach of Contract; and 6) Elder Abuse.

Respondents denied Claimant's allegations of wrongdoing and denied any liability to Claimant.

### **RELIEF REQUESTED**

Claimants requested damages in the amount of \$500,000.00, plus commissions Suckiel paid, elder abuse damages of \$1,500,000.00, punitive damages of \$1,500,000.00, interest, costs, and attorneys fees.

Respondents requested that all claims against them be dismissed with prejudice, that they be awarded their costs of this proceeding and that the Panel issue findings allowing them to have this complaint removed from their CRD records.

### **OTHER ISSUES CONSIDERED AND DECIDED**

Respondents WMFS and Roy M. Leonard did not file with NASD Dispute Resolution, properly executed submissions to arbitration but are required to submit to arbitration pursuant to the Code and, having answered Claimant's Claim, appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

### **AWARD**

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

1. All claims by Claimants, including the claims for punitive damages, are dismissed.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondents WM Financial Services, Inc. and Roy M. Leonard's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondents WM Financial Services, Inc. and Roy M. Leonard must obtain confirmation from a court of competent jurisdiction before the 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 Arbitration Panel has made the following affirmative findings of fact:

The allegation is factually and clearly erroneous.

The registered person was not involved in the alleged investment-related sales practice or violation.

The claim, allegation, or information is false.

3. Each party shall bear its own costs, including attorneys' fees.
4. All other relief not expressly granted is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$600.00
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#### **Member Fees**

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, WMFS is a party and the following fees are assessed:

Member Surcharge	= \$2,800.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= <u>\$5,000.00</u>
Total Member Fees	= \$8,550.00

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

The Panel assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. 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:

(1) Pre-hearing conference session with a single arbitrator		
@ \$450.00/session		= \$450.00
Pre-hearing conference: August 24, 2006	1 session	

(1) Pre-hearing conference session with the Panel			
@ \$1,200.00/session			= \$1,200.00
Pre-hearing conference:	January 4, 2006	1 session	
(5) Hearing sessions @ \$1,200.00/session			= \$6,000.00
Hearing Dates:	September 11, 2006	2 sessions	
	September 12, 2006	2 sessions	
	September 13, 2006	1 session	
<b>Total Forum Fees</b>			<b>= \$7,650.00</b>

The Panel assessed the \$7,650.00 in forum fees jointly and severally to Claimants.

#### **Fee Summary**

- Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 600.00
Forum Fees	= \$ 7,650.00
Total Fees	= \$ 8,250.00
Less Payments	= \$( 1,800.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 6,450.00</b>
- Respondent WMFS is charged with the following fees and costs:

Member Fees	= \$ 8,550.00
Less Payments	= \$( 8,550.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 0.00</b>

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

**ARBITRATION PANEL**

Michael R. Mitchell	-	Public Arbitrator, Presiding Chair
Chester L. Firestein	-	Public Arbitrator
Craig Robert Watanabe	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

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Michael R. Mitchell  
Chair, Public Arbitrator

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Signature Date

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Chester L. Firestein  
Public Arbitrator

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Signature Date

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Craig Robert Watanabe  
Non-Public Arbitrator

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Signature Date

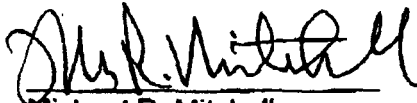
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Date of Service

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Michael R. Mitchell  
Chair, Public Arbitrator

9-14-2006

Signature Date

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Chester L. Firestein  
Public Arbitrator

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Signature Date

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Craig Robert Watanabe  
Non-Public Arbitrator

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Signature Date

9/15/06  
Date of Service

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Chester L. Firestein -  
Craig Robert Watanabe -

Public Arbitrator, Presiding Chair  
Public Arbitrator  
Non-Public Arbitrator

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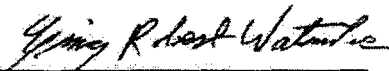
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