

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Olde Discount Corporation, Claimant v. United Overland Trust & Bancorp and Homer T. Langrill, Respondents

Case Number: 99-02321

Hearing Site: Not Applicable

REPRESENTATION OF PARTIES

For Claimant:

Kurt M. Miller, Esq.
H&R Block Financial Advisors, Inc.
Detroit, Michigan

For Respondents:

Homer T. Langrill
Henderson, Nevada

CASE INFORMATION

Statement of Claim filed on or about: May 19, 1999

Claimant H&R Block Financial Advisors, Inc.'s, formerly Olde Discount Corporation ("Olde Discount") Brief Regarding Corporate Liability of Respondent United Overland Trust & Bancorp and Individual Liability of Respondent Homer T. Langrill filed on or about: October 9, 2000

Claimant's Supplemental Brief Regarding Individual Liability of Respondent Homer T. Langrill filed on or about: September 20, 2001

Claimant Olde Discount's Uniform Submission Agreement signed: May 19, 1999

CASE SUMMARY

Claimant alleged that Respondents have failed to pay a debit balance existing in Respondents' account in connection with the sale of Force Technologies Inc. stock.

RELIEF REQUESTED

Claimant requested damages in the amount of \$26,491.12, interest in the amount of \$5,748.43, costs in the amount of \$1,525.00, and attorney fees as may be deemed fair and just by the Panel.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution, Inc. ("NASD-DR") a Statement of Answer or properly executed submissions to arbitration. The Panel determined that Respondents have been properly served with Claimant's Statement of Claim and further determined that Respondents are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure ("the Code") and are bound by the determination of the Panel on all issues submitted.

Respondents did not participate during the phone conferences held in this matter. Pursuant to Rule 10318 of the Code, the Panel determined that Respondents received proper notice of the phone conferences and ruled to proceed in Respondents' absence.

The Panel 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 positions of the parties presented during the phone conferences held in this matter, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Olde Discount's due diligence procedures were poor. It would have been better for Olde Discount, in accordance with good industry practices, to have checked with the bank that issued the check before making risky trades for a new customer. Nevertheless, Respondents United Overland Trust & Bancorp and Homer T. Langrill are jointly and severally liable for and shall pay to Claimant Olde Discount the sum of \$26,491.12, plus interest thereon at the rate of 8.75% simple interest per annum from March 13, 1997.
- 2) Respondents United Overland Trust & Bancorp and Homer T. Langrill are jointly and severally liable for and shall pay to Claimant Olde Discount the sum of \$1,525.00 in costs.
- 3) Each party shall bear its own attorney's fees.
- 4) All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$1,000.00
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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 which gave rise to the dispute, claim, or controversy. Accordingly, the member firm, Olde Discount, is a party and the following fees are assessed:

Member Surcharge	= \$ 800.00
<u>Pre-Hearing Process Fee</u>	<u>= \$ 600.00</u>
Total Member Fees	= \$1,400.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

(4) Pre-hearing conference sessions with the Panel @ \$600.00/session	= \$2,400.00
Pre-hearing conferences: September 19, 2000	1 session
September 10, 2001	1 session
October 10, 2001	1 session
November 19, 2001	1 session

Total Forum Fees	= \$2,400.00
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The Panel assessed the \$2,400.00 in forum fees jointly and severally to Respondents, United Overland Trust & Bancorp and Homer T. Langrill.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and other requests. The parties did not incur administrative costs.

Fee Summary

1. Claimant, Olde Discount, is charged with the following fees and costs:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 1,400.00
<u>Administrative Costs</u>	<u>= \$ 0.00</u>
Total Fees	= \$ 2,400.00
<u>Less Payments</u>	<u>= \$(3,000.00)</u>
Refund Due Claimant	= \$ (600.00)

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2. Respondents, United Overland Trust & Bancorp and Langrill, are jointly and severally charged with the following fees and costs:

Forum Fees	= \$ 2,400.00
<u>Administrative Costs</u>	= \$ 0.00
Total Fees	= \$ 2,400.00
<u>Less Payments</u>	= \$ (0.00)
Balance Due NASD-DR	= \$ 2,400.00

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

ARBITRATION PANEL

Kim Trowbridge Buckley	-	Public Arbitrator, Presiding Chair
Robert E.L. Bonaparte	-	Public Arbitrator
Marlyn G. McClaskey	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Kim Trowbridge Buckley
Chair, Public Arbitrator

Signature Date

Robert E.L. Bonaparte
Public Arbitrator

Signature Date

Marlyn G. McClaskey
Non-Public Arbitrator

Signature Date

Date of Service

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Kim Trowbridge Buckley
Chair, Public Arbitrator

Signature Date



Robert E.L. Bonaparte
Public Arbitrator

5-17-02

Signature Date

Marlyn G. McClaskey
Non-Public Arbitrator


Signature Date

Date of Service

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Concurring Arbitrators' Signatures



Kim Trowbridge Buckley
Chair, Public Arbitrator

5/14/02

Signature Date

Robert E.L. Bonaparte
Public Arbitrator

Signature Date

Marlyn G. McClaskey
Non-Public Arbitrator

Signature Date

Date of Service