

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

OLDE Discount Corporation n/k/a H&R Block Financial Advisors, Inc.

vs.

Fred D. Veselsky

Case Number: 99-4517

Hearing Site: Southfield, Michigan

REPRESENTATION OF PARTIES

Claimant, OLDE Discount Corporation n/k/a H&R Block Financial Advisors, Inc. ("OLDE"), hereinafter referred to as "Claimant": Michael P. Knittel, Esq., H&R Block Financial Advisors, Inc., Detroit, Michigan.

Respondent, Fred D. Veselsky ("Veselsky"), hereinafter referred to as "Respondent": Anthony V. Trogan, Esq., Weisman, Trogan, Young & Schloss, Bingham Farms, Michigan.

CASE INFORMATION

Statement of Claim filed on or about: October 4, 1999

Claimant signed the Uniform Submission Agreement: October 4, 1999, by David M. Kuhna

Statement of Answer filed by Respondent on or about: June 22, 2000

CASE SUMMARY

Claimant asserted the following cause of action: failure to pay a debit balance in Respondent's investment account. The claim relates to 15,715 shares of Cadapult Graphics Systems, Inc., which were received into Respondent's account as a result of the exchange of his shares of Seafoods Plus Ltd. Claimant stated that, during the time period at issue, shares of Cadapult were sold, and reverse splits occurred. Claimant asserted that it deposited too many shares into Respondent's account as a result of a 1 for 16.17 reverse split. Claimant further asserted that it was forced to cancel the sale of 12,743 shares resulting in a debit balance.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses: he relied on Claimant's representations concerning the value of the stock and is now without the funds to repay the money, if it is actually owed.

RELIEF REQUESTED

Claimant requested \$33,794.07 in damages, plus attorney fees.

Respondent requested that OLDE's claim be denied and that he be awarded his actual costs and attorney fees in defense of this case.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent, Fred D. Veselsky, did not file with NASD Dispute Resolution, Inc. a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code, and the Investors Account Application signed on or about October 29, 1998, and, having answered the claim, and appeared and testified at the hearing, Respondent Veselsky is bound by the determination of the Panel on all issues submitted.

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.

AWARD

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

- 1.) Respondent, Fred D. Veselsky, is liable for and shall pay to Claimant OLDE Discount Corp., the sum of \$31,225.27 in compensatory damages;
- 2.) That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) That any relief not specifically enumerated, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc., will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$1,000.00
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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. In this matter, the member firm is a party.

Member surcharge	= \$ 800.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,000.00

Forum Fees and Assessments

The 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 hours or less. Fees associated with these proceedings are:

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One (1) Pre-hearing session with Panel x \$600.00 = \$ 600.00
Pre-hearing conference: August 4, 2000 1 session

One (1) Hearing session x \$600.00 = \$ 600.00
Hearing Date: January 4, 2001 1 session

Total Forum Fees = \$ 1,200.00

The Panel has assessed \$600.00 of the forum fees to OLDE Discount Corp.
The Panel has assessed \$600.00 of the forum fees to Fred D. Veselsky.

Fee Summary

Claimant, OLDE Discount Corp. be and hereby is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 2,400.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 4,000.00
Less payments	= \$ 3,000.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,000.00

Respondent, Fred D. Veselsky, be and hereby is solely liable for:

Forum Fees	= \$ 600.00
Total Fees	= \$ 600.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 600.00

All balances are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

Robert J. Scafuri, Esq.
Public Arbitrator, Presiding Chair

Norman Bristol
Public Arbitrator

John R. Main
Industry Arbitrator

Signature Date

1/24/01

Signature Date

Signature Date

Date of Service (For NASD office use only)

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Robert J. Scafuri, Esq.
 Public Arbitrator, Presiding Chair

Signature Date

Norman Bristol
 Public Arbitrator

Signature Date


~~John R. Main~~ *Douglas H. McDonald*
 Industry Arbitrator

1-29-01
 Signature Date

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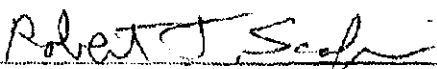
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