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**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Names of the Claimants

Norman Kokot  
Sandra Kokot  
Norman and Sandra Kokot, JTWROS

Case Number: 03-09143

Name of the Respondent

Noble International Investments, Inc.

Hearing Site: Boca Raton, Florida

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Nature of the Dispute: Customer vs. Member.

**REPRESENTATION OF PARTIES**

For Norman Kokot, Sandra Kokot, Norman and Sandra Kokot, JTWROS, hereinafter collectively referred to as "Claimants": Richard A. Stephens, Esq., Boca Raton, Florida.

For Noble International Investments, Inc. ("Noble"), hereinafter referred to as "Respondent": Neil S. Baritz, Esq., Baritz & Colman, Boca Raton, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: December 2, 2003.

Claimants signed the Uniform Submission Agreement: December 2, 2003.

Statement of Answer filed by Respondent on or about: February 24, 2004.

Respondent signed the Uniform Submission Agreement: February 24, 2004.

**CASE SUMMARY**

Claimants asserted the following causes of action: 1) violation of Florida Statutes, Chapter 517; 2) common law fraud; 3) breach of fiduciary duty; 4) fraud under the Securities Exchange Act Sections 10(b) and 15(c)(1)(a) and S.E.C. Rules 10(b)-5 and Rule 10(b)-3; 5) violation of NASD Conduct Rule 2120; 6) unsuitability; 7) violation of NASD Conduct Rule 2110; 8) negligent misrepresentations; 9) breach of contract; 10) negligent supervision; 11) respondeat superior liability; and, 12) control person liability. The causes of action relate to the purchase and sale of various stocks in Claimants' accounts, including, but not limited to, Microsoft Corp, Aliant Communications, Intel Corp., Lucent Technologies, Cisco Systems Inc., Oracle Corp., Home Depot Inc., Guidant Corp., Texas Instruments Inc., Sun Microsystems and Exxon Mobil Corp.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

Claimants requested compensatory damages in the amount of \$206,000.00, punitive damages pursuant to Florida Statutes, Chapter 768.73 in the amount of \$275,000.00, disgorgement of commissions, pre-judgment interest at the legal rate, costs, disciplinary action and such further relief as the Panel deemed just and appropriate. In addition, Claimants requested further declaratory judgment.

Respondent requested that the Statement of Claim be dismissed in its entirety, an award of attorney's fees, costs and an order from the Panel recommending the expungement of this matter from the Central Registration Depository (the "CRD") record of Respondent.

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

The parties resolved the issues presented in their pleadings on October 25, 2004 and agreed to the entry of this Stipulated Award to codify the terms thereof. In connection with the resolution of the claims, the parties agreed that upon the satisfaction of the terms of resolution, that each of Claimants and Respondent shall be barred from bringing any action based on or including the claims for which this action has been or could have been brought and that this matter be dismissed, with prejudice as to Respondent. The only issue presented to the Panel was this Stipulated Award relating to the terms of resolution.

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

### **AWARD**

After considering the pleadings and the proposed Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Claimants' withdrawal and dismissal of claims is accepted and Respondent is dismissed from this matter, with prejudice.

Respondent shall pay Claimants the aggregate sum of \$20,000.00, such sum to be payable as follows:

- 1) \$6,000.00 shall be paid within twenty days of the delivery of a duly executed General Release of all Claims (the "Initial Payment"); and,
- 2) the further sum of \$2,000.00 shall be paid to Claimants per month for a period of seven months, commencing thirty days after the Initial Payment is made.

Respondent shall be responsible for the payment to NASD of any assessed hearing session fees.

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

### **FEES**

Pursuant to the NASD Code of Arbitration Procedure (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 = \$300.00

**Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Respondent is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

**Adjournment Fees**

No requests for adjournments were filed 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:

Cancellation fees assessed in this matter:

October 25, 2004 = \$300.00

The Panel has assessed the total cancellation fee of \$300.00 to Respondent.

**Injunctive Relief Fees**

No injunctive relief fees were incurred during this proceeding.

**Forum Fees and Assessments**

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with the Panel @ \$1,125.00 = \$2,250.00

Pre-hearing conferences: April 23, 2004 1 session  
August 26, 2004 1 session

Six (6) Hearing sessions with the Panel @ \$1,125.00 = \$6,750.00

Hearing Dates: October 13, 2004 2 sessions  
October 14, 2004 2 sessions  
October 15, 2004 2 sessions

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Total Forum Fees = \$9,000.00

The Panel has assessed the total forum fees of \$9,000.00 to Respondent.

**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 during this proceeding.

**Fee Summary**

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
<u>Retained Hearing Session Deposit</u>	= \$ 1,125.00
Total Fees	= \$ 1,425.00
<u>Less payments</u>	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent is solely liable for:

Member Fees	= \$ 5,200.00
Three Day Cancellation Fee	= \$ 300.00
<u>Forum Fees</u>	= \$ 9,000.00
Total Fees	= \$ 14,500.00
<u>Less payments</u>	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 9,300.00

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

**ARBITRATION PANEL**

<i>William T. Callahan, CPA</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Walter B. Bancroft</i>	-	<i>Public Arbitrator</i>
<i>Donald R. McGahan</i>	-	<i>Non-Public Arbitrator</i>

**Concurring Arbitrators' Signatures**

/s/  
William T. Callahan, CPA  
Public Arbitrator, Presiding Chairperson

10/27/04  
Signature Date

/s/  
Walter B. Bancroft  
Public Arbitrator

10/29/04  
Signature Date

/s/

Donald R. McGahan  
Non-Public Arbitrator

11/02/04

Signature Date

11/05/04

Date of Service (For NASD Dispute Resolution office use only)

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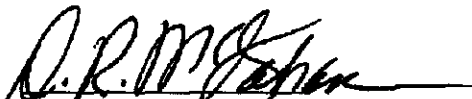
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