

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Jeffrey Rayden
Edward Rayden

NASD Arbitration
No. 92-00532

Name of Respondent

Kober Financial Corp.

REPRESENTATION

For Claimants: Larry D. Wayne, Esq. - Sherman Oaks, California

For Respondent: Rick J. Rouse - Vice President/Compliance - Kober Financial Corp.

CASE INFORMATION

Statement of Claim filed: February 12, 1992

Claimants' Submission Agreement signed: January 30, 1992

Statement of Answer filed by Respondent: May 5, 1992

Respondent's Submission Agreement signed: May 4, 1992

HEARING INFORMATION

Pre-Hearing Conference: None

Hearing Date/Sessions: January 22, 1993 - Two Sessions

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimants, Jeffrey Rayden and Edward Rayden (The Raydens), alleged that they purchased shares in Seahawk Deep Ocean Tech. Inc, through Respondent, Kober Financial Corp. The Raydens alleged that they attempted to sell their interests in the above company but their order was never filled to their loss.

Respondent, Kober Financial Corp., that the Raydens' claims are based on the fact that their investments have not performed well and that the poor performance of the investment is not the fault of Respondent.

RELIEF REQUESTED

Claimant, Jeffrey Rayden seeks damages in the amount of \$16,875.00, attorneys' fees and costs.

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Claimant, Edward Rayden seeks damages in the amount of \$10,800.00, attorneys' fees and costs.

Respondent, Kober Financial Corporation, seeks dismissal of the claim in its entirety, costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

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. In either case, the parties have agreed to receive conformed copies of the Award while the original remain on file with the NASD.

AWARD

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

1. Respondent, Kober Financial Corporation, is liable and shall pay to Claimant, Jeffrey Rayden, the sum of Fourteen Thousand Five Hundred Forty-Six Dollars and Twenty-Five Cents (\$14,546.25) plus interest thereon at the rate of 10% per annum from July 24, 1990, to the date the award is satisfied in full.
2. Respondent, Kober Financial Corporation, is liable and shall pay to Claimant, Edward Rayden, the sum of Nine Thousand, Fifteen Dollars and No Cents (\$9,015.00) plus interest thereon at the rate of 10% per annum from July 24, 1990 to the date the award is satisfied in full.
3. The parties shall each bear their respective costs and fees, including attorneys' fees.
4. Claimants, Jeffrey Rayden and Edward Rayden, shall relinquish all right, title and interest in their respective shares of Seahawk Deep Ocean Tech Inc., to Respondent, Kober Financial Corporation, free of all encumbrances.
5. The NASD shall retain all filing fees and deposits.

FORUM FEES

No Forum Fees are assessed.

ARBITRATOR

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|--------------------------------|---------------------------------|--------------------|
| Name | <u>Herbert Leslie Greenberg</u> | Public/Industry |
| Herbert Leslie Greenberg, Esq. | | Public Chairperson |

Concurring Arbitrator's Signatures

Served 3/5/93