

**STIPULATED AWARD**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between

Name of Claimant

Eric Rothchild, M.D.

Case No. 99-04200

Names of Respondents

Hearing Site: Boca Raton, Florida

Noble International Investments, Inc.  
Noble Investment Co. of Palm Beach  
William Baumner

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**REPRESENTATION OF PARTIES**

For Eric Rothchild, M.D. ("Rothchild"), hereinafter referred to as "Claimant": Lloyd R. Schwed, Esq., Kubicki Draper, West Palm Beach, Florida.

For Noble International Investments, Inc. ("NII"), Noble Investment Co. of Palm Beach ("NIC"), and William Baumner ("Baumner"), hereinafter collectively referred to as "Respondents": Wayne H. Schwartz, Esq., Atlas Pearlman, P.A., Fort Lauderdale, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: September 13, 1999.

Claimant signed the Uniform Submission Agreement: August 13, 1999.

Statement of Answer filed by Respondents on or about: February 1, 2000.

Respondents NII and NIC signed the Uniform Submission Agreement: February 1, 2000.

Respondent Baumner signed the Uniform Submission Agreement: February 1, 2000.

**CASE SUMMARY**

Claimant asserted the following: 1) Respondents made unauthorized transactions in Claimant's account; 2) Respondents' actions constituted common law fraud; 3) Respondents breached their fiduciary duty to Claimant; 4) Respondents' actions were grossly negligent; 5) Respondents NIC and NII negligently supervised Respondent Baumner; and 6) Respondents churned Claimant's account. The causes of action relate to the purchase and sale of various securities in Claimant's account.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

**RELIEF REQUESTED**

Claimant requested unspecified compensatory damages, punitive damages in excess of \$500,000.00, attorney's fees, costs of this proceeding and such other and further relief as is

deemed just.

Respondents requested that all claims be dismissed in their entirety, that Respondents be awarded costs, and such other and further relief as is deemed just. In addition, Respondent Baumner requested that all references to this matter be expunged from his NASD Central Registration Depository ("CRD") record.

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

On or about September 21, 2000, Claimant informed NASD Dispute Resolution, Inc. that all claims against Respondents were dismissed, with prejudice.

Thereafter, on or about October 13, 2000, a Settlement Agreement and Release together with a Proposed Stipulated Award were filed with NASD Dispute Resolution, Inc. The proposed Stipulated Award requested that the CRD record of Respondent Baumner maintained by the NASD be expunged.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies.

### **AWARD**

After considering the pleadings, the Settlement Agreement and Release and the Proposed Stipulated Award, the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

The Panel recommends the expungement of all references to the above captioned arbitration from Respondent Baumner's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Baumner must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

### **FEES**

Pursuant to the NASD Code of Arbitration Procedure (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	= \$ 375.00
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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 firms that employed the associated person at the time of the event giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$2,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$3,500.00

#### **Adjournment Fees**

No adjournments were requested during these proceedings.

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

The Panel has the authority to assess 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 (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with the Panel x 1,200.00	=
\$1,200.00	
Pre-hearing conference: June 19, 2000	1 session
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Total Forum Fees	= \$1,200.00

The Panel has assessed \$600.00 of the forum fees to Claimant.

The Panel has assessed \$600.00 of the forum fees jointly and severally to Respondents NII, NIC and Baumner.

#### **Administrative Costs**

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

#### **Fee Summary**

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 600.00
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Total Fees	= \$ 975.00
Less payments	= \$ 975.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondent NII be and hereby is solely liable for:

Member Fees = \$6,100.00

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Total Fees = \$6,100.00

Less payments = \$6,100.00

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Balance Due NASD Dispute Resolution, Inc. = \$ 0.00

Respondents NII, NIC and Baumner be and hereby are jointly and severally liable for:

Forum Fees = \$ 600.00

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Total Fees = \$ 600.00

Less Payments = \$ 600.00

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Balance Due NASD Dispute Resolution, Inc. = \$ 0.00**ARBITRATION PANEL**

Michael A. Levin, Esq.

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Public Arbitrator, Presiding Chair

Gary Arnold Feder, Esq.

-

Public, Arbitrator

Robert A. Sauerberg

-

Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

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/s/Michael A. Levin, Esq.  
Public Arbitrator, Presiding Chair

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Signature Date

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/s/Gary Arnold Feder, Esq.  
Public Arbitrator

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Signature Date

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/s/Robert A. Sauerberg  
Non-Public Arbitrator

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Signature Date

NASD Dispute Resolution, Inc.

Arbitration No. 99-04200

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March 14, 2002

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

Respondent NII be and hereby is solely liable for:

Member Fees = \$6,100.00

Total Fees = \$6,100.00

Less payments = \$6,100.00

Balance Due NASD Dispute Resolution, Inc. = \$ 0.00

Respondents NII, NIC and Baumnner be and hereby are jointly and severally liable for:

Forum Fees = \$ 600.00

Total Fees = \$ 600.00

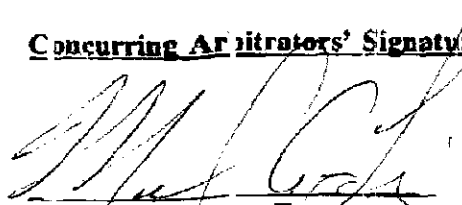
Less Payments = \$ 600.00

Balance Due NASD Dispute Resolution, Inc. = \$ 0.00

### ARBITRATION PANEL

Michael A. Levin, Esq.	-	Public Arbitrator, Presiding Chair
Gary Arnold Feder, Esq.	-	Public Arbitrator
Robert A. Sauerberg	-	Non-Public Arbitrator

### Concurring Arbitrators' Signatures

  
 Michael A. Levin, Esq.  
 Public Arbitrator, Presiding Chair

3-7-02  
 Signature Date

Gary Arnold Feder, Esq.  
 Public Arbitrator

Signature Date

Robert A. Sauerberg  
 Non-Public Arbitrator

Signature Date

NASD Dispute Resolution, Inc.

Arbitration No. 97-04200

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Respondent NII be and hereby is solely liable for:

Member Fees	= \$6,100.00
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Total Fees	= \$6,100.00
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Less payments	= \$6,100.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00
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Respondents NII, NIC and Baunmer be and hereby are jointly and severally liable for:

Forum Fees	= \$ 600.00
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Total Fees	= \$ 600.00
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Less Payments	= \$ 600.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00
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**ARBITRATION PANEL**

Michael A. Levin, Esq.	-	Public Arbitrator, Presiding Chair
Gary Arnold Fider, Esq.	-	Public Arbitrator
Robert A. Sauerberg	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

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Michael A. Levin, Esq.  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Gary Arnold Fider, Esq.  
Public Arbitrator

3/14/02  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Robert A. Sauerberg  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

Respondent NII be and hereby is solely liable for:

Member Fees	= \$6,100.00
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Total Fees	= \$6,100.00
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Less payments	= \$6,100.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00
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Respondents NII, NIC and Baumner be and hereby are jointly and severally liable for:

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

Michael A. Levin, Esq.	-	Public Arbitrator, Presiding Chair
Gary Arnold Feder, Esq.	-	Public, Arbitrator
Robert A. Sauerberg	-	<del>Non</del> -Public Arbitrator
		<i>ES</i>

Concurring Arbitrators' Signatures

\_\_\_\_\_  
 Michael A. Levin, Esq.  
 Public Arbitrator, Presiding Chair

\_\_\_\_\_  
 Signature Date

\_\_\_\_\_  
 Gary Arnold Feder, Esq.  
 Public Arbitrator

\_\_\_\_\_  
 Signature Date

*Robert A. Sauerberg*  
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 Robert A. Sauerberg  
 Non-Public Arbitrator

*3-8-02*  
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 Signature Date