

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

JK Entertainment, Inc. and Joel Krantz, (Claimants) vs. First Liberty Investment Group, Inc. and Andrew Scott Rosenbaum, (Respondents)

Case Number: 01-01486

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimants, JK Entertainment, Inc. ("JKE") and Joel Krantz ("Krantz"), hereinafter collectively referred to as "Claimants": Larry Krantz, Esq., Krantz & Berman LLP, New York, NY.

Respondents, First Liberty Investment Group, Inc. ("FLIG") and Andrew Scott Rosenbaum ("Rosenbaum"), hereinafter collectively referred to as "Respondents", did not make appearances in this matter.

CASE INFORMATION

Statement of Claim filed on or about: March 23, 2001.

JKE signed the Uniform Submission Agreement: March 22, 2001.

Krantz signed the Uniform Submission Agreement: March 22, 2001.

FLIG did not file a Statement of Answer or sign a Uniform Submission Agreement.

Rosenbaum did not file a Statement of Answer or sign a Uniform Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action: violations of NASD rules; unauthorized trading; excessive commissions; and misleading representations. Claimants' claim involved the stocks of America Online, Inc., F5 Networks, Inc., and Jacada, Ltd.

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$22,000.00, plus prejudgment interest, costs, attorneys' fees, and punitive damages.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimants, the undersigned arbitrator (the "Arbitrator") determined that FLIG and Rosenbaum have been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without FLIG and Rosenbaum present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

FLIG and Rosenbaum did not file with NASD Dispute Resolution properly executed submissions to arbitration but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Arbitrator 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 Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. FLIG and Rosenbaum are jointly and severally liable for and shall pay to Claimants the sum of \$22,004.00 as compensatory damages, plus interest at the rate of 9% accruing from the date that the Arbitrator signs this Award until the date of payment.
2. FLIG and Rosenbaum are jointly and severally liable for and shall pay to Claimants the sum of \$3,000.00 as attorneys' fees.
3. FLIG and Rosenbaum are jointly and severally liable for and shall pay to Claimants the sum of \$125.00, to reimburse Claimants for the filing fee previously paid to NASD Dispute Resolution.
4. All other requests for relief are hereby denied.

FEES

Pursuant to 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 = \$ 125.00

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. In this matter, First Liberty Investment Group, Inc. is a party.

Member surcharge = \$ 400.00

Adjournment Fees

Adjournments requested during these proceedings:

Jan. 7, 2002, adjournment by Claimant = WAIVED

Forum Fees and Assessments

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

One (1) Pre-hearing session with a single arbitrator x \$450.00 = \$ 450.00

Pre-hearing conference: November 5, 2001 1 session

One (1) Hearing session x \$450.00 = \$ 450.00

Hearing Date: October 9, 2002 1 session

Total Forum Fees = \$ 900.00

The Arbitrator has assessed all of the forum fees jointly and severally against FLIG and Rosenbaum.

Fee Summary

1. Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 125.00
Total Fees	= \$ 125.00
<u>Less payments</u>	= \$ 575.00
Refund Due Claimants	= \$ 450.00

As stated in the "Award" section above, FLIG and Rosenbaum are jointly and severally liable and shall reimburse Claimants for the \$125.00 filing fee.

2. FLIG is solely liable for:

<u>Member Fees</u>	= \$ 400.00
Total Fees	= \$ 400.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 400.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 900.00
Total Fees	= \$ 900.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 900.00

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

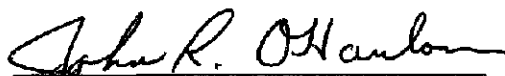
ARBITRATION PANEL

John R. O'Hanlon, Esq.

Public Arbitrator

Arbitrator's Signature

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.



John R. O'Hanlon, Esq.
Public Arbitrator

November 13, 2002
Signature Date

November 26, 2002

Date of Service (For NASD Dispute Resolution use only)