

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Liberty Travel, Inc. and Go/Go Tours, Inc. Employees' Defined Benefit Plan As Restated,
(Claimant) vs. Klein Maus & Shire, Inc., Maurice Arthur Gross, Jr. a/k/a Mike Gross, and
Mohammad Ali Khan, (Respondents)

Case Number: 99-00610

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, Liberty Travel, Inc. and Go/Go Tours, Inc. Employees' Defined Benefit Plan As Restated, hereinafter referred to as "Claimant": Martin P. Unger, Esq., Blank Rome Tenzer Greenblatt LLP, New York, NY.

Respondents, Klein Maus & Shire, Inc. ("Klein"), Maurice Arthur Gross, Jr. a/k/a Mike Gross ("Gross"), and Mohammad Ali Khan ("Khan"), hereinafter collectively referred to as "Respondents", did not enter appearances in this matter.

CASE INFORMATION

Statement of Claim filed on or about: February 11, 1999.

Claimant signed the Uniform Submission Agreement: February 8, 1999.

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

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

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

CASE SUMMARY

Claimant asserted the following causes of action: unauthorized purchases of warrants in American Champion Entertainment, Inc.; participation in a scheme to "park" American Champion Entertainment, Inc. warrants in Claimant's account; and failure to supervise.

RELIEF REQUESTED

Claimant requested that the Panel render an Award in its favor as follows:

- a. Rescinding the unauthorized purchases of American Champion Entertainment, Inc. warrants and awarding actual damages in the amount of \$474,737.50;
- b. Awarding interest on the amount of \$154,712.50 from August 25, 1998 and interest on the amount of \$320,025.00 from August 27, 1998;

- c. Awarding punitive damages in the amount of \$1,000,000.00;
- d. Awarding reasonable attorneys' fees;
- e. Assessing the costs of this arbitration against Respondents; and
- f. For such other and further relief as the Panel deem equitable and just.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Gross and Khan 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 said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Gross and Khan did not file with NASD Dispute Resolution, Inc. properly executed submissions to arbitration but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Panel on all issues submitted.

Pursuant to a filing in the United States District Court for the Southern District of New York under the Securities Investor Protection Act, all claims against Klein were stayed.

This matter was decided by a Panel of two arbitrators in accordance with Rule 10313 of the Code, since none of the parties objected to proceeding with two arbitrators following notice that arbitrator James Francis withdrew from the panel in this case.

Claimant, the only party to participate in this matter, has 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. Gross and Khan be and hereby are jointly and severally liable for and shall pay to Claimant the sum of \$552,853.00 as compensatory damages, inclusive of interest.
2. Claimant's request for punitive damages is hereby denied.
3. All other requests for relief are hereby denied.

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 = \$ 250.00

Adjournment Fees

Adjournments requested during these proceedings:

June 21 & 22, 2000, adjournment by Claimant = \$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 (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$1,000.00 = \$1,000.00

Pre-hearing conference: April 18, 2000 1 session

Two (2) Hearing sessions x \$1,000.00 = \$2,000.00

Hearing Date: January 9, 2001 2 sessions

Total Forum Fees = \$3,000.00

1. The Panel has assessed \$1,000.00 of the forum fees against Claimant.
2. The Panel has assessed \$1,000.00 of the forum fees against Gross.
3. The Panel has assessed \$1,000.00 of the forum fees against Khan.

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee = \$ 250.00

Adjournment Fee = \$1,000.00

Forum Fees = \$1,000.00

Total Fees = \$2,250.00

Less payments = \$2,250.00

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

2. Gross be and hereby is solely liable for:

<u>Forum Fees</u>	= \$1,000.00
<u>Total Fees</u>	= \$1,000.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$1,000.00

3. Khan be and hereby is solely liable for:

<u>Forum Fees</u>	= \$1,000.00
<u>Total Fees</u>	= \$1,000.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$1,000.00

All balances are due and payable to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

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.


James M. Baumann, Esq.
Public Arbitrator, Presiding Chair

2-20-01
Signature Date

Judith Twena, Esq.
Public Arbitrator

Signature Date

February 21, 2001
Date of Service (For NASD office use only)

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