

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimants

Robert and Laura Coleman
Joseph R. Fox

Case No. 99-00768

Name of Respondents

Klein, Maus & Shire, Inc.
Mohammed A. Khan
Asim S. Kohli
Martin Berk (a/k/a Martin Burke)
Naseeruddin Mahmood
David M. Weeks

REPRESENTATION OF PARTIES

Claimants, Robert Coleman ("R. Coleman"), Laura Coleman ("L. Coleman") and Joseph R. Fox ("Fox"), hereinafter collectively referred to as "Claimants" were represented by Steven J. Popkin, Attorney at Law, Brooklyn, NY.

Respondent, David M. Weeks ("Weeks") had been represented by Jacob H. Zamansky, Esq. of the Law Firm of Zamansky & Associates. When Mr. Zamanski withdrew, Weeks proceeded on his own behalf.

Klein, Maus & Shire, Inc. ("KMS"), Mohammed A. Khan ("Khan"), Asim S. Kohli ("Kohli"), and Martin Berk, a/k/a Martin Burke, ("Berk") did not appear and were unrepresented.

CASE INFORMATION

Statement of Claim filed on or about: February 19, 1999
R. Coleman and L. Coleman each signed their Uniform Submission Agreement: February 11, 1999

Fox signed his Uniform Submission Agreement on: February 10, 1999

Statement of Answer filed by Respondent, Naseer Mahmood on or about: June 7, 1999
Mahmood did not signed a Uniform Submission Agreement.

Statement of Answer filed by Respondent David M. Weeks on or about: August 2, 1999
Weeks signed his Uniform Submission Agreement on: August 2, 1999

Klein, Maus & Shire, Inc. did not file an answer or a Uniform Submission Agreement.

Mohammed A. Khan, Asim S. Kohli, and Martin Berk did not file an answer or a Uniform

Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action: material misrepresentations; unauthorized trading; fraud; breach of fiduciary duty; failure to execute; failure to supervise; and, violations of federal and state securities laws and regulations as well as the expressed NASD rules. Claimants alleged, among other things, that Weeks represented to Claimants that they would participate in various initial public offerings; instead, Weeks made unauthorized investments in InterCorp Excel and Hometown Automotive. Claimants alleged that these unauthorized transactions were made for the specific benefit of KMS and its principals Kahn and Kohli, to the detriment of Claimants.

Unless specifically admitted in its Answer, Respondent Mahmood denied the allegations made in the Statement of Claim and asserted the following defenses: Claimants' failed to set forth a cause of action against Mahmood; Claimants' are estopped by their own conduct; Mahmood did not violate any applicable law or rule; and, Claimants may not recover punitive damages or attorney's fees.

Respondent Weeks denied all allegations of wrongdoing asserted by Claimant's in the Statement of Claim. Weeks asserted, among other things, the following defenses: Claimants' failed to state a claim for which relief may be granted; Claimants have failed to state a claim against Weeks; any losses sustained by Claimants were caused or contributed to by their actions; Claimants' failed to mitigate their damages; Weeks never made any material misrepresentation nor did he violate federal or state laws nor did he violate NASD rules or regulations; losses caused by Claimants were in whole or in part caused by adverse market movements; Weeks followed the instructions of Claimants, including the exercise of discretion, given to him by Claimants; Claimants' are estopped by their own conduct.

RELIEF REQUESTED

R. Coleman and L. Coleman requested:

Compensatory Damages	\$343,583.24
Punitive Damages	unspecified
Interest	market rate
Attorneys' Fees	unspecified
Other Costs	unspecified

Fox requested:

Compensatory Damages	\$ 90,000.00
Punitive Damages	unspecified
Interest	market rate
Attorneys' Fees	unspecified
Other Costs	unspecified

Respondent Mahmood requested that the Statement of Claim as to him be dismissed and that the Panel award him his costs and attorneys' fees incurred in defending this claim.

Respondent Weeks requested that the Panel dismiss all claims against him with prejudice; and that he be awarded all costs, forum fees and attorneys' fees of defending Claimants' claim.

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OTHER ISSUES CONSIDERED AND DECIDED

Claimants' claims against Respondent Klein, Maus & Shire were stayed by the bankruptcy court's order. The Panel's Award has no impact on Claimants' claims against KMS that will be determined by the bankruptcy court.

At the start of the hearing Mahmood made a motion to dismiss which was denied by the Panel.

The Panel after considering the evidence regarding service of Claimants' claim against Respondents Mohammed A. Khan, Asim S. Kohli, and Martin Berk (a/k/a Martin Burke) was not satisfied that it could exercise its jurisdiction over these three Respondents and has dismissed without prejudice, Claimants' claims against Khan, Kohli and Berk.

Upon review of the file and the representations made on behalf of Claimants, the undersigned arbitrators have determined that Respondent David M. Weeks was properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD-DR Code of Arbitration Procedure (the "Code"). Attached as Exhibit A to this Award is a letter mailed to Respondent Week's counsel via certified mail and facsimile notifying Respondent Weeks of the initial pre hearing conference and information on the arbitration panel.

Respondent Mahmood did not file with the NASD Dispute Resolution, Inc. a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and, notwithstanding his failure to file a uniform submission agreement is bound by the determination of the Panel 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, and the post-hearing submissions, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. That Respondent David M. Weeks is liable and shall pay to Claimants Robert and Laura Coleman the sum of \$251,632.52 plus interest from July 15, 1998 until the date the award is paid. Interest awarded on this amount is the legal rate of interest in the state of Virginia.
2. That Respondent David M. Weeks is liable and shall pay to Claimant Joseph R. Fox the sum of \$78,975; plus interest from August 20, 1998 until the date the award is paid. Interest awarded on this amount is the legal rate of interest in the state of Virginia.
3. All claims against Mahmood are dismissed with prejudice.
4. That Claimants request for punitive damages is denied in its entirety.
5. That the parties shall bear their own costs, including attorneys' fees except as Fees are specifically addressed below.

6. That any relief request not specifically addressed herein is denied in its entirety.

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 = \$200

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 arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$750 = \$ 750

Pre-hearing conference: December 18, 1999 1 session

Two (2) Hearing sessions x \$750 = \$1,500

Hearing Date: September 18, 2000 2 sessions

Total Forum Fees = \$2,250

The Panel has assessed forum fees to parties as follows:

1. The Panel has assessed \$750 of the forum fees jointly and severally to Claimants Robert and Laura Coleman and Joseph Fox.
2. The Panel has assessed \$750 of the forum fees to Respondent Mahmood.
3. The Panel has assessed \$750 of the forum fees to Respondent Weeks.

The Arbitrator(Panel) has assessed \$ of the forum fees jointly and severally to Parties (Names).

Fee Summary

Claimants Robert and Laura Coleman and Jeffrey Fox are jointly and severally assessed the following:

Filing Fee	= \$ 200
Forum Fees	= \$ 750
Total Fees	= \$ 950
<u>Less payments</u>	<u>= \$ 950</u>
Balance Due	= \$ 0

Respondent Mahmood is assessed the following:


<u>Forum Fee</u>	<u>= \$ 750</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 750

Respondents Weeks is assessed the following:

<u>Forum Fee</u>	<u>= \$ 750</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 750

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

Concurring Arbitrators' Signatures



Martin Belkin, Esq.
Public Arbitrator, Presiding Chairperson

11/30/00

Signature Date

Larry J. Murphy
Public Arbitrator, Panelist

Signature Date

Daniel J. Donovan, Esq.
Non-Public Arbitrator

Signature Date

December 8, 2000

Date Award Served by NASD Dispute Resolution, Inc.


<u>Forum Fee</u>	<u>= \$ 750</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 750

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

Concurring Arbitrators' Signatures

Martin Belkin, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Larry J. Murphy
Public Arbitrator, Panelist

11-15-00

Signature Date

Daniel J. Donovan, Esq.
Non-Public Arbitrator

Signature Date

December 8, 2000

Date Award Served by NASD Dispute Resolution, Inc.

<u>Forum Fee</u>	<u>= \$ 750</u>
Balance Due NASD Dispute Resolution, Inc.	<u>= \$ 750</u>

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


Concurring Arbitrators' Signatures

Martin Belkin, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Larry J. Murphy
Public Arbitrator, Panelist

Signature Date



Daniel J. Donovan, Esq.
Non-Public Arbitrator

17 Nov 00
Signature Date

December 8, 2000
Date Award Served by NASD Dispute Resolution, Inc.