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ARMSTRONG TEASDALE LLP

MISSOURI KANSAS CALIFORNIA ILLINOIS NEVADA WASHINGTON, DC 1 SHANGHAI

ATTORNEYS AT LAW

January 25, 2007

VIA UPS

Mr. Charles King


**Re: YourTravelBiz.com, Inc. v. Charles King, American Arbitration Association;
Case No. 51 147 Y 00061 07**

Dear Mr. King:

We have been informed by the American Arbitration Association (AAA) that Kurt R. Hilbert has indicated that he does not represent you in relation to the above-referenced arbitration. Therefore, I have enclosed a copy of the Demand for Arbitration and Claim for Relief filed with the AAA. Currently, Eric W. Dillow, the AAA case manager assigned to this matter, is attempting to schedule the initial Administrative Conference. You or your new counsel may contact him at (888) 774-6983.

Very truly ytmrs



Scott J. Golde

SJG/ds

Enclosure

cc: Jay A. Summerville, Esq.
Mr. Eric W. Dillow

COMMERCIAL ARBITRATION RULES
DEIYLAND FOR ARBITRATION

*MEDIATION: If you would like the AAA to contact the other parties and attempt to arrange a mediation, please check this box. **Li***
There is no additional administrative fee for this service.

Name of Respondent
Charles King

Address
[REDACTED]

City [REDACTED] State GA Zip Code [REDACTED]

Phone No. [REDACTED] Fax No. [REDACTED]

Email Address:

Name of Representative (if known)
Kurt R. Hilbert

Name of Firm (if applicable)
Adorno & Yoss

Representative's Address
1349 W. Peachtree Street, NA, Suite 1500

City Atlanta State GA Zip Code 30309-

Phone No. (404) 347-8300 Fax No. (404) 347-8395

Email Address:

The named claimant, a party to an arbitration agreement dated _____, which provides for arbitration under the Commercial Arbitration Rules of the American Arbitration Association, hereby demands arbitration.

THE NATURE OF THE DISPUTE

Claimant is seeking declaratory judgment regarding breach of contract with related claims made by Respondent.

Dollar Amount of Claim \$4,900,000.00
Respondent's Demand

Other Relief Sought: Attorneys Fees • Interest
 Arbitration Costs Punitive/ Exemplary Other

AMOUNT OF FILING FEE ENCLOSED WITH THIS DEMAND (please refer to the fee schedule in the rules for the appropriate fee) \$

PLEASE DESCRIBE APPROPRIATE QUALIFICATIONS FOR ARBITRATOR(S) TO BE APPOINTED TO HEAR THIS DISPUTE:

Hearing locale Edwardsville, Illinois (check one) Requested by Claimant Locale provision included in the contract

Estimated time needed for hearings overall:
_____ hours or 2 _____ days

Type of Business: Claimant Sells on-line travel agencies
Respondent same

Is this a dispute between a business and a consumer? Yes No Does this dispute arise out of an employment relationship? Yes No

If this dispute arises out of an employment relationship, what was/is the employee's annual wage range? Note: This question is required by California law. Less than \$100,000 \$100,000 - \$250,000 Over \$250,000

You are hereby notified that copies of our arbitration agreement and this demand are being filed with the American Arbitration Association's Case Management Center, located in (check one) Atlanta, GA Dallas, TX • East Providence, RI Fresno, CA International Centre, NY, with a request that it commence administration of the arbitration. Under the rules, you lay file an answering statement within fifteen days after notice from the AAA.

Signature (may be signed by a representative) Date: _____

Jay A. Summerville ***** v A ^ . »/»fa

Name of Claimant
TravelBiz.com, Inc.

Address (to be used in connection with this case)

1901 E. Edwardsville Road

City Wood River State IL Zip Code 62095-

Phone No. (618)655-9477 Fax No.

(618)655-9477

Email Address:

Name of Representative

Jay A. Summerville

Name of Firm (if applicable)

Armstrong Teasdale, LLP

Representative's Address

One Metropolitan Square, Suite 2600

City St. Louis State MO Zip Code 63102-

Phone No. (314)621-5070 Fax No. (314)621-5065

(314)621-5070

Email Address:

jsummerville@armstrongteasdale.com

To begin proceedings, please send two copies of this Demand and the Arbitration Agreement, along with the filing fee as provided for in the Rules, to the AAA. Send the original Demand to the Respondent^

Please visit our website at www.adr.org if you would like to file this case online. AAA Customer Service can be reached at 800-778-7879

**ARBITRATION PURSUANT TO THE
COMMERCIAL ARBITRATION RULES
OF THE AMERICAN ARBITRATION ASSOCIATION**

IN RE ARBITRATION BETWEEN:

YOURTRAVELBIZ.COM, INC.,

Claimant,

vs.

Arbitration Before TBD Arbitrators

CHARLES KING,

Edwardsville, Illinois

Respondent.

CLAIM FOR RELIEF

Background

Claimant YourTravelBiz.com, Inc. seeks declaratory judgment against Respondent Charles King in this matter based upon the following Claim for Relief:

1. Claimant YourTravelBiz.com, Inc. ("YTB") is a Delaware corporation with its principal place of business in Wood River, Illinois.
2. YTB sells On-Line Travel Agency businesses. Individuals or entities purchasing the On-Line Travel Agencies from YTB are called Referring Travel Agents (RTAs). In return for a one-time set up fee and monthly payments, YTB establishes websites for the RTAs that work in conjunction with YTB's web support network. RTAs are able to direct customers to their websites and the customers can then book travel using YTB's system and its connection with airlines, cruise line companies, hotels,

resorts, and other travel entities. RTAs earn commissions on the travel booked through their *sites*.

3. YTB also contracts with individuals, referred to as Independent Marketing Representatives ("IMR"). IMRs market and sell On-Line Travel Agencies and sponsor other IMRs who become engaged in the same activities.

4. IMRs are required to enter into an agreement with YTB titled "Independent Marketing Representative (IMR) Terms and Conditions" (hereinafter referred to as the "IMR Agreement") before they are able to market and sell the On-Line Travel Agencies. A true and accurate copy of the current IMR Agreement is attached hereto as Exhibit 1.

5. IMRs are subject to modification or supplementation of the IMR Agreement by YTB pursuant to paragraph 5 of the IMR Agreement.

YTB and Charles King

6. In or about October 2004, Respondent Charles King, a resident of Georgia, became an IMR and entered into the IMR Agreement. Paragraph 19 of the IMR Agreement states:

In the event of a claim of breach of this agreement or in the event a dispute shall arise as to the rights, duties and obligations of the parties under this agreement, it is agreed that such disputes shall be exclusively resolved pursuant to binding arbitration under the commercial rules of the American Arbitration Association with arbitration to occur at Edwardsville, Illinois. The arbitrator may award, in addition to declaratory relief, contract damages and shall award reasonable attorney's fees and costs to the prevailing party.

7. On about January 2, 2007, Mr. King made written demand upon YTB claiming that YTB breached its agreement with Mr. King and that YTB had committed acts of slander against him and had interfered with Mr. King's contractual and business relationships with others. Mr. King demanded immediate payment by YTB of \$4.9 million dollars in damages. A true and accurate copy of the written demand of January 2, 2007 is attached hereto and incorporated herein by reference as Exhibit #2.

8. YTB has neither breached the IMR Agreement or any other agreement with Mr. King nor interfered with any of his contractual or business relationships. Furthermore, YTB has not slandered Mr. King.

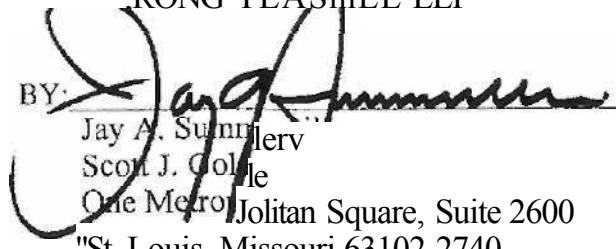
9. Therefore, a present and justiciable controversy exists between YTB and Mr. King.

WHEREFORE., YTB requests that this Panel issue an order declaring that:

- (1) YTB has not breached its agreements with Mr. King;
- (2) YTB acted in conformity with all applicable agreements, including the IMR Agreement, and was justified in the actions it took in connection therewith, and has not tortiously interfered with any of Mr. King's contractual or business relationships;
- (3) Neither YTB nor any of its directors, officers, employees or associates has slandered Mr. King;
- (4) Mr. King is not entitled to any damage award against YTB; and
- (5) For such other relief as is just and proper under the circumstances.

TRONG TEAM LE LLP

BY:



Jay A. Summerville

Scott J. Golde

One Metropolitan Square, Suite 2600

St. Louis, Missouri 63102-2740

(314)621-5070

(314) 621-5065 (facsimile)