

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
William Hilton :
Claimant : CASE #91-02397
vs. : AWARD
Roscoe Blue and :
Omni Capital Markets, Inc. :
Respondents :

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 5, 1991, Claimant, William Hilton, who appeared Pro Se, alleged that Respondents Roscoe Blue and Omni Capital Markets, Inc. solicited him to purchase 1,000 shares of Diet Works of America by misrepresenting its value and presenting false information about the investment. Claimant contended that Respondent, Omni Capital Markets, Inc. offered to settle the claim for \$625.00 but later failed to follow through with the payment thus, forcing him to continue with his claim.

Respondent, Roscoe Blue, who appeared Pro Se, maintained that he provided Claimant, William Hilton with a copy of the prospectus for Diet Works of America and all relevant information about the investment, prior to Claimants purchase of the 1,000 shares. Respondent further maintained that it was general knowledge that Diet Works was a high risk stock. Respondent contended that he neither misrepresented information or presented false information regarding Diet Works of America.

Respondent, Omni Capital Markets, Inc. by and through its outside counsel, Benjamin B. Segel, Esq., Sole Practitioner, Worthington, Ohio requested an extension of time from the National Association of Securities Dealers, Inc. on October 17, 1991 in which to file their Statement of Answer. Respondent, Omni Capital Markets, Inc. informed the National Association of Securities Dealers, Inc. on October 23, 1991 that they had reached a settlement agreement with the Claimant, William Hilton for the amount of \$625.00.

Respondent, Omni Capital Markets, Inc. failed to file an Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant, William Hilton requested \$627.50 in actual damages.

Respondent, Roscoe Blue requested the claim be dismissed.

Respondent, Omni Capital Markets, Inc. failed to file an Answer to the Statement of Claim.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Earle R. Frost, Jr., Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on July 29, 1991, by the Respondent Roscoe Blue on September 21, 1991 and not by Respondent, Omni Capital Markets, Inc. as required by Sections 12 & 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure.

1. In accordance with Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure the Respondent, Omni Capital Markets, Inc. was served by regular mail on August 12, 1991 and given an opportunity to respond, which they failed to do so. Respondent, Omni Capital Markets, Inc., was notified on October 24, 1991, via certified mail, that their Statement of Answer was overdue and were provided with the name of the selected arbitrator, pursuant to Section 22 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure. Respondent, Omni Capital Markets, Inc. failed to file an Answer to the Statement of Claim.
2. Pursuant to the By-Laws of the National Association of Securities Dealers, Inc. the arbitrator determined that Respondent Omni Capital Markets, Inc. was required to submit to this arbitration proceeding an is, therefore, bound by the arbitrator's ruling and determination.

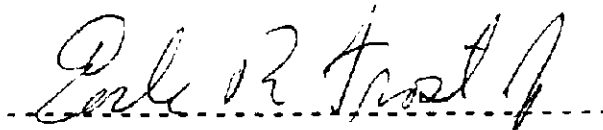
And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

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Award

1. Respondent, Omni Capital Markets, inc. is liable and shall pay to the Claimant, William Hilton, the sum of \$627.50 in damages.
2. The parties shall bear their respective costs.
3. The \$30.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the National Association of Securities Dealers, Inc. Respondent, Omni Capital Markets, Inc. shall pay \$30.00 to the Claimant, William Hilton as reimbursement.

AFFIRMATION

I, **EARLE R. FROST, JR., ESQ.**, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

DATE OF DECISION: February 11, 1992