

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Phillip and Kathry Siegel et al.

92-01300

Name of Respondents

The Ohio Company
Dennis O'Brien

REPRESENTATION

For Claimants: Anthony V. Trogan, Esq. of Weissmann Trogan Young & Schloss.

For Respondent, The Ohio Company: James A. Francis, Esq. of The Ohio Company.

For Respondent, Dennis O'Brien: Dennis J. Concilla, Esq. of Carlile Patchen & Murphy.

CASE INFORMATION

Statement of Claim filed: April 10, 1992.

Claimants, Phillip and Kathryn Siegel's Submission Agreement signed on: April 3, 1992.

Claimants Sam P. Joseph, Beatrice E. Joseph and Betty Jane Joseph's Submission Agreement signed on February 20, 1992.

Statement of Answer filed by Respondent, The Ohio Company on: June 12, 1992.
Respondent, The Ohio Company's Submission Agreement signed on: June 23, 1992.

Statement of Answer filed by Respondent, Dennis O'Brien on: July 14, 1992.
Respondent, Dennis O'Brien's Submission Agreement signed on: July 17, 1992.

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HEARING INFORMATION

Pre-Hearing Conference: July 15, 1993

Hearing Dates/Sessions: April 28, 1993 - Two Sessions
 September 10, 1993 - Two Sessions

Hearing Location: American Arbitration Association - Southfield, MI.

CASE SUMMARY

Claimants allege that Claimants, Phillip and Kathryn Siegel are husband and wife, Claimants, Sam P. Joseph and Beatrice E. Joseph are husband and wife and Claimant Betty Jane Joseph is a widow. Claimants allege that Respondent, The Ohio Company ("TOC") underwrote the issuance of Pickette Suite Hotel Master L.P.I. ("Pickette") which was a high risk concept in the hotel industry. Claimants allege that Respondent, Dennis O'Brien ("O'Brien") pushed the sale Pickette by several means including: not having investors sign subscription agreements; not properly providing prospectus materials to investors; misrepresenting or falsifying suitability information; misrepresenting customer rights to rescind the transaction; misrepresenting the characteristics of the investment to induce customers to purchase.

Claimants allege that O'Brien admitted not investigating the investment thoroughly, and giving no thought to which of his customers might be suitable for the purchase of Pickette. Claimants allege that Respondents failed to keep them apprised of the status of Pickette and continued to recommend the sale of the units when the purchasers could have mitigated their damages.

Respondent, The Ohio Company maintains that Pickette was intended to produce a tax deferred yield, a three year distribution guarantee by the General Partner and a chance to share in appreciation and liquidity. TOC maintains that the investment was appropriate for investors seeking a high level of current income on a tax deferred basis while assuming a moderate amount of risk and willing to make a long term commitment. TOC maintains that all the Respondents were suitable for the investment and were fairly experienced investors. TOC maintains that the prospectus was delivered after the trade date, as is typical in this industry. Further, TOC maintains that this procedure was explained to Claimant, Phillip Siegel who indicated that he understood the procedure. Respondent, Dennis O'Brien maintains the foregoing, as well.

RELIEF REQUESTED

Claimants requested damages in the amount of \$80,000.00 plus interest at 12%, costs, attorney's fees, exemplary and punitive damages, RICO damages and rescission of all transactions.

Respondents requested that the Claim be dismissed in its entirety, that all costs be assessed against the Claimants and that they be awarded attorney's fees.

OTHER ISSUES CONSIDERED & DECIDED

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. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. The Claims of the Claimants are hereby dismissed in their entirety.
2. Each party shall bear their respective costs in this action, including attorney's fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:

Pre-hearing Conference:	\$300.00
Non-refundable filing fee:	\$150.00
Hearing Session Fees:	\$2,000.00 (\$500.00 x 4 Sessions)

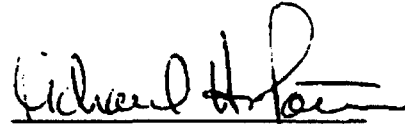
Total forum fees in the amount of \$2,450.00 are hereby assessed against the Respondents The Ohio Company and Dennis O'Brien, jointly and severally.

Respondents are directed to re-imburse to the Claimant the amount of \$950.00 Claimants previously deposited with the NASD. Respondents are further directed to pay the balance of \$1,500.00 to the NASD, Inc.

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Concurring Arbitrator's Signature
Name

Public/Industry

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Richard H. Potter

Date of Decision: November 12, 1993

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Concurring Arbitrator's Signature
Name

Public Chairperson

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Marc E. Thomas, Esq.

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Concurring Arbitrator's Signature
Name

Industry Arbitrator



Omer E. Bellfi

Date of Decision: November 12, 1993