

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Jay Dorman

96-00271

Name of Respondent

La Jolla Capital Corp.
Image Marketing Group/First Entertainment, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 18, 1996, Claimant Jay Dorman ("Claimant"), who appeared Pro Se, alleged that Respondent La Jolla Capital Corp. ("La Jolla") was responsible for the loss in value of his shares of Image Marketing Group ("IMG"). Claimant further alleged that on or about June 2, 1994, he purchased from La Jolla 1,000 shares of common stock of IMG for a total purchase price of \$7,000.00. Claimant contended that IMG was subsequently acquired by First Entertainment, Inc. which has refused to make a tender offer to the public shareholders. Claimant asserted that First Entertainment, Inc. has "in effect ...stolen the shares of IMG owned by the public." Claimant further asserted that due to the wrongdoing of the Respondent, he has suffered damages for which the Respondent should be held liable.

Respondent La Jolla Capital Corp., through its in-house counsel James C. Weaver, Esq., maintained that IMG and First Entertainment, Inc. are separate entities from La Jolla. Respondent further maintained that it in no way controls these corporations and that it cannot cause First Entertainment, Inc. to make a tender offer to the public shareholders. Respondent alleged that it has done nothing to cause the damages allegedly sustained by the Claimant, and that any request for relief should be directed at Image Marketing Group and First Entertainment, Inc. Respondent further alleged that it is guilty of no wrongdoing and requested that the claims against it be dismissed.

Respondent Image Marketing Group/First Entertainment, Inc. is not an NASD member and was therefore sent the Statement of Claim on a voluntary basis. Image Marketing Group did not submit to the jurisdiction of the NASD.

RELIEF REQUESTED

Claimant Jay Dorman requested \$7,000.00 in actual damages and \$2,000.00 in other monetary relief.

Respondent La Jolla Capital Corp. requested that the claims of the Claimant be dismissed.

AWARD

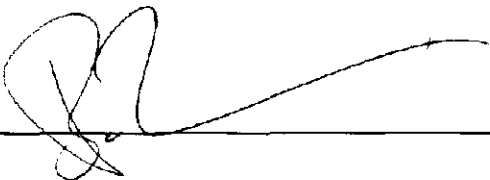
Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Roger M. Deitz, Esq. was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Jay Dorman on January 17, 1996, and by the Respondent La Jolla Marketing Corp. on February 27, 1996.

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:

1. The claims of Claimant Jay Dorman against Respondent La Jolla Capital are dismissed in their entirety.
2. All claims against Respondent Image Marketing Group/First Entertainment, Inc. are dismissed without prejudice as it did not submit to the arbitration proceeding and Claimant may pursue his claims against these parties in any other appropriate forum.
3. The parties shall bear their respective costs.
4. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, **ROGER M. DEITZ, ESQ.**, do hereby swear or 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.



A handwritten signature in dark ink, consisting of a large, stylized 'R' followed by a long, sweeping horizontal stroke that extends to the right. The signature is positioned above a solid horizontal line.

DATE OF DECISION: September 20, 1996