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#### KEY DATA POINTS INSIDE

**Daily Short Volume** 

Naked Short Volume

Market Maker Friction

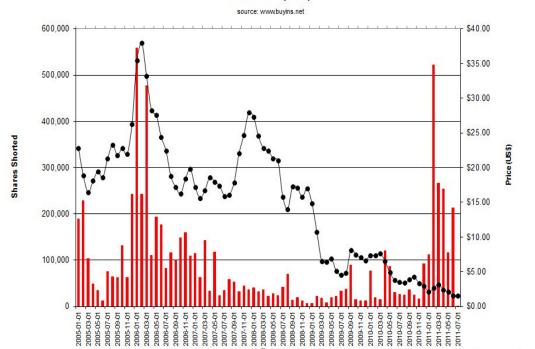
#### RECENT DIET NEWS

- •EDIETS COM INC Financials EDGAR Online Financials (Fri, Jul
- •Afternoon Spy: Holding On Indie Research (Fri, Jun 17)
- •EDIETS COM INC Files SEC form 8-K, Other Events, Financial Statements and Exhibits EDGAR Online (Thu, Jun 16)
- •eDiets.com(R), Inc. Achieves NASDAO Compliance and Will Continue Listing on NASDAQ Marketwire (Thu, Jun 16)
- •Stocks Under \$5 at Risk of Bankruptcy at TheStreet (Wed, Jun
- •EDIETS COM INC Financials EDGAR Online Financials (Fri,
- •EDIETS COM INC Files SEC form 8-K, Amendments to Articles of Inc. or Bylaws; Change in Fiscal Year, Financial Stateme EDGAR Online (Thu, Jun 2)
- •eDiets.com(R) Announces Reverse Stock Split Effective June

BUYINS.NET offers a proprietary research and trading service uncovering illegal naked short selling in stocks on NYSE, AMEX, the NASDAO, OTCBB and PINKSHEETS. For more information please visit www.buyins.net

# DIET SHORT SELLERS





Starting in 2005 short sellers have actively shorted DIET. Shorts are consistently continuing this activity and becoming more aggressive, which warrants close investigation. Buyins.net will report the results of its surveillance on a monthly basis.

# OVERVIEW OF DIET SHORT SALE DATA

After careful analysis of DIET short sale, naked short sale and market maker friction factor data it is clear that DIET has recently had issues with short sellers who have been very aggressive. Short sellers have been building a sizable position in

shares of DIET and market makers have made a bearish market lately. New evidence of daily short sellers shorting shares of DIET has now come to light as the SEC has finally given Buyins.net access to DAILY short sale data

which is updated every night. Protecting DIET from abusive shorting is a high priority.

PRICE

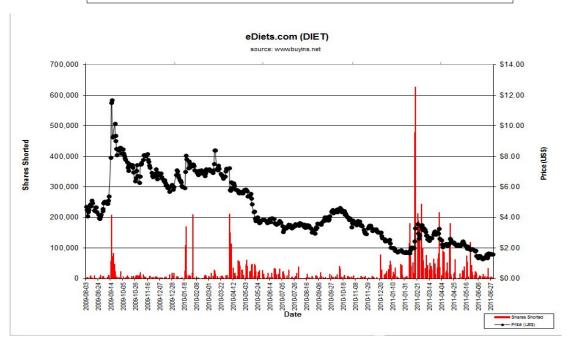
# DAILY FAILURE TO DELIVER DATA (NAKED SHORTS) IN DIET

#### eDiets.com (DIET)

source: www.buyins.net 2,000,000 1,800,000 \$6.00 1,600,000 \$5.00 1,400,000 Fails to Deliver and Deliver a \$4.00 \$3.00 800,000 600,000 \$2.00 400,000 \$1.00 200,000 \$0.00 NAKED SHORTS

Failures to Deliver in DIET have been an issue in the past as short sellers have been lax in complying with RegSHO. Buyins.net will continue to monitor and report short sellers for non-compliance with Regulation SHO requirements.

#### **NEW DAILY SHORT SALE TRADING VOLUME STARTING 8-3-09**



Recently, shorts have been consistently shorting DIET on a daily basis. An average of 20.67% of daily trading volume is short selling.

# MARKET MAKER SURVEILLANCE SYSTEM (FRICTION FACTOR)

Date	Change	BuyVol	SellVol	NetVol	Friction
6/28/2011	-\$0.07	3,910	21,565	-17,655	-2,522
6/27/2011	-\$0.01	7,380	21,679	-14,299	-14,299
6/24/2011	-\$0.03	8,030	3,424	4,606	Bearish Bias
6/23/2011	\$0.38	73,999	68,984	5,015	132
6/22/2011	\$0.10	13,074	15,711	-2,637	Bullish Bias
6/21/2011	-\$0.12	26,590	5,238	21,352	Bearish Bias
6/20/2011	-\$0.04	6,600	19,387	-12,787	-3,197
6/17/2011	\$0.13	15,240	12,943	2,297	177
6/16/2011	\$0.05	2,900	2,614	286	57
6/15/2011	\$0.02	17,914	13,352	4,562	2,281
6/14/2011	\$0.04	34,803	18,460	16,343	4,086
6/13/2011	-\$0.04	28,340	51,378	-23,038	-5,760
6/10/2011	-\$0.15	44,569	169,939	-125,370	-8,358
6/9/2011	\$0.04	2,012	11,472	-9,460	Bullish Bias
5/31/2011	-\$0.03	84,565	134,155	-49,590	-16,530
5/27/2011	\$0.00	43,710	17,321	26,389	Bearish Bias
5/26/2011	\$0.00	19,335	54,343	-35,008	Bullish Bias
5/25/2011	\$0.00	54,184	59,181	-4,997	Bullish Bias
5/24/2011	-\$0.01	53,276	41,210	12,066	Bearish Bias
5/23/2011	\$0.01	86,110	126,457	-40,347	Bullish Bias
5/20/2011	-\$0.04	144,325	58,412	85,913	Bearish Bias
5/19/2011	\$0.02	35,354	11,931	23,423	11,712
5/18/2011	-\$0.01	176,261	196,603	-20,342	-20,342
5/17/2011	-\$0.02	70,328	179,467	-109,139	-54,570
5/16/2011	\$0.00	27,197	35,383	-8,186	Bullish Bias
5/13/2011	-\$0.04	92,662	239,263	-146,601	-36,650
5/12/2011	-\$0.04	116,972	36,786	80,186	Bearish Bias

The above data is used to calculate if a fair market is being made in the shares of DIET. 44% of recent trading days are positive or bullishly biased and 56% of trading days are negative or bearishly biased. There is a bearish market being made in DIET in the past 27 days where trading occurred.

Friction Factor determines if there is normal or abnormal behavior in the price action of the stock when compared to the buying vs. selling trading statistics. It calculates number of net shares of buying or selling to move price +/- one cent.

Here is how to understand Friction Factor:

- 1. If Friction Factor is positive, more buying than selling caused DIET's price to rise
- 2. If Friction Factor is negative, more selling than buying caused DIET's price to fall
- 3. If Friction Factor is 0, there was no discernable activity either way
- 4. If Friction Factor is abnormal, it means that there is either a bearish bias or a bullish bias to how market makers are making market in your stock.

#### HOW BUYINS.NET RESEARCH REPORTS HELP FIGHT ABUSIVE SHORT SELLING



The above report was issued on January 28, 2010 when URZ was trading at \$1.12 per share. The report included data on short selling, naked short selling and market maker friction factor and alerted investors and regulators that an unfair market was being made in shares of URZ and that a short squeeze would begin if shares were to go above \$1.24 per share. The results were immediate and dramatic with URZ going from \$1.12 to \$2.24 in only a few days, a gain of 100%.

CLICK HERE FOR REPORT: http://www.buyins.com/reports/urz1-27-10.pdf



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# Trading Solutions to Naked Short Selling

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BUYINS.NET affiliates, officers, directors and employees have not bought shares of stock discussed in this opinion but BUYINS.NET has been paid \$1,116 per month by DIET for six months of data provided in this report. Market commentary provided by Thomas Ronk.

BUYINS.NET will not advise as to when it decides to sell and does not and will not offer any opinion as to when others should sell; each investor must make that decision based on his or her judgment.

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#### BUYINS.NET WILL ISSUE A VARIETY OF REPORTS ON DIET

#### **REGULATORY & COMPLIANCE NEWS**

- Friction Factor market maker surveillance system tracking Level II market makers in all stocks to determine Price Friction and compliance with new "Fair Market Making Requirements"
- RegSHO Naked Shorts tracks EVERY failure to deliver in all US stocks and tracks all Threshold Security Lists daily for which stocks have naked shorts that are not in compliance with Regulation SHO

# **INVESTMENTS & TRADING**

- SqueezeTrigger 32 billion cell database tracks EVERY short sale (not just total short interest) in all US stocks and calculates volume weighted price that a short squeeze will begin in each stock
- Earnings Edge predicts probability, price move and length of move before and after all US stock earnings reports
- Seasonality predicts probability, price move and length of move based on exact time of year for all US stocks
- Group Trader tracks sector rotation and stock correlation to its sector and predicts future moves in ALL sectors and industry groups
- Pattern Scan automates tracking of every technical pattern and predicts time and size of move in all stocks
- GATS (Global Automated Trading System) tracks all known trading strategies and qualifies and quantifies which are working best in real time

#### WHY BUYINS.NET IS BEST CHOICE FOR DIET MARKET INTEGRITY

The data we provide is extremely useful for DIET for the following reasons:

- 1. Stop naked short selling in shares of DIET
- 2. Break the market maker hold on Level II box causing so much price friction
- 3. Our SqueezeTrigger Reports that cross newswires and are sent to our 720,000 users help break the rest of the shorts
- 4. Discourage new short sellers from shorting your stock
- 5. Stop the negative perception that dropping stock price places on normal day to day business operations
- 6. Combined all of these facets help to stop the daily drain that the short attacks have on the company.

Here is a quick technology overview:

http://www.buyins.com/centurypacificbrochure.pdf

Background information on our CEO:

http://www.buyins.com/images/tomronk.pdf