

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant / Counter-Respondent
Catherine A. Jones

v.

03-00794
Denver, Colorado

Respondents / Counter-Claimants
Investment Centers of America, Inc. and Shaun J. Pitts

REPRESENTATION OF PARTIES

Catherine A. Jones ("Claimant") appeared pro se.

Investment Centers of America, Inc. ("ICA") and Shaun J. Pitts ("Pitts") were represented by Gerry Gunderson of Investment Centers of America, Inc., Bismarck, North Dakota, hereinafter referred as ("Respondents").

CASE INFORMATION

The Statement of Claim was filed on or about February 4, 2003. Submission Agreement of Claimant Catherine A. Jones was signed on or about February 4, 2003.

A Joint Statement of Answer and Counterclaim was filed by Respondents Investment Centers of America, Inc. and Shaun J. Pitts on or about March 7, 2003. Submission Agreement of Respondent Investment Centers of America, Inc. was signed on or about March 7, 2003. Submission Agreement of Respondent Shaun J. Pitts was signed on or about February 24, 2003.

Respondents filed a Motion to Dismiss on or about March 7, 2003.

Claimant filed a Response to Respondents' Motion to Dismiss on or about March 21, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: negligence; breach of fiduciary duty; failure to supervise and account errors. The causes of action related to Claimant's allegation that Respondents failed to place a buy order for Gadzoox common stock. Claimant further alleged that she was led to believe that the market order had been entered for the Gadzoox stock with the gross proceeds credited to her account.

Respondents denied the allegations set forth in the Statement of Claim and asserted affirmative defenses including the following: Claimant's claims fail to state a claim upon which relief may be

granted; Claimant's claims should be denied because she failed to mitigate damages; Claimant's claims, in whole or in part should be barred due to her own contributory negligence or comparative fault; and Claimant is barred from recovery by the applicable doctrine of estoppel.

Respondents asserted the following cause of action in their counterclaim: failure to honor terms of market order. The cause of action relates to Respondents' allegation that Claimant failed to pay for the stocks requested in her market order. Respondents allege that Claimant's actions caused a sell out of the account and a loss of \$4,700.

RELIEF REQUESTED

Claimant requested an award in the amount of \$5,500 in compensatory damages. In addition, Claimant requested \$4,450 in punitive damages, attorneys' fees, costs and any other relief that the Panel deemed just and proper.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees.

Respondents requested in their Counterclaim an award in the amount of \$2,350 in compensatory damages. In addition, Respondents requested that the Panel issue an Order expunging all records of this claim from Respondent Pitts' CRD record, costs of this proceeding and any other relief that the Panel deemed just and proper.

OTHER ISSUES CONSIDERED & DECIDED

During the initial pre-hearing conference call, June 26, 2003, Chairman Otten informed the parties that he had reviewed Respondents' Motion to Dismiss and Claimant's Response and issued an oral ruling denying Respondents' Motion.

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 NASD Dispute Resolution ("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. Claimant's claims, each and all are hereby denied and dismissed in their entirety;
2. Respondents' Counterclaims, each and all, are hereby denied and dismissed in their entirety;
3. Claimant's accounts (joint and individual) are to be closed as soon as possible and certificates for any securities are to be delivered to Claimant at no cost to Claimant;
4. To the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief, including punitive damages, by any party hereto are denied with prejudice; and
5. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys' fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 75
Counterclaim filing fee	= \$ 300

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm is Investment Centers of America, Inc.

Member surcharge	= \$ 325
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Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator x \$250	= \$ 250
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Pre-hearing conference: 06/26/2003 1 session

Two (2) Hearing sessions x \$ 250 = \$ 500

Hearing Date: 08/14/2003 2 sessions

Total Forum Fees = \$ 750

The Arbitration Panel has assessed \$375 of the forum fees to Catherine A. Jones.

The Arbitration Panel has assessed \$ 375 of the forum fees jointly and severally to Investment Centers of America, Inc., and Shaun J. Pitts.

Fee Summary

Claimant, Catherine A. Jones, is liable for:

Initial Filing Fee	= \$ 75
<u>Forum Fees</u>	= \$ 375
Total Fees	= \$ 450
<u>Less payments</u>	= \$ 325
Balance Due NASD Dispute Resolution	= \$ 125

Respondent, Investment Centers of America, Inc., is liable for:

<u>Member Fees</u>	= \$ 325
Total Fees	= \$ 325
<u>Less payments</u>	= \$ 325
Balance Due NASD Dispute Resolution	= \$ 0

Respondents, Investment Centers of America, Inc. and Shaun J. Pitts, are jointly and severally liable for:

Counterclaim Filing Fee	= \$ 300
<u>Forum Fees</u>	= \$ 375
Total Fees	= \$ 675
<u>Less payments</u>	= \$ 450
Balance Due NASD Dispute Resolution	= \$ 225

All balances are due to NASD Dispute Resolution pursuant to Rule 10330(g) of the Code of Arbitration

ARBITRATION PANEL

Arthur E. Otten, Jr., Esq. - Public Arbitrator, Presiding Chair

Concurring Arbitrators:

Arthur E. Otten, Jr., Esq.
Public Arbitrator, Presiding Chair

Signature Date

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ARBITRATION PANEL

Arthur E. Otten, Jr., Esq. - Public Arbitrator, Presiding Chair

Concurring Arbitrators:

Arthur E. Otten, Jr.

Arthur E. Otten, Jr., Esq.
Public Arbitrator, Presiding Chair

September 16, 2003
Signature Date