

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 04-01611

Jacqueline Hartung, Claimant v. Investors Capital Corp., and Richard Vincent, Respondents.

ATTORNEYS:

Claimant, Jacqueline Hartung, appeared *Pro Se*, Pleasant Hill, CA.

Respondents, Investors Capital Corp. and Richard Vincent, ("Respondents"), appeared through their in-house counsel, Melissa Tarentino, Esq., Lynnfield, MA.

NATURE OF DISPUTE: Customer v. Member and Associated Person.

DATE FILED: March 9, 2004.

CASE SUMMARY: Claimant alleged that Respondent, Richard Vincent failed to follow the risk profile that was previously compiled. Claimant further alleges that in Respondent's failure to follow the said risk profile, he engaged her account in volatile options trading that caused her account to suffer financial losses.

Claim Data

Claim: \$17,000.00

Punitive: \$7,000.00

Filing Fees: \$.00

Other: \$1,000.00

Award Data

Award: \$.00

Punitive: \$.00

Filing Fees: \$425.00

Other: \$.00

ARBITRATOR REPORT SUMMARY: The arbitrator, John P. Kelly, hereby finds that: 1) All relevant information concerning the investment option strategy at issue herein was fully and fairly disclosed to Claimant. 2) The options investments complied with Claimant's stated goals. 3) Claimant approved each relevant transaction. 4) Claimant understood, accepted, and ratified the involved option transactions. 5) Claimant's losses were due to the inherent volatility in option activity. 6) Respondent Investors Capital Corporation should have illustrated the speculative nature and financial risks of option activity in darker, bolder and larger print in the documents which they authored and furnished to Claimant.

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) The claims of Claimant are dismissed in their entirety. 2) All requests for punitive damages are denied. 3) All other relief requests are denied. 4) NASD Dispute Resolution shall retain the \$425.00 filing fee that the Claimant deposited previously. 5) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent, Investors Capital Corp., and Richard Vincent's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondents Investors Capital Corp., and Richard Vincent must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive. 6) Respondent, Investors Capital Corp. is jointly and severally liable and shall pay Claimant \$425.00 as reimbursement of the filing fee.

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OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent Investors Capital Corp. has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.

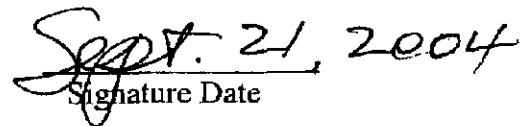
ARBITRATOR

John Patrick Kelly - Sole Public Arbitrator

AFFIRMATION

I, John Patrick Kelly, do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.


John Patrick Kelly


Signature Date

September 30, 2004
Date of Service (For NASD-DR office use only)