

FOR IMMEDIATE RELEASE

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**NH SECURITIES BUREAU TAKES ACTION AGAINST
NICHOLAS ROWE AND FOCUS CAPITAL WEALTH
MANAGEMENT
SEEKS LICENSE SUSPENSION FOR UNSUITABLE INVESTMENT
ADVICE**

CONCORD, NH (August 30, 2012) - The New Hampshire Bureau of Securities Regulation announced today the initiation of an enforcement action against Nicholas Rowe, an investment advisor, and his firm, Focus Capital Wealth Management of Bedford, NH. The action comes after an investigation that commenced in the fall of 2011 after the Bureau received a number of complaints from some of Rowe's New Hampshire customers regarding heavy losses due to trading in inverse and leveraged Exchange Traded Funds (ETFs). Inverse and leveraged ETFs are complex speculative securities products that seek to take advantage of increases or decreases in stock indices such as the S&P. These customers were sold into inverse and leveraged ETFs that seek profits two times or even three times the movement in the stock market.

The Bureau alleges that the New Hampshire customers in this case were unaware of the true nature of ETF trading which can result in large losses over a short period of time. The ETFs are funds that invest in derivatives such as futures contracts and other market securities that seek to take advantage of movements in the stock market. The inverse and leveraged ETFs also use leverage to double and triple the profits. Correspondingly, when the ETF loses value, the loss in value in the customer account is also compounded over time which can result in quick and substantial decreases in customer account values. Here,

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the customers lost hundreds of thousands in account value over several years between 2008 and 2010.

“We are seeking restitution for these customers and there is also the possibility of a license loss,” according to Eric Forcier and Jeff Spill, Enforcement Staff for the Bureau of Securities Regulation.

“Given that many of these customers were in retirement and do not have the ability to recoup losses that younger individuals might, these customers were particularly vulnerable to the high risks of this trading strategy,” said Jeff Spill. “The Bureau of Securities Regulation takes a strong stand in protecting elderly investors.”

In addition to seeking a suspension of licensure and restitution, the action by the Bureau of Securities also seeks a permanent cease and desist order and an administrative fine. Rowe and Focus Capital will have the opportunity for a hearing on the matter.