

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimants

Keith Bosek and Anastasia LeCuyer

V.

01-01808
Minneapolis, Minnesota

Respondents

U.S. Bancorp Piper Jaffray, Inc. and Mark Tiegen

REPRESENTATION OF PARTIES

Keith Bosek and Anastasia LeCuyer ("**Claimants**") were represented by Lewis A. Remle, Jr., Esq., of Bassford, Lockhart, Trusdell & Briggs, Minneapolis, Minnesota.

U.S. Bancorp Piper Jaffray, Inc. ("**U.S. Bancorp**") and Mark Tiegen ("**Tiegen**") were represented by Steven M. Phillips, Esq., of Anthony Ostlund & Baer, P.A., Minneapolis, Minnesota.

CASE INFORMATION

The Statement of Claim was filed on or about April 5, 2001. Submission Agreements of Claimants Keith Bosek and Anastasia LeCuyer were signed on April 5, 2001.

Statement of Answer was filed by Respondent U.S. Bancorp Piper Jaffray, Inc. on or about May 31, 2001. Submission Agreement of Respondent U.S. Bancorp Piper Jaffray, Inc. was signed on May 31, 2001 by Brian S. Hellberg, Managing Director and Assistant General Counsel of U.S. Bancorp Piper Jaffray, Inc.

Claimants filed an Amended Statement of Claim on or about January 30, 2002.

A Joint Statement of Answer was filed by Respondents U.S. Bancorp Piper Jaffray, Inc. and Mark Tiegen on or about October 18, 2002.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty, violations of state securities laws, federal securities fraud, negligence, common law fraud and respondent superior. The causes of action related to Claimants' assertions that Respondent Tiegen improperly diversified their holdings into a high-risk investment strategy, including uncovered calls, uncovered short sales, derivative securities and small cap equities that were in contrast to the their investment objectives

expressed to Respondents. Claimants stated that given their financial goal of retirement, Respondents should have invested more conservatively and in accordance with their stated objectives.

Respondents denied the allegations set forth in the Statement of Claim and asserted some of the following defenses: Claimants failed to state a claim upon which relief may be granted; Claimants claims are barred, in part, by the applicable statutes of limitations and/or repose and the doctrine of laches; any losses sustained by the Claimants were proximately caused by Claimants' expressed and implied agreements to voluntarily and knowingly assume the risks of losses in their accounts; Claimants expressly approved and ratified the acts and transactions complained of and upon which recovery is sought and are thus precluded from any recovery under the doctrines of ratification and waiver; Claimants were experienced in the securities markets and at all relevant times had full knowledge of all material facts concerning the investments that they made, including their nature as well as any associated risks; Claimants' alleged losses, if any, were proximately caused by Claimants' own conduct and negligence or contributory negligence; and that Claimants' alleged losses, if any, were due to Claimants' failure to exercise the requisite due diligence in monitoring, handling, and managing their investments.

RELIEF REQUESTED

Claimants requested an award in the amount of \$500,000 in compensatory damages. In addition, Claimants requested that such award reflect the repayment of excess commissions paid by Keith Bosek and Anastasia LeCuyer, attorneys' fees, costs, punitive damages, and any other relief the Panel deemed just and equitable.

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

OTHER ISSUES CONSIDERED & DECIDED

Respondent Mark Tiegen did not file with NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing is bound by the determination of the arbitration panel on all issues submitted.

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. Claimants' claims, each and all, are hereby dismissed in their entirety;
2. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
3. 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 = \$ 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 U.S. Bancorp Piper Jaffray, Inc.

Member surcharge	= \$ 1,500
Pre-hearing process fee	= \$ 600
Hearing process fee	= \$ 2,500

Adjournment Fees

Adjournments granted during these proceedings:

Hearing Dates, August 13-16, 2002

Adjournment requested by Respondents, U.S. Bancorp Piper Jaffray, Inc. and Mark Tiegen

Fee Waived by the Panel

= \$ 0

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 arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Eight (8) Hearing sessions x \$ 1,125 = \$ 9,000

Hearing Dates:

06/03/2003	2 sessions
06/04/2003	2 sessions
06/05/2003	2 sessions
06/06/2003	2 sessions

Total Forum Fees

= \$ 9,000

The Arbitration Panel has assessed \$ 4,500 of the forum fees jointly and severally to Keith Bosek and Anastasia LeCuyer.

The Arbitration Panel has assessed \$ 4,500 of the forum fees jointly and severally to U.S. Bancorp Piper Jaffray, Inc. and Mark Tiegen.

Fee Summary

Claimants, Keith Bosek and Anastasia LeCuyer, are jointly and severally liable for:

Initial Filing Fee	= \$ 300
<u>Forum Fees</u>	= \$ 4,500
Total Fees	= \$ 4,800
<u>Less payments</u>	= \$ 1,575
Balance Due NASD Dispute Resolution	= \$ 3,225

Respondent, U.S. Bancorp Piper Jaffray, Inc., is liable for:

<u>Member Fees</u>	= \$ 4,600
Total Fees	= \$ 4,600
<u>Less payments</u>	= \$ 4,600
Balance Due NASD Dispute Resolution	= \$ 0

Respondents, U.S. Bancorp Piper Jaffray, Inc., Mark Tiegen are jointly and severally liable for:

Forum Fees	= \$ 4,500
Total Fees	= \$ 4,500
Less payments	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 4,500

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

ARBITRATION PANEL

Peter N. Thompson - Public Arbitrator, Presiding Chair
D. Randall Blohm, Esq. - Public Arbitrator
Justin Dorsey - Industry Arbitrator

Concurring Arbitrators:

Peter N. Thompson
Public Arbitrator, Presiding Chair

Signature Date

D. Randall Blohm, Esq.
Public Arbitrator

Signature Date

Justin Dorsey
Industry Arbitrator

Signature Date

Respondents, U.S. Bancorp Piper Jaffray, Inc., Mark Tiegen are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 4,500
<u>Total Fees</u>	= \$ 4,500
<u>Less payments</u>	= \$ 0
<u>Balance Due NASD Dispute Resolution</u>	= \$ 4,500

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Justin Dorsey - Industry Arbitrator

Concurring Arbitrators:

Peter N. Thompson
Peter N. Thompson
Public Arbitrator, Presiding Chair

7/2/03
Signature Date

D. Randall Blohm, Esq.
D. Randall Blohm, Esq.
Public Arbitrator

Signature Date

Justin Dorsey
Justin Dorsey
Industry Arbitrator

Signature Date

Respondents, U.S. Bancorp Piper Jaffray, Inc., Mark Tiegen are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 4,500
<u>Total Fees</u>	= \$ 4,500
<u>Less payments</u>	= \$ 0
<u>Balance Due NASD Dispute Resolution</u>	= \$ 4,500

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Public Arbitrator, Presiding Chair

Signature Date

D. Randall Blohm, Esq.
Public Arbitrator

7-1-03
Signature Date

Justin Dorsey
Industry Arbitrator

Signature Date

Respondents, U.S. Bancorp Piper Jaffray, Inc., Mark Tiegen are jointly and severally liable for:

Forum Fees	= \$ 4,500
Total Fees	= \$ 4,500
Less payments	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 4,500

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

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Public Arbitrator

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Justin Dorsey
Industry Arbitrator

Signature Date

7-8-03