

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Flint Gard, Claimant v. U.S. Bancorp Piper Jaffray, Inc. and John H. Gonnason, Respondents

Case Number: 01-03128

Hearing Site: Seattle, Washington

REPRESENTATION OF PARTIES

For Claimant:

Frank W. Birkholz, Esq.
Law Offices of Frank W. Birkholz
Seattle, Washington

For Respondents:

Lisa M. Bertain, Esq.
Keesal, Young, & Logan
San Francisco, California

CASE INFORMATION

Statement of Claim filed: June 12, 2001

Claimant's Uniform Submission Agreement signed: May 23, 2001

Joint Statement of Answer filed by Respondents U.S. Bancorp Piper Jaffray, Inc. and John H. Gonnason: November 16, 2001

Respondent U.S. Bancorp Piper Jaffray, Inc.'s Uniform Submission Agreement signed: Not filed

Respondent John H. Gonnason's Uniform Submission Agreement signed: Not filed

CASE SUMMARY

Claimant alleged breach of contract, negligence, failure to supervise, breach of fiduciary duty, churning, misrepresentations, omission of facts, non-disclosures, suitability, and unauthorized trading in account at U.S. Bancorp Piper Jaffray, Inc.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted a number of affirmative defenses, including ratification, estoppel, waiver, comparative fault, failure to mitigate damages, and failure to exercise due diligence.

RELIEF REQUESTED

Claimant requested compensatory damages of \$4,000,000.00 plus interest, punitive damages, costs and other relief.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, with an award of costs and an expungement of the Claim from Respondent John H. Gonnason's Central Registration Depository records.

OTHER ISSUES CONSIDERED AND DECIDED

Claimant and Respondent have reached a settlement of this case whereby they have agreed upon this Stipulated Award as part of that settlement which includes expungement of Respondent John H. Gonnason's Central Registration Depository ("CRD") records. Claimant does so in recognition of the fact that after review of all information produced in discovery in this case he has failed to state a claim against Respondent John H. Gonnason.

Respondents U.S. Bancorp Piper Jaffray, Inc. and John H. Gonnason did not file with the NASD Dispute Resolution properly executed submission agreements; however, all said Respondents are required to submit to arbitration and, Respondents U.S. Bancorp Piper Jaffray, Inc. and John H. Gonnason, having answered the claim all said Respondents are bound by the determination of the Panel on all issues submitted.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

STIPULATION

It is hereby stipulated by Claimant and the Respondents, through their undersigned attorneys of record, that:

1. All of Claimant's claims asserted against Respondents U.S. Bancorp Piper Jaffray, Inc. and John H. Gonnason are hereby dismissed with prejudice; and
2. Claimant does not object to the Panel approving this Stipulated Award.

AWARD

After considering the pleadings, and the Parties request for this stipulated award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. The Claimant's Statement of Claim is dismissed with prejudice as against Respondents U.S. Bancorp Piper Jaffray, Inc. and John H. Gonnason.
2. The Panel finds that Claimant has failed to state a claim against Respondent John H. Gonnason and recommends the expungement of all reference to the above captioned arbitration from Respondent John H. Gonnason's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent John H. Gonnason must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 600.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events which gave rise to the dispute, claim, or controversy. Accordingly, the member firm, U.S. Bancorp Piper Jaffray, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 2,500.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 4,500.00</u>
Total Member Fees	= \$ 7,600.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

One (1) Pre-hearing conference session with the Panel @ \$ 1,200.00/session = \$ 1,200.00
Pre-hearing conference: March 13, 2002 1 session

Total Forum Fees = \$ 1,200.00

The Panel assessed \$600.00 of the forum fees to the Claimant.

The Panel assessed \$600.00 of the forum fees to Respondent U.S. Bancorp Piper Jaffray, Inc.

Fee Summary

1. Claimant Flint Gard is charged with the following fees and costs:

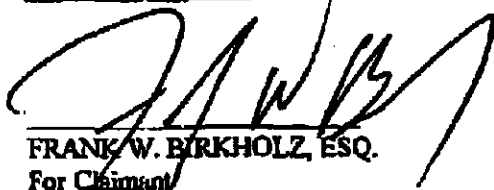
Initial Filing Fee	= \$ 600.00
<u>Forum Fees</u>	= \$ 600.00
Total Fees	= \$ 1,200.00
Retained Deposit pursuant to Rule 10332(f)	= \$ 600.00
<u>Less payments</u>	= \$(1,800.00)
Balance due NASD Dispute Resolution	= \$ 0.00

2. Respondent U.S. Bancorp Piper Jaffray, Inc., is charged with the following fees and costs:

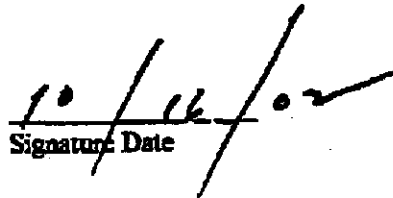
Member Fees	= \$ 7,600.00
<u>Forum Fees</u>	= \$ 600.00
Total Fees	= \$ 8,200.00
<u>Less payments</u>	= \$(8,200.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

Parties' Signatures



FRANK W. BIRKHOLZ, ESQ.
For Claimant
Flint Gard



Signature Date


LISA M. BERTAIN, ESQ.
For Respondents
U.S. Bancorp Piper Jaffray, Inc. &
John H. Gornason

Signature Date

NASD Dispute Resolution, Inc.
Arbitration No. 01-03128
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Parties' Signatures

FRANK W. BIRKHOLZ, ESQ.
For Claimant
Flint Gard


LISA M. BERTAIN, ESQ.
For Respondents
U.S. Bancorp Piper Jaffray, Inc. &
John H. Connason

Signature Date

10/16/02
Signature Date

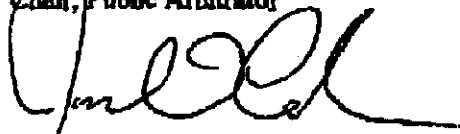
ARBITRATION PANEL

James F. Zotter, Esq.
Jerome O. Cohen, Esq.
Jeffrey E. Skogsbergh

Public/Non-Public, Presiding Chair
Public/Non-Public Arbitrator
Non-Public Arbitrator

Consenting Arbitrators' Signature(s)

JAMES F. ZOTTER, ESQ.
Chair, Public Arbitrator



JEROME O. COHEN, ESQ.
Public Arbitrator

Signature Date

10/17/02

Signature Date

JEFFREY E. SKOGSBERGH
Industry/Non-Public Arbitrator

Signature Date

10/24/02
Date of Service

ARBITRATION PANEL

<i>James F. Zotter, Esq.</i>	-	<i>Public/Non-Public, Presiding Chair</i>
<i>Jerome O. Cohen, Esq.</i>	-	<i>Public/Non-Public Arbitrator</i>
<i>Jeffrey E. Skogsbergh</i>	-	<i>Non-Public Arbitrator</i>

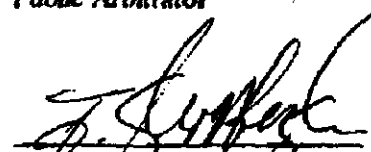
Concurring Arbitrators' Signature(s)

JAMES F. ZOTTER, ESQ.
Chair, Public Arbitrator

Signature Date

JEROME O. COHEN, ESQ.
Public Arbitrator

Signature Date


JEFFREY E. SKOGSBERGH
Industry/Non-Public Arbitrator

Signature Date

10/24/02
Date of Service

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<i>Jerome O. Cohen, Esq.</i>	-	<i>Public/Non-Public Arbitrator</i>
<i>Jeffrey E. Skogsbergh</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signature(s)


JAMES F. ZOTTER, ESQ.
Chair, Public Arbitrator

10/18/02

Signature Date

JEROME O. COHEN, ESQ.
Public Arbitrator

Signature Date

JEFFREY E. SKOGSBERGH
Industry/Non-Public Arbitrator

Signature Date

10/24/02

Date of Service