

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Robert W. and Joan C. Davis, Claimants v. RBC Dain Rauscher Inc., D.A. Davidson & Co., John G. Fenton, and Andrew N. Hennen, Respondents

Case Number: 03-01231

Hearing Site: Seattle, Washington

Nature of the Dispute: Customers v. Members and Associated Persons

REPRESENTATION OF PARTIES

For Claimants Robert W. and Joan C. Davis:

Patrick L. Hinton, Esq.
Curtis Hinton, PLLC
Bainbridge Island, Washington

For Respondents RBC Dain Rauscher Inc.:

Jonathan M. Harris, Esq.
Lindquist & Vennum
Minneapolis, Minnesota

For Respondents D.A. Davidson & Co.
and John G. Fenton:

Curt Roy Hinline, Esq.
Dorsey & Whitney LLP
Seattle, Washington

CASE INFORMATION

Statement of Claim filed: February 19, 2003

Claimants' Joint Uniform Submission Agreement signed: February 15, 2003

Statement of Answer filed by Respondent RBC Dain Rauscher Inc.: April 23, 2003

Respondent RBC Dain Rauscher Inc.'s Uniform Submission Agreement signed: March 3, 2003

Joint Statement of Answer filed by Respondents D.A. Davidson & Co. and John G. Fenton:
April 24, 2003

Respondent D. A. Davidson & Co.'s Uniform Submission Agreement signed: March 6, 2003

Respondent John G. Fenton's Uniform Submission Agreement signed: April 3, 2003

CASE SUMMARY

Claimants breach of fiduciary duty, unsuitability, churning, misrepresentation and omission of facts, negligence, violation of federal and state securities laws, and failure to supervise. Claimants' allegations involved the use of margin in the purchase and sale of unspecified securities.

Respondent RBC Dain Rauscher Inc. denied the allegations of wrongdoing set forth in Claimants' Statement of Claim and asserted various affirmative defenses.

Respondents D.A. Davidson & Co. and John G. Fenton denied the allegations of wrongdoing set forth in Claimants' Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested unspecified compensatory damages, unspecified punitive damages, pre-judgment interest, and costs, including attorney's fees.

Respondent RBC Dain Rauscher Inc. requested dismissal of the Claimants' Statement of Claim in its entirety.

Respondents D.A. Davidson & Co. and John G. Fenton requested dismissal of the Claimants' Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Andrew N. Hennen filed Chapter 7 bankruptcy on September 25, 2003. Accordingly this matter is stayed as to Respondent Andrew N. Hennen.

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

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. Claimants and Respondents RBC Dain Rauscher Inc., D.A. Davidson & Co., and John G. Fenton have entered into a confidential settlement agreement.
2. Claimants' claims against Andrew N. Hennen were removed by bankruptcy stay.
3. Claimants' claims against Respondents RBC Dain Rauscher Inc., D.A. Davidson & Co., and John G. Fenton are dismissed with prejudice.
4. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent John G. Fenton's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent John G. Fenton must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
5. All other relief requested and not expressly granted is denied.

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	= \$ 250.00
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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 that gave rise to the dispute, claim, or controversy. Accordingly, the member firms RBC Dain Rauscher Inc. and D.A. Davidson & Co. are parties and the following fees are assessed to each:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 2,200.00
Total Member Fees	= \$ 4,450.00

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 Panel. The following fees are assessed:

One (1) Pre-hearing conference session with the Panel @ \$1,000.00/session	= \$ 1,000.00
Pre-hearing conference: December 15, 2003 1 session	
Total Forum Fees	= \$ 1,000.00

1. The Panel assessed \$ 333.33 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$ 333.33 of the forum fees to Respondent RBC Dain Rauscher Inc.
3. The Panel assessed \$ 333.34 of the forum fees jointly and severally to Respondents D.A. Davidson & Co. and John G. Fenton.

FEE SUMMARY

1. Claimants Robert W. and Joan C. Davis are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 250.00
Forum Fees	= \$ 333.33
Total Fees	= \$ 583.33
Less payments	= \$(1,575.00)
Refund Due to Robert W. and Joan C. Davis	= \$ (991.67)

2. Respondent RBC Dain Rauscher Inc. is charged with the following fees and costs:

Member Fees	= \$ 4,450.00
Forum Fees	= \$ 333.33
Total Fees	= \$ 4,783.33
Less payments	= \$(4,450.00)
Balance Due NASD Dispute Resolution	= \$ 333.33

3. Respondent D.A. Davidson & Co. is charged with the following fees and costs:

Member Fees	= \$ 4,450.00
Less payments	= \$(4,450.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

4. Respondents D.A. Davidson & Co and John G. Fenton are charged jointly and severally with the following fees and costs:


Forum Fees	= \$ 333.34
Less payments by D.A. Davidson & Co	= \$(2,200.00)
Refund Due to D.A. Davidson & Co.	= \$(1,866.66)

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.

ARBITRATION PANEL

<i>Thomas J. Brewer</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Bernard W. McNallen</i>	-	<i>Public Arbitrator</i>
<i>Kevin I. Patrick</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures



Thomas J. Brewer
Chair, Public Arbitrator

Nov. 30, 2005
Signature Date

Bernard W. McNallen
Public Arbitrator

Signature Date

Kevin I. Patrick
Non-Public Arbitrator

Signature Date

December 8, 2005
Date of Service

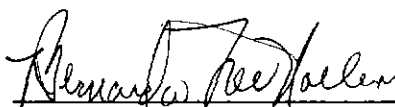
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<i>Bernard W. McNallen</i>	-	<i>Public Arbitrator</i>
<i>Kevin I. Patrick</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Thomas J. Brewer
Chair, Public Arbitrator

Signature Date


Bernard W. McNallen
Public Arbitrator

11-22-05
Signature Date

Kevin I. Patrick
Non-Public Arbitrator

Signature Date

December 8, 2005
Date of Service

ARBITRATION PANEL

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<i>Bernard W. McNallen</i>	-	<i>Public Arbitrator</i>
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Concurring Arbitrators' Signatures

Thomas J. Brewer
Chair, Public Arbitrator

Signature Date

Bernard W. McNallen
Public Arbitrator

Signature Date



Kevin I. Patrick
Non-Public Arbitrator

11/22/05
Signature Date

December 8, 2005
Date of Service