

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Names of Claimants

Rita and Spencer Peterson

and

Case Number: 04-00905
Hearing Site: Omaha, Nebraska

Names of Respondents

Sunset Financial Services, Inc.,
Bradford R. Burwell, and
Bryan S. Behrens

NATURE OF CASE

Customers v. Member and Associated Persons

REPRESENTATION OF PARTIES

Rita and Spencer Peterson ("Petersons" or "Claimants") were represented by Gail E. Boliver, Esq., Boliver Law Firm, Marshalltown, Iowa.

Sunset Financial Services, Inc. ("Sunset Financial") was represented by Lawrence F. Harr, Esq. and Stacy L. Morris, Esq., Lamson, Dugan & Murray, Omaha, Nebraska.

Bradford R. Burwell ("Burwell") and Bryan S. Behrens ("Behrens") were represented by Richard H. Kuhlman, Esq., and Christopher A. Perrin, Esq., Blackwell Sanders Peper Martin LLP, St. Louis, Missouri.

CASE INFORMATION

The Statement of Claim was filed on or about February 12, 2004. The Submission Agreements of Claimants, Rita and Spencer Peterson, were signed on or about January 29, 2004.

A Statement of Answer was filed by Respondent, Sunset Financial, on or about April 29, 2004. The Submission Agreement of Respondent Sunset Financial was signed on or about March 1, 2004.

A Statement of Answer was filed by Respondents, Burwell and Behrens, on or about April 28, 2004. The Submission Agreement of Respondent Burwell was signed on or about April

26, 2004. The Submission Agreement of Respondent Behrens was signed on or about April 26, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty; negligence; violations of Nebraska Securities Acts, violations of NASD Rules of Supervision and Suitability; misrepresentation; negligence supervision; and breach of contract. The causes of action related to the purchases of various unspecified variable annuities.

Unless specifically admitted in its Answer, Respondent, Sunset Financial, denied the allegations made in the Statement of Claim and asserted the following defenses: Claimants failed to state a claim against Respondent for which relief can be granted; Claimants voluntarily assumed the risk of losing a portion of their investment in the market; and Claimants' own actions and inactions bar them from recovery by operation of the doctrine of ratification.

Unless specifically admitted in their Answer, Respondents, Burwell and Behrens, denied the allegations made in the Statement of Claim and asserted the following defenses: Claimants failed to state a claim upon which relief can be granted; Claimants' damages, if any, were caused by the acts of omissions of third parties over which Respondents have no control; Claimants' claims are barred by the doctrine of waiver, estoppel, acquiescence, ratification and laches; and Claimants received account statements and confirmations and did not timely object to the transactions in their accounts.

RELIEF REQUESTED

Claimants requested an award in the amount of \$235,994.00 in compensatory damages, plus their costs and attorneys' fees and such other damages as the panel deemed appropriate.

Respondent Sunset Financial requested that the claims asserted against it be denied in their entirety and that it be awarded its costs and attorneys' fees and other relief as the panel deemed equitable and necessary.

Respondents, Burwell and Behrens, requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees and other relief as the panel deemed equitable and necessary.

OTHER ISSUES CONSIDERED & DECIDED

Claimants' Stipulation for Dismissal of all claims against Respondent, Burwell and Behrens, with prejudice was filed on or about May 24, 2005.

Claimants' Stipulation for Dismissal of all claims against Respondent, Sunset Financial, with prejudice was filed on or about June 28, 2005.

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 original(s) remain on file with the NASD Dispute Resolution (the "NASD").

AWARD

After considering the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrators order as follows:

- 1) Claimants' claims, each and all, are dismissed with prejudice pursuant to the parties' settlement agreement;
- 2) The panel recommends the expungement of all reference to the above captioned arbitration from Respondents, Bradford R. Burwell's and Bryan S. Behrens', registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondents, Burwell and Behrens, must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
- 3) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 4) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial claim filing fee = \$300.00

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 Sunset Financial Services, Inc.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

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:

Two (2) Pre-hearing sessions with a single arbitrator x \$450.00	= \$ 900.00
Pre-hearing conferences: January 14, 2005	1 session
January 17, 2005	1 session
One (1) Pre-hearing session with Panel x \$1,125.00	= \$1,125.00
Pre-hearing conference: November 19, 2004	1 session
Total Forum Fees	= \$2,025.00

The Arbitration Panel has assessed \$1,012.50 of the forum fees jointly and severally to Rita and Spencer Peterson.

The Arbitration Panel has assessed \$1,012.50 of the forum fees to Sunset Financial Services, Inc.

Fee Summary

Claimants, Rita and Spencer Peterson, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,012.50
Total Fees	= \$ 1,312.50
Less payments	= \$ 1,425.00
Refund due to Claimants	= \$ 112.50

Respondent, Sunset Financial Services, Inc., is liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 1,012.50
Total Fees	= \$ 6,212.50

<u>Less payments</u>	= \$ 6,212.50
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATION PANEL

Richard M. Duxbury, Esq. – Public Arbitrator, Presiding Chair
Donald L. Frankenfeld - Public Arbitrator
Bruce C. Young - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Richard M. Duxbury, Esq.
Richard M. Duxbury, Esq.
Public Arbitrator, Presiding Chair

09/12/05
Signature Date

/s/ Donald L. Frankenfeld
Donald L. Frankenfeld
Public Arbitrator

09/07/05
Signature Date

/s/ Bruce C. Young
Bruce C. Young
Non-Public Arbitrator

09/13/05
Signature Date

09/13/05
Date of Service (For NASD office use only)

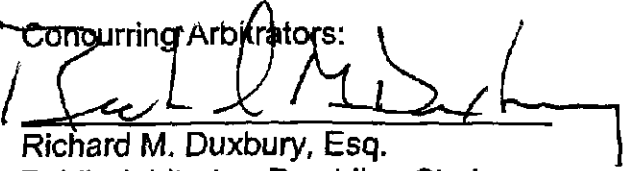
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Bruce C. Young
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9-13-05
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