

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Name of Claimant

Karen Douma

and

Case Number: 04-00988
Hearing Site: Omaha, Nebraska

Names of Respondents

Piper Jaffray & Co. f/n/a
U.S. Bancorp Piper Jaffray Inc.,
and Wayne Erwin Davis

NATURE OF DISPUTE

Customer v. Member Firm and Associated Person

REPRESENTATION OF PARTIES

Karen Douma ("**Claimant**") was represented by Thomas S. Reavely, Esq., Whitfield & Eddy, P.L.C., Des Moines, Iowa.

Piper Jaffray & Co. ("**Piper Jaffray**"), and Wayne Erwin Davis ("**Davis**"), hereinafter referred to as ("**Respondents**"), were represented by Jeffrey S. Jamieson, Esq., Blackwell Sanders Peper Martin, St. Louis, Missouri.

CASE INFORMATION

The Statement of Claim was filed on or about February 17, 2004. The Submission Agreement of Claimant, Karen Douma, was signed on or about February 9, 2004.

The Joint Statement of Answer was filed by Respondents, Piper Jaffray & Co. and Wayne Erwin Davis, on or about April 21, 2004. The Submission Agreement of Respondent, Piper Jaffray & Co., was signed on or about February 24, 2004. The Submission Agreement of Respondent, Wayne Erwin Davis, was signed on or about April 22, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty; misrepresentation; and unsuitability. The causes of action relate to the recommendation

and purchases of various unspecified securities investments. Claimant alleged, inter alia, that her Piper Jaffray Inc. accounts were mishandled.

Unless specifically admitted in their Answer, Respondents, Piper Jaffray & Co., and Wayne Erwin Davis, denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: assumption of risk, lack of causation, ratification, estoppel, waiver, laches, failure to mitigate damages, and statutes of limitations.

RELIEF REQUESTED

Claimant requested an award in the amount of \$826,000.00 in actual damages, \$174,000.00 in punitive damages, her costs and attorneys' fees.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees and for such further relief as the arbitration panel deemed appropriate.

OTHER ISSUES CONSIDERED & DECIDED

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 NASD Dispute Resolution ("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. Claimant's claims, each and all, are dismissed with prejudice pursuant to the parties' settlement agreement;
2. That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
3. The panel recommends the expungement of all reference to the above captioned arbitration from Respondent, Wayne Erwin Davis', registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Davis must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and
4. That any relief not specifically enumerated, including punitive damages and

attorney 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 fees for each claim:

Initial claim filing fee = \$375.00

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 Piper Jaffray & Co.

Member surcharge = \$ 2,250.00
Pre-hearing process fee = \$ 2,750.00
Hearing process fee = \$ 4,000.00

Adjournment Fees

Adjournments granted during these proceedings:

March 1-3, 2005 Hearing dates, adjournment by Claimant and Respondents = \$ 1,200.00
(waived due to Mediation)

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:

One (1) Pre-hearing session with Panel x \$1,200.00 = \$ 1,200.00
Pre-hearing conference: July 12, 2004 1 session

Total Forum Fees = \$ 1,200.00

The Arbitration Panel has assessed \$600.00 of the forum fees to Karen Douma.

The Arbitration Panel has assessed \$600.00 of the forum fees jointly and severally to Piper Jaffray & Co. and Wayne Erwin Davis.

Fee Summary

Claimant, Karen Douma, is liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 975.00
Less payments	= \$ 1,575.00
Refund due to Claimant	= \$ 675.00

Respondent, Piper Jaffray & Co., is liable for:

Member Fees	= \$ 7,000.00
Total Fees	= \$ 7,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 00.00

Respondents, Piper Jaffray & Co. and Wayne Erwin Davis, are jointly and severally liable for:

Forum Fees	= \$600.00
Total Fees	= \$ 600.00
Less payments	= \$ 000.00
Balance Due NASD Dispute Resolution	= \$ 600.00

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

ARBITRATION PANEL

Thomas J. Tarsney, Esq. - Public Arbitrator, Presiding Chair
Richard M. Duxbury, Esq. - Public Arbitrator
Bruce C. Young - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Thomas J. Tarsney, Esq.
Thomas J. Tarsney, Esq.
Public Arbitrator, Presiding Chair

05/26/05
Signature Date

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

05/09/05
Signature Date

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

05/06/05
Signature Date

05/26/05
Date of Service (For NASD office use only)

ARBITRATION PANEL

Thomas J. Tarsney, Esq. - Public Arbitrator, Presiding Chair
Richard M. Duxbury, Esq. - Public Arbitrator
Bruce C. Young - Non-Public Arbitrator

Concurring Arbitrators:

Thomas J. Tarsney
Thomas J. Tarsney, Esq.
Public Arbitrator, Presiding Chair

May 26, 2005
Signature Date

Richard M. Duxbury, Esq.
Richard M. Duxbury, Esq.
Public Arbitrator

Signature Date

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

Signature Date

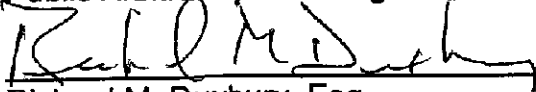
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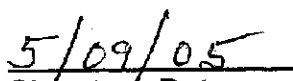
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Public Arbitrator, Presiding Chair



Richard M. Duxbury, Esq.
Public Arbitrator

Signature Date



Signature Date

Bruce C. Young
Non-Public Arbitrator

Signature Date

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Richard M. Duxbury, Esq. - Public Arbitrator
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Thomas J. Tarsney, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Richard M. Duxbury, Esq.
Public Arbitrator

Signature Date



Bruce C. Young
Non-Public Arbitrator

5-6-05

Signature Date

Date of Service (For NASD office use only)