

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Claimants

Loren Dorshow and Tanni Stone-Dorshow,
Individually and on behalf of the
Griffel & Dorshow Profit Sharing Plan

v.

04-08088
Minneapolis, Minnesota

Respondents

Piper Jaffray & Company
and Curtis Ray Purington

NATURE OF DISPUTE

Customers v. Member and Associated Person

REPRESENTATION OF PARTIES

Loren Dorshow and Tanni Stone-Dorshow, Individually and on behalf of the Griffel & Dorshow Profit Sharing Plan, hereinafter collectively referred to as "Claimants," were represented by Douglas B. Altman, Esq., of Altman & Izek, Minneapolis Minnesota.

Piper Jaffray & Company ("Piper Jaffray") and Curtis Ray Purington ("Purington"), hereinafter collectively referred to as "Respondents," were represented by Kim Ruckdashel-Haley, Esq., of Lindquist & Vennum, PLLP, Minneapolis, Minnesota.

CASE INFORMATION

The Statement of Claim was filed on or about November 18, 2004. The Submission Agreement of Claimants, Loren Dorshow and Tanni Stone-Dorshow, was signed on or about November 14, 2005. The Submission Agreement of Claimant, Griffel & Dorshow Profit Sharing Plan, was signed on or about December 27, 2004.

Claimants filed an Amended Statement of Claim on or about February 24, 2005.

The Statement of Answer was filed jointly by Respondents, Piper Jaffray & Company and Curtis Ray Purington, on or about March 10, 2005. The Submission Agreement of Respondent, Piper Jaffray & Company, was signed on or about January 20, 2005. The Submission Agreement of Respondent, Curtis Ray Purington, was signed on or about March 9, 2005.

Respondents filed a Motion to Dismiss on or about July 1, 2005. Claimants submitted a Response in Opposition to Respondents' Motion to Dismiss on or about July 18, 2005. Respondents filed a Reply in Support of their Motion to Dismiss on or about July 29, 2005.

CASE SUMMARY

Claimants asserted causes of action including the following: negligence, negligent misrepresentations, fraudulent misrepresentations, violations of Minnesota Consumer Fraud Act, breach of fiduciary duty and negligent supervision. The causes of action related to Claimants' allegation that Purington invested them in various unspecified high-risk, small cap technology stocks, which according to Claimants were unsuitable given their financial goal of retirement. Claimants also alleged Piper Jaffray failed to supervise Purington's actions and as a result should be held responsible for any damages suffered by Claimants.

Respondents denied the allegations set forth in the Statement of Claim and asserted defenses including the following: Claimants' damages, if any, were caused in whole or in part by their own conduct, market events outside the control and influence of Respondents, or conduct of others over whom Respondents has no control, or responsibility; Claimants failed to take reasonable steps to mitigate their damages, if any; Respondents are not liable to Claimants in any amount, because at all relevant times, Respondents acted with due care and in good faith with regard to Claimants' accounts at Piper Jaffray; Claimants' claims are barred by the doctrines of waiver, estoppel and laches; and Claimants authorized and ratified the transactions in their Piper accounts and willingly assumed the risks of the transactions, and as such Claimants' damages, if any, were caused by risks that Claimants were well aware of, understood and which they voluntarily and knowingly entered into and assumed.

RELIEF REQUESTED

Claimants requested an award of \$50,000 in compensatory damages, plus \$50,000 in punitive damages, pre and post-award interest, attorneys' fees, costs 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

On or about August 17, 2005, the panel denied Respondents' Motion to Dismiss.

Prior to the hearing, the Parties fully and finally settled all claims by and between them. As part of their settlement agreement, the parties submitted a Stipulated Award and requested that it be entered.

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. Claimant's claims, having been withdrawn, are dismissed with prejudice;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent, Curtis Ray Purington's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent, Curtis Ray Purington, must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the arbitration panel has made the following affirmative findings of fact:

- The claim, allegation, or information is factually impossible or clearly erroneous.
3. 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; and
 4. 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 fee for each claim:

Initial claim filing fee = \$ 225

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 & Company.

Member surcharge = \$ 1,100
Pre-hearing process fee = \$ 750
Hearing process fee = \$ 1,700

Adjournment Fees

Adjournments granted during these proceedings:

September 19-21, 2005, Adjournment requested by Claimants
(Fee waived by the Panel) = \$ 1,200

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

September 19-21, 2005, Adjournment requested by Claimants
(Fee waived by the Panel) = \$ 300

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 \$ 750 = \$ 750

Pre-hearing conference: 05/20/2005 1 session

Total Forum Fees = \$ 750

The Arbitration Panel has assessed \$ 375 of the forum fees jointly and severally to Loren Dorshow and Tanni Stone-Dorshow, Individually and on behalf of the Griffel & Dorshow Profit Sharing Plan.

The Arbitration Panel has assessed \$ 375 of the forum fees jointly and severally to Piper Jaffray & Company and Curtis Ray Purington.

Pursuant to Rule 10332(g) of NASD Code of Arbitration Procedures: *Any matter submitted and thereafter settled or withdrawn subsequent to the commencement of the first hearing session, including a pre-hearing conference with an arbitrator, shall be subject to an assessment of forum fees and costs incurred pursuant to Rules 10319, 10321, 10322, and 10326 based on hearing sessions held and scheduled within eight business days after the Association receives notice that the matter has been settled or withdrawn. The arbitrator(s) shall determine by whom such forum fees and costs shall be borne.* As NASD Dispute Resolution received notice of the settlement within eight business days of the first scheduled hearing, Claimants' remaining hearing session deposit is retained.

FEE SUMMARY

Claimants, Loren Dorshow and Tanni Stone-Dorshow, Individually and on behalf of the Griffel & Dorshow Profit Sharing Plan, are jointly and severally liable for:

Initial Filing Fee	= \$ 225
Forum Fees	= \$ 375
<u>Retention of Hearing Session Deposit</u>	<u>= \$ 375</u>
Total Fees	= \$ 975
<u>Less payments</u>	<u>= \$ 1,425</u>
Balance Refunded By NASD Dispute Resolution	= \$ 450

Respondent, Piper Jaffray & Company, is liable for:

<u>Member Fees</u>	<u>= \$ 3,550</u>
Total Fees	= \$ 3,550
<u>Less payments</u>	<u>= \$ 3,550</u>
Balance Due NASD Dispute Resolution	= \$ 0

Respondents, Piper Jaffray & Company and Curtis Ray Purington, are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 375
<u>Total Fees</u>	= \$ 375
<u>Less payments</u>	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 375

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

ARBITRATION PANEL

Jack D. Elmquist, Esq. - Public Arbitrator, Presiding Chair
James H. Colburn - Public Arbitrator
Thomas L. Prischman - Non-Public Arbitrator

Concurring Arbitrators:

Jack D. Elmquist, Esq.
Public Arbitrator, Presiding Chair

Signature Date

James H. Colburn
Public Arbitrator

Signature Date

Thomas L. Prischman
Non-Public Arbitrator

Signature Date

2/21/06

Date of Service (NASD use only)

Respondents, Piper Jaffray & Company and Curtis Ray Purington, are jointly and severally liable for:


<u>Forum Fees</u>	= \$ 375
<u>Total Fees</u>	= \$ 375
<u>Less payments</u>	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 375

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ARBITRATION PANEL

Jack D. Elmquist, Esq. - Public Arbitrator, Presiding Chair
James H. Colburn - Public Arbitrator
Thomas L. Prischman - Non-Public Arbitrator

Concurring Arbitrators:



Jack D. Elmquist, Esq.
Public Arbitrator, Presiding Chair

3/28/06

Signature Date

James H. Colburn
Public Arbitrator

Signature Date

Thomas L. Prischman
Non-Public Arbitrator

Signature Date

2/20/06

Date of Service (NASD use only)

Respondents, Piper Jaffray & Company and Curtis Ray Purington, are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$ 375</u>
<u>Total Fees</u>	<u>= \$ 375</u>
<u>Less payments</u>	<u>= \$ 0</u>
<u>Balance Due NASD Dispute Resolution</u>	<u>= \$ 375</u>

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Signature Date

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Public Arbitrator

3/28/2006
Signature Date

Thomas L. Prischman
Non-Public Arbitrator

Signature Date

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Thomas L. Prischman - Non-Public Arbitrator

Concurring Arbitrators:

Jack D. Elmquist, Esq.
Public Arbitrator, Presiding Chair

Signature Date

James H. Colburn
Public Arbitrator

Signature Date



Thomas L. Prischman
Non-Public Arbitrator

Mar 29, 2006

Signature Date

2/20/06

Date of Service (NASD use only)