

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

David G. Stitt, Claimant v. Piper Jaffray & Co., John H. Gonnason, and Robert A. Peterson,
Respondents

Case Number: 05-00055

Hearing Site: Seattle, Washington

Nature of the Dispute: Associated Person v. Member and Associated Persons

REPRESENTATION OF PARTIES

For Claimant David G. Stitt:

John A. Bender, Esq.
Ryan, Swanson &
Cleveland, PLLC
Seattle, Washington

For Respondents Piper Jaffray & Co., John H. Gonnason, and
Robert A. Peterson:

Nathan P. Brenna,
Esq.
Anthony, Ostlund &
Baer, P.A.
Minneapolis,
Minnesota

CASE INFORMATION

Statement of Claim filed: January 4, 2005

Claimant's Uniform Submission Agreement signed: December 29, 2004

Respondent Piper Jaffray & Co.'s Uniform Submission Agreement signed: February 23, 2005

Respondent John H. Gonnason's Uniform Submission Agreement signed: January 14, 2005

Respondent Robert A. Peterson's Uniform Submission Agreement signed: January 14, 2005

CASE SUMMARY

Claimant alleged defamation in connection with statements submitted by Respondents that appear on Claimant's Forms U-4 and U-5.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$100,000.00 and an order expunging certain language from his Forms U-4 and U-5.

OTHER ISSUES CONSIDERED AND DECIDED

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

AWARD

After considering the pleadings and the Parties' request for a Stipulated Award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) The Panel recommends the expungement of the words "falsification of records" from the termination comment in Item 3 of Claimant David G. Stitt's Form U-5 that was filed with the Central Registration Depository ("CRD") by Piper Jaffray & Co. on January 21, 2004 based on the defamatory nature of the information. The Panel also recommends the expungement of the Registration Comment submitted by Piper Jaffray & Co. to correct the Form U-5 termination comment error. The Panel further recommends the expungement of all reference to the above captioned arbitration from Claimant David G. Stitt's registration records maintained by CRD.
- 2) The reason for termination that appears on Claimant David G. Stitt's January 21, 2004 Form U-5 is "discharge." The only language that should appear as part of the supporting termination comment is "failure to follow company policies and procedures." The parties are hereby ordered to restrict their discussion of Claimant David G. Stitt's employment termination to only that which occurred for failing to follow company policies and procedures.
- 3) Except as set forth in the Settlement Agreement between the parties, the parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code of Arbitration Procedure ("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 = \$ 225.00

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 firm Piper Jaffray & Co. is a party, and the following fees are assessed:

Member Surcharge = \$1,100.00

Pre-Hearing Process Fee = \$ 750.00

Total Member Fees = \$1,850.00

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 or the parties and the Panel. The following fees are assessed:

One (1) pre-hearing conference session with the Panel @ \$750.00/session = \$ 750.00

Pre-hearing conference: May 16, 2005 1 session

Total Forum Fees = \$ 750.00

1. The Panel assessed \$375.00 of the forum fees to Claimant David G. Stitt.
2. The Panel assessed \$375.00 of the forum fees jointly and severally to Respondents Piper Jaffray & Co., John H. Gonnason, and Robert A. Peterson.

Fee Summary

1. Claimant David G. Stitt is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
<u>Forum Fees</u>	= \$ 375.00
Total Fees	= \$ 600.00
<u>Less payments</u>	= \$(975.00)
Refund Due Claimant	= \$(375.00)

2. Respondent Piper Jaffray & Co. is charged with the following fees and costs:

Member Fees	= \$ 1,850.00
<u>Less payments</u>	= \$(1,850.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Piper Jaffray & Co., John H. Gonnason, and Robert A. Peterson are charged jointly and severally with the following fees and costs:

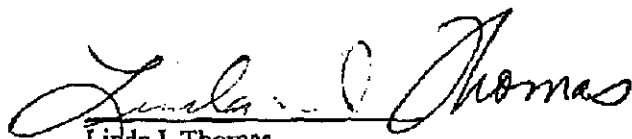
Forum Fees	= \$ 375.00
<u>Less Payments made by Respondent Piper Jaffrey & Co.</u>	= \$ (750.00)
Refund Due Respondent Piper Jaffrey & Co.	= \$ (375.00)

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.

ARBITRATION PANEL

Linda I. Thomas	-	Public Arbitrator, Presiding Chair
Thomas J. Brewer, Esq.	-	Public Arbitrator
Mark D. Roth, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Linda I. Thomas
Chair, Public Arbitrator

6/27/05
Signature Date

Thomas J. Brewer, Esq.
Public Arbitrator

Signature Date

Mark D. Roth, Esq.
Non-Public Arbitrator

Signature Date

6/28/05
Date of Service

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