

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Piper Jaffray & Co.,)
and Jason Millner,)
)
 Respondents.)

CONSENT ORDER

.....
The North Dakota Securities Commissioner has advised the Respondents, Piper Jaffray & Co., and Jason Millner, that the Commissioner is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has determined as follows:

1. Respondent, Piper Jaffray & Co., (CRD # 665) is a securities dealer headquartered in Minneapolis, Minnesota. Piper Jaffray & Co. (Piper) is, and for all times relevant to this matter, has been registered as a dealer with the Securities Department.
2. Respondent, Jason Millner, (CRD # 4406313) is a securities agent employed by and associated with Piper. Millner is, and for all times relevant to this matter, has been registered as a securities agent with the Securities Department.
3. During April of 2004, Respondents purchased nine bonds in the account of a North Dakota resident client. The client did not authorize the transactions, and the Respondents were not authorized to exercise discretion in that client account. This activity was conducted in violation of Sections 73-02-09-02(4-5) and 73-02-09-03(6) N.D.A.C. and Section 10-04-15 N.D.C.C.
4. Of the nine transactions described above, Respondents improperly marked eight of the trade confirmation statements as "unsolicited".
5. Pursuant to Section 10-04-16 N.D.C.C., when it shall appear to the Commissioner that any person has engaged in, or is engaging in, or is about to engage in any act or practice which is declared illegal in this chapter, the Commissioner may issue any order and collect civil penalties against any person found in an administrative action to have violated any provision of the chapter in an amount not to exceed \$10,000 for each violation. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against the Respondents pursuant to Section 10-04-16(1) N.D.C.C.
6. Respondents acknowledge their rights to a hearing on this matter and waive these rights to a hearing and to present arguments to the Commissioner.

7. Respondents agree to resolve this matter with the Securities Commissioner by this Consent Order.

8. Respondents have rescinded the transactions, based on that customer's complaint and the facts set forth above, and have restored his account to its position before those transactions.

9. The following Order is necessary and appropriate in the public interest and for the protection of investors.

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondents shall not conduct securities transactions in North Dakota unless the transactions are authorized by the client or the client has provided the Respondents with written authorization to exercise discretion in that client's account.

2. Respondents shall not mark any trade confirmations as "unsolicited" unless the client initiated the transaction and no agent of the Respondents solicited the transaction.

3. Respondents shall pay a civil penalty of \$17,000, made payable to the North Dakota Securities Department, pursuant to NDCC §10-04-16(1).

4. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this 27th day of October, 2004.





Karen J. Tyler, Securities Commissioner
North Dakota Securities Department
State Capitol-5th Floor
600 East Boulevard Ave.
Bismarck, ND 58505-0510
(701) 328-2910

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Piper Jaffray & Co.,)
and Jason Millner,)
Respondents.)

**CONSENT TO ENTRY
OF ORDER**

.....
Based on mutual concessions and a willingness to resolve all matters discussed in the foregoing Consent Order, each of the undersigned persons, on behalf of the Respondents, state that:

1. He or she has read the foregoing Consent Order, and knows and fully understand its contents and effects.
2. The Respondents have been advised of their rights to a hearing with regard to this matter, and have specifically waived their rights to a hearing.
3. The foregoing Consent Order constitutes the entire settlement agreement between the Respondents and the Securities Commissioner, there being no other promises or agreements, either expressed or implied.
4. The Respondents neither admit nor deny the factual determinations of the Commissioner, as set forth in the foregoing Consent Order, and they are specifically precluded from denying those determinations in any forum, public or otherwise.
5. The Respondents consent to entry of the foregoing Consent Order by the Securities Commissioner, and do so willingly for the purpose of resolving the issues described in the foregoing Consent Order.

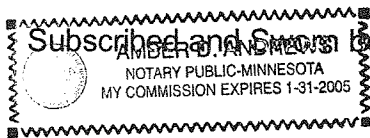
Dated this 4th day of October, 2004.

Piper Jaffray & Co.
800 Nicollet Mall, Suite 800
Minneapolis, MN 55402-7020

Mark S. Reed

By: MARK S. REED

Its: Deputy General Counsel



Subscribed and Sworn before me this 4th day of October, 2004.

Amber A. Andrews

(Notary Seal)

Notary Public
State: Minnesota County: Hennepin
My Commission Expires: 1-31-2005

Dated this 20th day of October, 2004.

Jason Millner

Jason Millner
Piper Jaffray & Co.
1400 W. Century Avenue
Bismarck, ND 58503

Subscribed and Sworn before me this 20th day of October, 2004.

Harold P. Kocher

(Notary Seal)

Notary Public
State: North Dakota County: Burleigh
My Commission Expires:

