

BEFORE THE STATE AUDITOR;
EX-OFFICIO COMMISSIONER OF SECURITIES AND INSURANCE
HELENA, MONTANA

IN THE MATTER OF:)	CASE NO. I 04-19-06-216
)	
PIPER JAFFRAY & CO.)	
800 Nicollet Mall)	CONSENT AGREEMENT
Minneapolis, MN, 55402-7020,)	
A Broker-Dealer firm;)	
)	
ROBERT W. ENGLISH, individually and)	
in his capacity as a salesperson for Piper)	
Jaffray & Co., and MARGIE K. AGUIRRE,)	
individually and in her capacity as a)	
salesperson for Piper Jaffray & Co.;)	
)	
Respondents.)	

Consent Agreement dated this 17th day of May, 2006, by the Montana Securities Department ("Department"), acting pursuant to the authority of Securities Act of Montana, § 30-10-101 et seq. Montana Code Annotated (the "Act") and Piper Jaffray & Co. (Piper) with a principle place of business located at 800 Nicollet Mall, Minneapolis, MN, Robert W. English (English) and Margie K. Aguirre (Aguirre).

RECITALS

WHEREAS, the Department has investigated certain mutual fund activity, including mutual fund switches, in accounts of customers of English and Aguirre with a view to possible violations of the Act;

WHEREAS, the Department, Piper, English, and Aguirre have agreed that the best interests of the public would be served by entering into the agreements and undertakings specified herein.

NOW THEREFORE, in consideration of the mutual undertakings contained in this Agreement, the Department, Piper, English, and Aguirre hereby agree to resolve their differences and settle this matter pursuant to the following terms and conditions:

STIPULATIONS AND CONSENTS

A. Without admitting or denying any of the proposed allegations, Piper stipulates and consents to the following:

1. To create and administer a restitution and investor protection fund in an amount equal to \$345,000 ("Fund"), by depositing this sum into an escrow or other segregated account. The Fund shall be established, managed and distributed by Piper in accordance with the following terms and conditions:

(a) The amount of the Fund held in the escrow account shall be allocated pursuant to the calculations prepared by Ms. Lexie Pankratz, Contract Examiner for the Department and approved by the Department. Costs for Ms. Pankratz's analysis and calculations will be paid by Piper. The Department shall provide a notice to each Customer, specifying the final allocated amount available to the Customer by regular mail 15 days after the date of this Agreement.

(b) A Customer seeking to claim funds in the amount determined allocable and available for distribution pursuant to the calculations shall execute the form of document attached as **Exhibit A** acknowledging (i) receipt of funds and (ii) that such funds constitute a release of any claims for civil damages claimed by the Customer with respect only to the specific securities transactions conducted with Piper upon which the restitution payments are based. No funds shall be distributed to any Customer without receipt of an executed form (**Exhibit A**). The Customer shall return the executed **Exhibit A** to the Department.

(c) All claims upon the Fund, if any, must be made and all documents required for distribution executed by Customers within 30 days of receiving notice from the Department of their allocated amount.

(d) Any amount of the \$345,000 Fund not distributed shall be paid to the Investor Protection Trust ("IPT"), a non-profit organization domiciled in the State of Wisconsin and administered by the Trustees of the IPT.

(e) Piper will either credit a Customer's Piper account with the allocated amount as directed by the Customer, or issue a check payable to the Customer if so requested by the Customer, pursuant to instructions from the Department.

(f) Amounts payable by Respondents pursuant to paragraph A(1) above shall be paid not later than 15 days following the date of this agreement.

2. To provide special supervision of Aguirre as follows:

a) Piper agrees to prohibit Ms. Aguirre from having any discretionary clients;

b) Piper agrees to prohibit Ms. Aguirre from recommending and effecting a mutual fund switch for a client without a) first completing a switch letter; b) obtaining the client(s)' signatures on the switch letter; c) separately documenting the original purchase date(s) of the funds being sold, the commission/CDSC for the fund(s) being sold, the fund(s) being purchased, the commission/CDSC table for the fund(s) being purchased, the stated objectives of the fund(s) being sold and the fund(s) being purchased, and a summary of the client's investment objectives; and d) obtaining documented branch manager approval before any mutual fund switch occurs.

c) Piper agrees to provide the Department, on a quarterly basis, copies of all switch letters and summaries from items (2) (b);

d) Piper agrees to notify the Department within twenty-four (24) hours upon receipt of any notification of an investigation, complaint, regulatory action or other disciplinary action against Ms. Aguirre.

B. Without admitting or denying any of the proposed allegations, English stipulates and consents to the following:

1. Immediate retirement from his current position as a securities salesperson and investment advisor representative. English shall permanently refrain from applying in Montana for registration as a securities salesperson or investment advisor representative.

C. Without admitting or denying any of the proposed allegations, Aguirre stipulates and consents to the following:

1. Pay a fine of \$5,000. Said fine shall be paid within thirty (30) days of the signing of this agreement.

D. All parties to this Consent Agreement agree and acknowledge:

1. This Consent Agreement constitutes the entire agreement between the parties, there being no other promises or agreements, either express or implied. Under authority of the Act, the Department hereby agrees that it will not initiate any civil or administrative action against Respondents regarding the proposed allegations. Respondents fully and forever release and discharge the Office of the State Auditor, the elected State Auditor and all State Auditor employees from any and all actions, claims, causes of action, demands, or expenses for damages or injuries that may arise from the allegations underlying this Consent Agreement, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the Action.

2. The parties shall cooperate with each other regarding publicity, including any press releases or press conferences. In particular, the Department will provide advance notice to Piper of press releases or press conferences that may result from this Consent Agreement. It is understood that the Department has discretion to determine content of its media releases and approval by Piper of such releases is not required.

3. This Consent Agreement (i) shall not constitute a final judgment or order (including without limitation, for purposes of Section 15(b)(4)(H) of the Securities Exchange Act of 1934, as amended) and shall be deemed and shall constitute a consent judgment or decree pursuant to § 30-10-305(2) of the Act, (ii) shall not subject Piper (including for this purpose any

of its affiliate companies) or Aguirre to any disqualification under the law of Montana or any other state, including disqualifications from relying upon state registration exemptions or state safe harbor provisions pursuant to the state securities laws, and any disqualifications based upon this Consent Agreement are hereby waived; (iii) shall not disqualify Piper (or its affiliates) or Aguirre from any business for which they are otherwise qualified, licensed or permitted to perform under the applicable law of any state; (iv) shall not be deemed or used as an admission or evidence of any alleged wrongdoing or liability of Piper (or its affiliates), English or Aguirre and shall not be construed to have any collateral estoppel or other preclusive effect as to any issue of law or fact, in any civil, criminal, administrative, arbitration or other proceeding in any court, administrative agency, arbitration forum or other tribunal; (v) shall not confer any rights upon any persons or entities who are not parties hereto except as to Customers who make a claim, if any, upon the Fund contained with paragraph A; and (vi) shall not constitute a record, report, statement or data compilation within the meaning of Rule 803(8) of the Federal Rules of Evidence.

DATED this 17th day of May 2006.

MONTANA SECURITIES DEPARTMENT

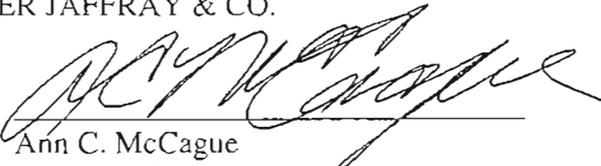
By: Karen Powell
Karen Powell
Deputy Securities Commissioner

SUBSCRIBED AND SWORN to before me this 17 day of
MAY, 2006.

Darla Sautter
Notary Public for the State of Montana
Residing at Helena, Montana
My commission expires 4/10/2010

DATED this 12th day of May, 2006.

PIPER JAFFRAY & CO.

By: 
Ann C. McCague
Its: Director of Compliance

SUBSCRIBED AND SWORN to before me this 12th day of
May, 2006.


Notary Public for the State of Minnesota
Residing at Cottage Grove
My commission expires 1/31/07.

DATED this 19TH day of MAY, 2006.

ROBERT W. ENGLISH

[Signature]

SUBSCRIBED AND SWORN to before me this 19th day of May, 2006.



Debra A. Higbie
Notary Public for the State of Montana
Residing at Butte, MT, Montana
My commission expires 11-27-2009.

DATED this _____ day of _____, 2006.

MARGIE AGUIRRE

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2006.

Notary Public for the State of Montana
Residing at _____, Montana
My commission expires _____.

DATED this _____ day of _____, 2006.

ROBERT W. ENGLISH

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2006.

Notary Public for the State of Montana
Residing at _____, Montana
My commission expires _____.

DATED this 16 day of May, 2006.

MARGIE AGUIRRE

Margie K Aguirre

SUBSCRIBED AND SWORN to before me this 16th day of May, 2006.

Victoria A Kettle
Notary Public for the State of Montana
Residing at Butte, Montana
My commission expires January 29, 2007.

DATED this 31st day of May, 2006.

ROBERT W. ENGLISH

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2006.

Notary Public for the State of Montana
Residing at _____, Montana
My commission expires _____.

DATED this 31st day of May, 2006.

MARGIE AGUIRRE

Margie Aguirre

SUBSCRIBED AND SWORN to before me this 31st day of May, 2006.

Patti Richardson

Notary Public for the State of Montana
Residing at Butte, Montana
My commission expires 12-15-2009.



ORDER

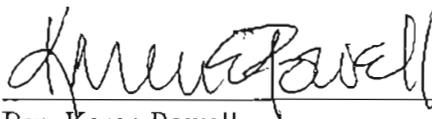
On the basis of the Department's and Respondents' consent agreement, the Commissioner hereby enters the following Order:

- Respondent Piper will establish and fund a Restitution Fund in the amount of \$345,000.
- Respondent Piper will place Respondent Margie Aguirre under special supervision as set forth in the consent agreement.
- Respondent Margie Aguirre shall pay a fine of \$5,000 within thirty days of the date she signed the consent agreement.
- Respondent Robert English shall permanently refrain from applying for registration in Montana's securities industry.

The Commissioner further orders the Respondents to comply with the Montana Securities Act, and the rules promulgated thereunder.

SO ORDERED this 17th day of May 2006.

JOHN MORRISON
Montana State Auditor
Ex-Officio Securities Commissioner



By: Karen Powell
Deputy State Auditor and Deputy Securities Commissioner