

BrokerCheck Report

STIFEL, NICOLAUS & COMPANY, INCORPORATED

CRD# 793

Report #28754-54842, data current as of Wednesday, September 16, 2009.

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Firm Profile	2 - 11
Firm History	12
Firm Operations	13 - 22
Disclosure of Arbitration Awards, Disciplinary, Financial, and Regulatory Events	23 - 149
About this BrokerCheck Report	150

Dear Investor:

FINRA has generated the following BrokerCheck report for **STIFEL, NICOLAUS & COMPANY, INCORPORATED**. The information contained within this report has been provided by a FINRA member firm(s) and securities regulators as part of the securities industry's registration and licensing process and represents the most current information reported to the Central Registration Depository (CRD®) system.

FINRA regulates the securities markets for the ultimate benefit and protection of the investor. FINRA believes the general public should have access to information that will help them determine whether to conduct, or continue to conduct, business with a FINRA member firm or any of the member's associated persons. To that end, FINRA has adopted a public disclosure policy to make certain types of information available to you. Examples of information FINRA provides include: actions by regulators, investment-related civil suits, customer disputes that contain allegations of sales practice violations against brokers, all felony charges and convictions, misdemeanor charges and convictions relating to securities violations, and financial events such as bankruptcies, compromises with creditors, judgments, and liens.

When evaluating this report, please keep in mind that it may include items that involve pending actions or allegations that may be contested and have not been resolved or proven. Such items may, in the end, be withdrawn or dismissed, or resolved in favor of the firm or broker, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

The information in this report is not the only resource you should consult. FINRA recommends that you learn as much as possible about the individual broker or brokerage firm from other sources, such as

professional references, local consumer and investment groups, or friends and family members who already have established investment business relationships.

FINRA BrokerCheck is governed by federal law, Securities and Exchange Commission (SEC) regulations and FINRA rules approved by the SEC. State disclosure programs are governed by state law, and may provide additional information on brokers and firms licensed by the state. Therefore, you should also consider requesting information from your state securities regulator. Refer to www.nasaa.org for a complete list of state securities regulators.

Thank you for using FINRA BrokerCheck.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. [For more information about FINRA, visit www.finra.org.](http://www.finra.org)

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**

CRD# 793

SEC# 8-1447

Main Office Location

501 NORTH BROADWAY
ST. LOUIS, MO 63102
Regulated by FINRA Kansas City Office

Mailing Address

501 NORTH BROADWAY
ST. LOUIS, MO 63102

Business Telephone Number

314-342-2110

This firm is a brokerage firm and an investment adviser firm. For more information about investment adviser firms, visit the SEC's Investment Adviser Public Disclosure website at:

<http://www.adviserinfo.sec.gov>

Report Summary for this Firm

The report summary provides an overview of the firm's background. The firm and securities regulators have provided the information contained in this report as part of the securities industry registration and licensing process. More detailed information for this firm can be found in the firm's report. Select "View Full PDF Report" to view more detailed information about this firm. The information contained in this report was last updated by the firm via Uniform Application for Broker-Dealer Registration (Form BD), the Uniform Request for Broker-Dealer Withdrawal (Form BDW), or a securities regulator via a Uniform Disciplinary Action Reporting Form (Form U6) on 08/27/2009.

Firm Profile

This firm is classified as a corporation.

This firm was formed in Missouri on 02/20/1900.

Its fiscal year ends in December.

Firm History

Information relating to the firm's history such as Other Business Names, Other Business, and Successions (e.g., mergers or acquisitions) can be found in the firm's full report.

Firm Operations**This firm is registered with:**

- the SEC
- 8 Self-Regulatory Organizations
- 53 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 23 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm has referral or financial arrangements with other brokers or dealers.

**Disclosure of Arbitration Awards,
Disciplinary, Financial, and Regulatory
Events**

This section includes details regarding disclosure events reported by or about this firm to CRD as part of the securities industry registration and licensing process. Examples of such disclosure events include certain disciplinary actions initiated by regulators, certain criminal charges and/or convictions, financial disclosures such as bankruptcies, and summary information regarding arbitration awards involving securities and commodities disputes between public customers and the firm.

Are there events disclosed about this firm? **Yes**

The following types of disclosures were reported:

Regulatory Event

Civil Event

Arbitration

Bond



Firm Profile

This firm is classified as a corporation.

This firm was formed in Missouri on 02/20/1900.

Its fiscal year ends in December.

Firm Names and Locations

This section includes details that were reported to CRD, regarding the firm's full legal name, business and mailing addresses, the firm's "Doing Business As" name (DBA) (if different from the full legal name), and any other name by which the firm conducts business and where such name is used.

STIFEL, NICOLAUS & COMPANY, INCORPORATED

Doing business as STIFEL, NICOLAUS & COMPANY, INCORPORATED

CRD# 793

SEC# 8-1447

Main Office Location

501 NORTH BROADWAY
ST. LOUIS, MO 63102

Regulated by FINRA Kansas City Office

Mailing Address

501 NORTH BROADWAY
ST. LOUIS, MO 63102

Business Telephone Number

314-342-2110



Firm Profile

This section provides information relating to all Direct Owners and Executive Officers as reported by the firm in CRD.

Direct Owners and Executive Officers

Legal Name & CRD# (if any): STIFEL FINANCIAL CORP.

Is this a domestic or foreign entity or an individual? Domestic Entity

Position SHAREHOLDER

Position Start Date 02/1982

Percentage of Ownership 75% or more

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? Yes

Legal Name & CRD# (if any): KRUSZEWSKI, RONALD JAMES

1434827

Is this a domestic or foreign entity or an individual? Individual

Position CHAIRMAN, CEO AND DIRECTOR

Position Start Date 08/2002

Percentage of Ownership 5% but less than 10%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): BELL, STEVEN HUGH

708778

Is this a domestic or foreign entity or an individual? Individual

Position DIRECTOR

Position Start Date 08/2002

Firm Profile



Direct Owners and Executive Officers (continued)

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): BURKEMPER, BERNARD NEAL
2146461

Is this a domestic or foreign entity or an individual? Individual

Position VICE PRESIDENT/CFO

Position Start Date 05/1996

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): CONLEY, MICHAEL PATRICK
2924636

Is this a domestic or foreign entity or an individual? Individual

Position ROSFP

Position Start Date 12/2005

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? No

Is this a public reporting company? No

Legal Name & CRD# (if any): ESTEP, STEPHEN CHAD

Firm Profile



Direct Owners and Executive Officers (continued)

4158295

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF COMPLIANCE OFFICER

Position Start Date 12/2005

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? No

Is this a public reporting company? No

Legal Name & CRD# (if any): HIMELFARB, RICHARD JAY
1213788

Is this a domestic or foreign entity or an individual? Individual

Position DIRECTOR

Position Start Date 12/2005

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): IMHOFF, MICHAEL FRANCIS
1453259

Is this a domestic or foreign entity or an individual? Individual

Position DIRECTOR

Position Start Date 08/2002

Percentage of Ownership Less than 5%



Firm Profile

Direct Owners and Executive Officers (continued)

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): KENDRICK, THOMAS RICHARD IV
727459

Is this a domestic or foreign entity or an individual? Individual

Position DIRECTOR

Position Start Date 08/2002

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): MCCUAIG, SCOTT BRADLEY
870364

Is this a domestic or foreign entity or an individual? Individual

Position PRESIDENT & CO-COO, DIRECTOR

Position Start Date 08/2002

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): MINNICK, DAVID MICHAEL
1498530

Firm Profile



Direct Owners and Executive Officers (continued)

Is this a domestic or foreign entity or an individual?	Individual
Position	GENL. COUNSEL, SENIOR VICE PRESIDENT & CORPORATE SECRETARY
Position Start Date	10/2004
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	No
Is this a public reporting company?	No

Legal Name & CRD# (if any): MULROY, THOMAS P
1541559

Is this a domestic or foreign entity or an individual?	Individual
Position	DIRECTOR
Position Start Date	12/2005
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any): NOLL, DOUGLAS WAYNE
1614129

Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF OPERATIONS OFFICER
Position Start Date	06/1995
Percentage of Ownership	Less than 5%



Firm Profile

Direct Owners and Executive Officers (continued)

Does this owner direct the management or policies of the firm? No

Is this a public reporting company? No

Legal Name & CRD# (if any): PENWELL, NANCY ANN
1356607

Is this a domestic or foreign entity or an individual? Individual

Position FIRST VICE PRESIDENT/ROSFP

Position Start Date 10/1993

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? No

Is this a public reporting company? No

Legal Name & CRD# (if any): SCHLAFLY, JAMES JOSEPH III
735541

Is this a domestic or foreign entity or an individual? Individual

Position SENIOR VICE PRESIDENT/DIRECTOR

Position Start Date 03/1984

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): SLINEY, DAVID DEAN
2276514

Firm Profile**Direct Owners and Executive Officers (continued)**

Is this a domestic or foreign entity or an individual? Individual

Position DIRECTOR

Position Start Date 08/2002

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): WARNS, HUGO JOHN III
2680469

Is this a domestic or foreign entity or an individual? Individual

Position DIRECTOR

Position Start Date 12/2005

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): ZEMLYAK, JAMES MARK
1586132

Is this a domestic or foreign entity or an individual? Individual

Position CO-COO AND DIRECTOR

Position Start Date 08/2002

Percentage of Ownership Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Firm Profile

This section provides information relating to Indirect Owners, if any, as reported by the firm in CRD.



Indirect Owners

No information reported.

Firm History

This section provides information relating to successions (e.g., mergers or acquisitions), if any, as reported by the firm in CRD.



No information reported.



Firm Operations

Registrations

This section provides information about the regulators (e.g., U.S. Securities and Exchange Commission (SEC), self-regulatory organizations, states and U.S. territories) in which the firm is currently registered and licensed, and the date the registration became effective, as well as certain information about the firm's SEC registration.

This firm is currently registered with the SEC, 8 SROs and 53 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	01/01/1936

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: Yes

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	10/13/1936
American Stock Exchange	Approved	02/25/1988
BATS Exchange, Inc.	Approved	08/18/2008
Chicago Board Options Exchange	Approved	06/17/1981
Chicago Stock Exchange	Approved	12/01/1949
NASDAQ Stock Market	Approved	07/12/2006
New York Stock Exchange	Approved	11/17/1982
Philadelphia Stock Exchange	Approved	01/01/1936



Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	01/18/1984
Alaska	Approved	11/03/1975
Arizona	Approved	08/15/1973
Arkansas	Approved	12/03/1969
California	Approved	09/17/1973
Colorado	Approved	02/01/1983
Connecticut	Approved	04/07/1981
Delaware	Approved	03/27/1984
District of Columbia	Approved	01/30/1984
Florida	Approved	04/27/1983
Georgia	Approved	04/29/1983
Hawaii	Approved	09/30/1985
Idaho	Approved	05/10/1984
Illinois	Approved	10/03/1958
Indiana	Approved	10/21/1981
Iowa	Approved	07/15/1983
Kansas	Approved	09/27/1966
Kentucky	Approved	07/16/1982
Louisiana	Approved	04/20/1983
Maine	Approved	04/19/1984
Maryland	Approved	09/20/1983
Massachusetts	Approved	07/26/1983
Michigan	Approved	02/03/1983
Minnesota	Approved	07/15/1982
Mississippi	Approved	10/14/1981
Missouri	Approved	07/18/1983
Montana	Approved	03/27/1984
Nebraska	Approved	10/09/1981
Nevada	Approved	07/15/1983
New Hampshire	Approved	04/05/1984
New Jersey	Approved	07/18/1983
New Mexico	Approved	10/07/1981
New York	Approved	12/01/1981

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	07/15/1982
North Dakota	Approved	04/12/1984
Ohio	Approved	07/16/1982
Oklahoma	Approved	07/17/1982
Oregon	Approved	04/09/1984
Pennsylvania	Approved	07/06/1983
Puerto Rico	Approved	05/24/1996
Rhode Island	Approved	07/13/1983
South Carolina	Approved	07/12/1983
South Dakota	Approved	07/15/1982
Tennessee	Approved	08/17/1981
Texas	Approved	07/25/1983
Utah	Approved	04/21/1983
Vermont	Approved	02/15/1984
Virgin Islands	Approved	05/17/2007
Virginia	Approved	01/20/1984
Washington	Approved	04/17/1984
West Virginia	Approved	09/30/1981
Wisconsin	Approved	11/10/1931
Wyoming	Approved	10/27/1975



Firm Operations

Types of Business

This section provides the types of business and any other business or other non-securities business the firm is engaged in or is expected to be engaged in as reported by the firm in CRD.

This firm currently conducts 23 types of businesses.

Types of Business

Exchange member engaged in exchange commission business other than floor activities

Exchange member engaged in floor activities

Broker or dealer making inter-dealer markets in corporation securities over-the-counter

Broker or dealer retailing corporate equity securities over-the-counter

Broker or dealer selling corporate debt securities

Underwriter or selling group participant (corporate securities other than mutual funds)

Mutual fund or underwriter or sponsor

Mutual fund retailer

U S. government securities dealer

U S. government securities broker

Municipal securities dealer

Municipal securities broker

Broker or dealer selling variable life insurance or annuities

Solicitor of time deposits in a financial institution

Broker or dealer selling oil and gas interests

Put and call broker or dealer or option writer

Broker or dealer selling securities of non-profit organizations (e.g., churches, hospitals)

Investment advisory services

Broker or dealer selling tax shelters or limited partnerships in primary distributions

Broker or dealer selling tax shelters or limited partnerships in the secondary market

Trading securities for own account

Private placements of securities

Broker or dealer selling interests in mortgages or other receivables

Other Types of Business

This firm does not affect transactions in commodities, commodity futures, or commodity options.

This firm does engage in other non-securities business.

Non-Securities Business Description: 11B APPLICANT IS LICENSED TO SELL LIFE, HEALTH, AND CASUALTY INSURANCE PRODUCTS THROUGH ITS LICENSED AGENTS.

Firm Operations



Clearing Arrangements

This firm does hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Name:	ADM INVESTOR SERVICES, INC.
Business Address:	141 W. JACKSON BLVD. CHICAGO, IL 60604
Effective Date:	07/25/1990
Description:	APPLICANT INTRODUCES COMMODITY FUTURE ACCOUNTS TO ADM INVESTOR SERVICES, INC.

Firm Operations

Industry Arrangements



This firm does not have books or records maintained by a third party.

This firm does not have accounts, funds, or securities maintained by a third party.

This firm does not have customer accounts, funds, or securities maintained by a third party.

Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.



Firm Operations

Organization Affiliates

This section provides any information on control relationships the firm has with other firms in the securities, investment advisory, or banking business as reported by the firm in CRD.

This firm is, directly or indirectly:

- in control of
 - controlled by
 - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

EQUITYCOMPASS STRATEGIES is under common control with the firm.

CRD #:	145420
Business Address:	501 NORTH BROADWAY ST. LOUIS, MO 63102
Effective Date:	05/08/2008
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	UNDER COMMON CONTROL BY STIFEL FINANCIAL CORP.

BUTLER, WICK & CO., INC. is under common control with the firm.

CRD #:	120
Business Address:	CITY CENTRE ONE, SUITE 700 YOUNGSTOWN, OH 44503
Effective Date:	12/31/2008
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	UNDER COMMON CONTROL BY STIFEL FINANCIAL CORP.

FIRST SERVICE FINANCIAL COMPANY is under common control with the firm.

Firm Operations**Organization Affiliates (continued)**

Business Address: 9895 WATSON ROAD
ST. LOUIS, MO 63126

Effective Date: 04/02/2007

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: No

Description: UNDER COMMON CONTROL BY STIFEL FINANCIAL CORP.

RYAN BECK HOLDINGS, LLC is controlled by the firm.

Business Address: 501 NORTH BROADWAY
ST. LOUIS, MO 63102

Effective Date: 12/26/2007

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: HOLDING COMPANY UNDER COMMON CONTROL BY STIFEL FINANCIAL CORP.

STIFEL NICOLAUS LIMITED is under common control with the firm.

Business Address: 39 EARLHAM ST, 2ND FLOOR
LONDON, ENGLAND WC2H 9LT

Effective Date: 12/01/2005

Foreign Entity: Yes

Country: UNITED KINGDOM

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: UNDER COMMON CONTROL BY STIFEL FINANCIAL CORP.

Firm Operations**Organization Affiliates (continued)****STIFEL FINANCIAL CORP controls the firm.**

Business Address: 501 N. BROADWAY
ST. LOUIS, MO 63102

Effective Date: 12/31/1983

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: PUBLICLY TRADED ULTIMATE PARENT.

STIFEL VENTURE CORP. is under common control with the firm.

Business Address: 501 N. BROADWAY
ST. LOUIS, MO 63102

Effective Date: 02/05/2004

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: UNDER COMMON CONTROL BY STIFEL FINANCIAL CORP.

STIFEL NICOLAUS INSURANCE AGENCY, INC. is under common control with the firm.

Business Address: 501 N. BROADWAY
ST. LOUIS, MO 63102

Effective Date: 02/05/2004

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: UNDER COMMON CONTROL BY STIFEL FINANCIAL CORP.

Firm Operations**Organization Affiliates (continued)**

CENTURY SECURITIES ASSOCIATES, INC. is under common control with the firm.

CRD #: 28218

Business Address: 501 N. BROADWAY
ST. LOUIS, MO 63102

Effective Date: 09/23/1991

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: Yes

Description: APPLICANT AND CENTURY SECURITIES INC. ARE UNDER COMMON CONTROL BY STIFEL FINANCIAL CORP. APPLICANT CARRIES CSA CUSTOMER ACCOUNTS ON A FULLY DISCLOSED BASIS.

This firm is directly or indirectly, controlled by the following:

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank

STIFEL FINANCIAL CORP. is a Bank Holding Company and controls the firm.

Business Address: 501 NORTH BROADWAY
ST. LOUIS, MO 63102

Effective Date: 04/02/2007

Description: UNDER COMMON CONTROL BY STIFEL FINANCIAL CORP.

Disclosure of Arbitration Awards, Disciplinary, Financial, and Regulatory Events



Firms are required to answer a series of disclosure questions on Form BD and provide corresponding details to certain events as part of the securities industry registration and licensing process. The disclosure questions concern certain criminal events, civil actions, financial disclosures (e.g., bankruptcy or liquidation proceedings filed within the past ten years), bond actions and unpaid judgments and liens. The firm must answer either "yes" or "no" to each question as it applies to the firm itself or to any of its control affiliates (i.e., an individual, partnership, corporation, trust, or other organization that directly or indirectly controls, is under common control with, or is controlled by the firm). This section lists the various disclosure questions and their corresponding answers as reported by the firm on Form BD.



Possible multiple reporting sources -- please note:

Disclosure event details may be reported by more than one source (i.e., regulator or firm). When this occurs, all versions of the reported event will appear in the firm's BrokerCheck report. The different versions of the same reported disclosure event are separated by a solid line with the reporting source clearly labeled.

	Pending	Final	On Appeal
Regulatory Event	0	42	0
Civil Event	0	1	0
Arbitration	N/A	60	N/A
Bond	N/A	2	N/A



Disclosure Event Details

This section provides the specific details for each disclosure event that was reported in CRD which was reported as part of the securities industry registration and licensing process. It also includes summary information regarding arbitration awards in cases where the firm was named as a respondent in the consumer-initiated arbitration proceeding, if any.

Nothing will be displayed in this section of the firm's BrokerCheck Report when the firm has no reported disclosure information.

If the firm does have reported disclosure events, please keep the following in mind when evaluating the disclosure event details. Items may involve pending actions or allegations that may be contested and have not been resolved or proven. In the end, the items may be withdrawn, dismissed, or otherwise resolved in favor of the firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD by the firm and/or by regulators. Some of the specific data fields contained in this section of the report may be blank if the information was not provided to CRD.

Disclosure events may be reported by more than one source (i.e., regulator and firm). When this occurs, all versions of the event will appear on the firm's BrokerCheck report. A solid line separates the different versions of the same disclosure event with the reporting source labeled (e.g., Source: Firm or Source: Regulator).

Regulatory - Final

This section provides information regarding any final, regulatory action as reported by the firm and/or a securities regulator to CRD as part of the securities industry registration and licensing process. Such event may include a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, a self-regulatory organization, a federal regulator such as the U.S. Securities and Exchange Commission (SEC) or the Commodity Futures Trading Commission (CFTC), or a foreign financial regulatory body) for a violation of investment-related rules or regulations. In addition, a revocation or suspension of the authority of a firm's control affiliate to act as an attorney, accountant or federal contractor, if any, will appear here.

Disclosure 1 of 42

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASD RULES 4632(D), 5430(B) - STIFEL, NICOLAUS & COMPANY, INCORPORATED FAILED TO REPORT TO THE NASDAQ MARKET CENTER (NMC) LAST SALE REPORTS OF TRANSACTIONS IN DESIGNATED SECURITIES AND FAILED TO REPORT TO THE NMC THE SECOND LEG OF "RISKLESS" PRINCIPAL TRANSACTIONS.
Initiated By:	FINRA
Date Initiated:	04/06/2009



Docket/Case Number: 2007010636001
Principal Product Type: Other
Other Product Type(s): DESIGNATED SECURITIES
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 04/06/2009
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No
Sanctions Ordered: Monetary/Fine \$5,000.00
Other Sanctions Ordered:
Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS FINED \$5,000.

Reporting Source: Firm
Current Status: Final
Allegations: NASD RULES 4632(D), 5430(B) - STIFEL, NICOLAUS & COMPANY, INCORPORATED FAILED TO REPORT TO THE NASDAQ MARKET CENTER (NMC) LAST SALE REPORTS OF TRANSACTIONS IN DESIGNATED SECURITIES AND FAILED TO REPORT TO THE NMC THE SECOND LEG OF "RISKLESS" PRINCIPAL TRANSACTIONS.
Initiated By: FINRA
Date Initiated: 04/06/2009
Docket/Case Number: 2007010636001
Principal Product Type: Other
Other Product Type(s): DESIGNATED SECURITIES



Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: FINE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 04/06/2009

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS FINED \$5,000.

Summary: THE REVIEW CONDUCTED BY NASD INDICTED THE FIRM FAILED TO REPORT TO THE NASDAQ MARKET CENTER ("NMC") FIVE LAST SALE REPORTS OF TRANSACTIONS IN DESIGNATED SECURITIES AND THE FIRM FAILED TO REPORT TO NMC THE SECOND LEG OF 17 "RISKLESS" PRINCIPAL TRANSACTIONS.

Disclosure 2 of 42

Reporting Source: Regulator

Current Status: Final

Allegations: SEC RULE 605 OF REGULATION NMS - STIFEL, NICOLAUS & COMPANY, INCORPORATED FAILED TO MAKE AVAILABLE A REPORT ON THE COVERED ORDERS IN NATIONAL MARKET SYSTEM SECURITIES THAT IT RECEIVED FOR EXECUTION FROM ANY PERSON.

Initiated By: FINRA

Date Initiated: 09/18/2007

Docket/Case Number: 20060061159-01

Principal Product Type: Other

Other Product Type(s): NATIONAL MARKET SYSTEM SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)



Resolution Date: 09/18/2007

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$7,500.

Reporting Source: Firm

Current Status: Final

Allegations: SEC RULE 605 OF REGULATION NMS- STIFEL, NICOLAUS & COMPANY, INCORPORATED FAILED TO MAKE AVAILABLE A REPORT ON THE COVERED ORDERS IN NATIONAL MARKET SYSTEM SECURITIES THAT IT RECEIVED FOR EXECUTION FROM ANY PERSON.

Initiated By: FINRA

Date Initiated: 09/18/2007

Docket/Case Number: 20060061159-01

Principal Product Type: Other

Other Product Type(s): NATIONAL MARKET SYSTEM SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/18/2007

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

Other Sanctions Ordered:



Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$7,500.

Summary: STIFEL FINANCIAL CORP. PURCHASED PART OF THE LEGG MASON WOOD WALKER, INCORPORATED CAPITAL MARKETS BUSINESS ON DECEMBER 1, 2005. UNTIL APRIL 2006, STIFEL NICOLAUS UTILIZED TWO MARKET MAKER SYMBOLS, STFL AND SNCM. ON APRIL 28, 2006, STIFEL NICOLAUS THOUGHT IT HAD TAKEN STEPS TO FORMALLY CEASE MAKING MARKETS UNDER THE MARKET MAKER SYMBOL STFL. THE RELATIVELY FEW TRANSACTIONS THAT OCCURRED AFTER APRIL 28, 2006 WERE THOUGHT TO HAVE OCCURRED UNDER SNCM. THIS OVERSIGHT SHOULD BE PREVENTED GOING FORWARD AS STIFEL NICOLAUS VOLUNTARILY IMPLEMENTED A SYSTEM CHANGE IN OCTOBER 2006 SUCH THAT TRADING ACTIVITY FOR THE ENTIRE FIRM, WHICH INCLUDES, AMONG OTHERS, NASDAQ TRADING, CORPORATE BOND TRADING AND MUNICIPAL BOND TRADING, IS UNIVERSALLY TRANSACTED UNDER THE SYMBOL STFL.

Disclosure 3 of 42

Reporting Source: Regulator

Current Status: Final

Allegations: MSRB RULE G-14 - STIFEL NICOLAUS & COMPANY, INC. FAILED TO REPORT INFORMATION ABOUT PURCHASE AND SALE TRANSACTIONS EFFECTED IN MUNICIPAL SECURITIES TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) IN THE MANNER PRESCRIBED BY RULE G-14 RTRS PROCEDURES AND THE RTRS USERS MANUAL - THE FIRM FAILED TO REPORT INFORMATION ABOUT SUCH TRANSACTIONS WITHIN 15 MINUTES OF TIME OF TRADE TO AN RTRS PORTAL AND FAILED TO INCLUDE SPECIFIC ITEMS OF INFORMATION LISTED FOR SUCH TRANSACTIONS IN THE SPECIFICATIONS FOR REAL-TIME REPORTING OF MUNICIPAL SECURITIES TRANSACTIONS, NAMELY BY NOT USING THE SPECIAL CONDITION INDICATOR FOR TRANSACTIONS THAT QUALIFIED FOR AN EXEMPTION PURSUANT TO MSRB RULE G-14 RTRS PROCEDURES.

Initiated By: FINRA

Date Initiated: 09/12/2007

Docket/Case Number: 20060058628-01

Principal Product Type: Debt - Municipal

Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/12/2007

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS FINED \$5,000.

Reporting Source: Firm

Current Status: Final

Allegations: MSRB RULE G-14 - STIFEL NICOLAUS & COMPANY, INC. FAILED TO REPORT INFORMATION ABOUT PURCHASE AND SALE TRANSACTIONS EFFECTED IN MUNICIPAL SECURITIES TO THE REAL-TIME TRANSACTION REPORTING SYSTEM (RTRS) IN THE MANNER PRESCRIBED BY RULE G-14 RTRS PROCEDURES AND THE RTRS USERS MANUAL - THE FIRM FAILED TO REPORT INFORMATION ABOUT SUCH TRANSACTIONS WITHIN 15 MINUTES OF TIME OF TRADE TO AN RTRS PORTAL AND FAILED TO INCLUDE SPECIFIC ITEMS OF INFORMATION LISTED FOR SUCH TRANSACTIONS IN THE SPECIFICATIONS FOR REAL-TIME REPORTING OF MUNICIPAL SECURITIES TRANSACTIONS, NAMELY BY NOT USING THE SPECIAL CONDITION INDICATOR FOR TRANSACTIONS THAT QUALIFIED FOR AN EXEMPTION PURSUANT TO MSRB RULE G-14 RTRS PROCEDURES.

Initiated By: FINRA

Date Initiated: 09/12/2007

Docket/Case Number: 20060058628-01

Principal Product Type: Debt - Municipal

**Other Product Type(s):****Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:** Acceptance, Waiver & Consent(AWC)**Resolution Date:** 09/12/2007**Sanctions Ordered:** Monetary/Fine \$5,000.00**Other Sanctions Ordered:****Sanction Details:** WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS FINED \$5,000.**Summary:** STIFEL HAS TAKEN APPROPRIATE CORRECTIVE ACTION AND DISCUSSED THE RULES WITH THE RESPONSIBLE TRADERS.**Disclosure 4 of 42****Reporting Source:** Regulator**Current Status:** Final**Allegations:** SEC RULE 604 OF REGULATION NMS - RESPONDENT MEMBER FAILED TO DISPLAY IMMEDIATELY CUSTOMER LIMIT ORDERS IN NASDAQ SECURITIES IN ITS PUBLIC QUOTATION WHEN EACH ORDER WAS AT A PRICE THAT WOULD HAVE IMPROVED THE FIRM'S BID OR OFFER IN EACH SECURITY OR WHEN THE ORDER WAS PRICED EQUAL TO THE FIRM'S BID OR OFFER AND THE NATIONAL BEST BID OR OFFER FOR EACH SECURITY AND THE SIZE OF THE ORDER REPRESENTED MORE THAN A DE MINIMIS CHANGE IN RELATION TO THE SIZE ASSOCIATED WITH THE FIRM'S BID OR OFFER IN EACH SECURITY.**Initiated By:** FINRA**Date Initiated:** 08/21/2007**Docket/Case Number:** 20050016439-01**Principal Product Type:** No Product**Other Product Type(s):****Principal Sanction(s)/Relief Sought:**



Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/21/2007

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, STIFEL, NICOLAUS & COMPANY, INCORPORATED CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM WAS CENSURED AND FINED \$10,000.

Reporting Source: Firm

Current Status: Final

Allegations: SEC RULE 604 OF REGULATION NMS - RESPONDENT MEMBER FAILED TO DISPLAY IMMEDIATELY CUSTOMER LIMIT ORDERS IN NASDAQ SECURITIES IN ITS PUBLIC QUOTATION WHEN EACH ORDER WAS AT A PRICE THAT WOULD HAVE IMPROVED THE FIRM'S BID OR OFFER IN EACH SECURITY OR WHEN THE ORDER WAS PRICED EQUAL TO THE FIRM'S BID OR OFFER AND THE NATIONAL BEST BID OR OFFER FOR EACH SECURITY AND THE SIZE OF THE ORDER REPRESENTED MORE THAN A DE MINIMIS CHANGE IN RELATION TO THE SIZE ASSOCIATED WITH THE FIRM'S BID OR OFFER IN EACH SECURITY.

Initiated By: FINRA

Date Initiated: 08/21/2007

Docket/Case Number: 20050016439-01

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:



Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/21/2007

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, STIFEL, NICOLAUS & COMPANY, INCORPORATED CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM WAS CENSURED AND FINED \$10,000.

Summary: THE FIRM HAS TAKEN CORRECTIVE ACTION.

Disclosure 5 of 42

Reporting Source: Regulator

Current Status: Final

Allegations: MSRB RULES G-36, G-27 - STIFEL, NICOLAUS & COMPANY, INCORPORATED ACTED AS AN UNDERWRITER IN PRIMARY OFFERINGS OF MUNICIPAL SECURITIES AND FAILED TO FILE, OR CAUSE TO BE FILED, THE REQUIRED G-36 FORMS WITH THE MSRB IN A TIMELY MANNER. THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE FILING REQUIREMENTS OF MSRB RULE G-36.

Initiated By: NASD

Date Initiated: 03/07/2007

Docket/Case Number: 20060039884-01

Principal Product Type: Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/07/2007



Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

No

Sanctions Ordered:

Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered:

Sanction Details:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$15,000.

Reporting Source:

Firm

Current Status:

Final

Allegations:

MSRB RULES G-36, G-27 - STIFEL, NICOLAUS & COMPANY, INCORPORATED ACTED AS AN UNDERWRITER IN PRIMARY OFFERINGS OF MUNICIPAL SECURITIES AND FAILED TO FILE, OR CAUSE TO BE FILED, THE REQUIRED G-36 FORMS WITH THE MSRB IN A TIMELY MANNER. THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE FILING REQUIREMENTS OF MSRB RULE G-36.

Initiated By:

NASD

Date Initiated:

03/07/2007

Docket/Case Number:

20060039884-01

Principal Product Type:

Debt - Municipal

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution:

Acceptance, Waiver & Consent(AWC)

Resolution Date:

03/07/2007

Sanctions Ordered:

Censure
Monetary/Fine \$15,000.00

**Other Sanctions Ordered:****Sanction Details:**

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$15,000.

Disclosure 6 of 42**Reporting Source:**

Regulator

Current Status:

Final

Allegations:

****8/23/06**** STIPULATION AND CONSENT TO PENALTY FILED BY NYSE REGULATION INC. DIVISION OF ENFORCEMENT. CONSENT TO FINDINGS: AS SET FORTH IN THE STIPULATION OF FACTS AND CONSENT TO PENALTY, THE FIRM, WITHOUT ADMITTING OR DENYING GUILT, VIOLATED NYSE RULE 401 IN THAT THE FIRM FAILED TO ADHERE TO THE PRINCIPLES OF GOOD BUSINESS PRACTICES BY PROVIDING CUSTOMERS' NONPUBLIC PERSONAL INFORMATION TO A NONAFFILIATED THIRD PARTY WITHOUT ENTERING INTO A CONTRACTUAL AGREEMENT WITH THE THIRD PARTY THAT PROHIBITED THE THIRD PARTY FROM DISCLOSING OR USING THE INFORMATION, IN NONCOMPLIANCE WITH RULE 13(A)(I) AND (II) OF REGULATION S-P PROMULGATED UNDER SECTION 504 OF THE GRAMM-LEACH-BLILEY ACT; NYSE RULE 472(K) BY FAILING TO HAVE DISCLOSURES, AND REFERENCES TO DISCLOSURES, THAT WERE CLEAR, COMPREHENSIVE, AND PROMINENT IN RESEARCH REPORTS; RULES 17A-4(B)(4) AND 17A-4(F) PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND NYSE RULE 440 BY FAILING TO PRESERVE AND MAINTAIN INSTANT MESSAGE COMMUNICATIONS IN THE REQUIRED FORMAT AND FOR THE REQUIRED RETENTION PERIOD; NYSE RULES 342(A) AND (B) IN THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN APPROPRIATE PROCEDURES FOR SUPERVISION AND CONTROL, INCLUDING A SEPARATE SYSTEM OF FOLLOW-UP AND REVIEW, WITH RESPECT TO E-MAIL COMMUNICATIONS; NYSE RULE 304(H) FOR FAILING TO APPLY FOR APPROVAL BY THE NYSE OF AFFILIATED ENTITIES THAT ENGAGED IN SECURITIES OR KINDRED BUSINESS AND THAT WERE UNDER COMMON CONTROL BY THE FIRM'S PARENT ENTITY; NYSE RULE 342.16/02 FOR FAILING TO OBTAIN APPROVAL FOR ONE BRANCH OFFICE MANAGER. THE FIRM HAS CONSENTED TO A CENSURE AND A FINE OF \$100,000.

Initiated By:

NEW YORK STOCK EXCHANGE DIVISION OF ENFORCEMENT

Date Initiated:

08/23/2006

Docket/Case Number:

HBD# 06-178

Principal Product Type:

Other

**Other Product Type(s):****Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:** Decision**Resolution Date:** 10/26/2006**Sanctions Ordered:** Censure
Monetary/Fine \$100,000.00**Other Sanctions Ordered:****Sanction Details:**

****9/26/06**** DECISION 06-178 ISSUED BY NYSE HEARING BOARD
 DECISION: BASED UPON A STIPULATION OF FACTS AND CONSENT TO PENALTY, THE FIRM, WITHOUT ADMITTING OR DENYING GUILT, VIOLATED NYSE RULE 401 BY PROVIDING CUSTOMERS' NONPUBLIC PERSONAL INFORMATION TO A NONAFFILIATED THIRD PARTY WITHOUT ENTERING INTO A CONTRACTUAL AGREEMENT THAT PROHIBITED THE THIRD PARTY FROM DISCLOSING OR USING INFORMATION, IN NONCOMPLIANCE WITH RULE 13(A)(I) AND (II) OF REGULATION S-P PROMULGATED UNDER SECTION 504 OF THE GRAMM-LEACH-BLILEY ACT; VIOLATED NYSE RULE 472(K) BY FAILING TO HAVE DISCLOSURES, AND REFERENCES TO DISCLOSURES, THAT WERE CLEAR, COMPREHENSIVE, AND PROMINENT IN RESEARCH REPORTS; VIOLATED RULES 17A-4(B)(4) AND 17A-4(F) PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND NYSE RULE 440 BY FAILING TO PRESERVE AND MAINTAIN INSTANT MESSAGE COMMUNICATIONS IN THE REQUIRED FORMAT AND FOR THE REQUIRED RETENTION PERIOD; VIOLATED NYSE RULES 342(A) AND (B) BY FAILING TO ESTABLISH AND MAINTAIN APPROPRIATE PROCEDURES FOR SUPERVISION AND CONTROL, INCLUDING A SEPARATE SYSTEM OF FOLLOW-UP AND REVIEW, WITH RESPECT TO E-MAIL COMMUNICATIONS; VIOLATED NYSE RULE 304(H) BY FAILING TO APPLY FOR APPROVAL BY THE NYSE OF AFFILIATED ENTITIES THAT ENGAGED IN A SECURITIES OR KINDRED BUSINESS AND THAT WERE UNDER COMMON CONTROL BY THE PARENT ENTITY; VIOLATED NYSE 342.15 BY FAILING TO OBTAIN APPROVAL FOR A BRANCH OFFICE MANAGER. THE FIRM HAS CONSENTED TO A CENSURE AND A FINE OF \$100,000.

Summary: ****10/26/06**** THE DECISION BECAME FINAL AS OF THE CLOSE OF BUSINESS ON OCTOBER 23, 2006. CONTACT: PEGGY GERMINO
 212-656-8450.



Reporting Source: Firm

Current Status: Final

Allegations: **8/23/06** STIPULATION AND CONSENT TO PENALTY FILED BY NYSE REGULATION INC. DIVISION OF ENFORCEMENT. CONSENT TO FINDINGS: AS SET FORTH IN THE STIPULATION OF FACTS AND CONSENT TO PENALTY, THE FIRM, WITHOUT ADMITTING OR DENYING GUILT, VIOLATED NYSE RULE 401 IN THAT THE FIRM FAILED TO ADHERE TO THE PRINCIPLES OF GOOD BUSINESS PRACTICES BY PROVIDING CUSTOMERS' NONPUBLIC PERSONAL INFORMATION TO A NONAFFILIATED THIRD PARTY WITHOUT ENTERING INTO A CONTRACTUAL AGREEMENT WITH THE THIRD PARTY THAT PROHIBITED THE THIRD PARTY FROM DISCLOSING OR USING THE INFORMATION, IN NONCOMPLIANCE WITH RULE 13(A)(I) AND (II) OF REGULATION S-P PROMULGATED UNDER SECTION 504 OF THE GRAMM-LEACH-BLILEY ACT; NYSE RULE 472(K) BY FAILING TO HAVE DISCLOSURES, AND REFERENCES TO DISCLOSURES, THAT WERE CLEAR, COMPREHENSIVE, AND PROMINENT IN RESEARCH REPORTS; RULES 17A-4(B)(4) AND 17A-4(F) PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND NYSE RULE 440 BY FAILING TO PRESERVE AND MAINTAIN INSTANT MESSAGE COMMUNICATIONS IN THE REQUIRED FORMAT AND FOR THE REQUIRED RETENTION PERIOD; NYSE RULES 342(A) AND (B) IN THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN APPROPRIATE PROCEDURES FOR SUPERVISION AND CONTROL, INCLUDING A SEPARATE SYSTEM OF FOLLOW-UP AND REVIEW, WITH RESPECT TO E-MAIL COMMUNICATIONS; NYSE RULE 304(H) FOR FAILING TO APPLY FOR APPROVAL BY THE NYSE OF AFFILIATED ENTITIES THAT ENGAGED IN SECURITIES OR KINDRED BUSINESS AND THAT WERE UNDER COMMON CONTROL BY THE FIRM'S PARENT ENTITY; NYSE RULE 342.16/02 FOR FAILING TO OBTAIN APPROVAL FOR ONE BRANCH OFFICE MANAGER. THE FIRM HAS CONSENTED TO A CENSURE AND A FINE OF \$100,000.

Initiated By: NEW YORK STOCK EXCHANGE DIVISION OF ENFORCEMENT

Date Initiated: 08/23/2006

Docket/Case Number: HBD# 06-178

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision



Resolution Date: 10/26/2006

Sanctions Ordered: Censure
Monetary/Fine \$100,000.00

Other Sanctions Ordered: NONE

Sanction Details: DECISION BECAME FINAL AS OF THE CLOSE OF BUSINESS ON OCTOBER 23,2006. **9/26/06** DECISION 06-178 ISSUED BY NYSE HEARING BOARD DECISION: BASED UPON A STIPULATION OF FACTS AND CONSENT TO PENALTY, THE FIRM, WITHOUT ADMITTING OR DENYING GUILT, VIOLATED NYSE RULE 401 BY PROVIDING CUSTOMERS' NONPUBLIC PERSONAL INFORMATION TO A NONAFFILIATED THIRD PARTY WITHOUT ENTERING INTO A CONTRACTUAL AGREEMENT THAT PROHIBITED THE THIRD PARTY FROM DISCLOSING OR USING INFORMATION, IN NONCOMPLIANCE WITH RULE 13(A)(I) AND (II) OF REGULATION S-P PROMULGATED UNDER SECTION 504 OF THE GRAMM-LEACH-BLILEY ACT; VIOLATED NYSE RULE 472(K) BY FAILING TO HAVE DISCLOSURES, AND REFERENCES TO DISCLOSURES, THAT WERE CLEAR, COMPREHENSIVE, AND PROMINENT IN RESEARCH REPORTS; VIOLATED RULES 17A-4(B)(4) AND 17A-4(F) PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND NYSE RULE 440 BY FAILING TO PRESERVE AND MAINTAIN INSTANT MESSAGE COMMUNICATIONS IN THE REQUIRED FORMAT AND FOR THE REQUIRED RETENTION PERIOD; VIOLATED NYSE RULES 342(A) AND (B) BY FAILING TO ESTABLISH AND MAINTAIN APPROPRIATE PROCEDURES FOR SUPERVISION AND CONTROL, INCLUDING A SEPARATE SYSTEM OF FOLLOW-UP AND REVIEW, WITH RESPECT TO E-MAIL COMMUNICATIONS; VIOLATED NYSE RULE 304(H) BY FAILING TO APPLY FOR APPROVAL BY THE NYSE OF AFFILIATED ENTITIES THAT ENGAGED IN A SECURITIES OR KINDRED BUSINESS AND THAT WERE UNDER COMMON CONTROL BY THE PARENT ENTITY; VIOLATED NYSE 342.15 BY FAILING TO OBTAIN APPROVAL FOR A BRANCH OFFICE MANAGER. THE FIRM HAS CONSENTED TO A CENSURE AND A FINE OF \$100,000.

Summary: **10/26/06** THE DECISION BECAME FINAL AS OF THE CLOSE OF BUSINESS ON OCTOBER 23, 2006. CONTACT: PEGGY GERMINO 212-656-8450.

Disclosure 7 of 42

Reporting Source: Regulator

Current Status: Final

Allegations: MSRB RULE G-36 - RESPONDENT MEMBER FAILED TO FILE FORMS G-36(OS) AND FORMS G-36(ARD) WITH THE MSRB IN A TIMELY MANNER.

Initiated By: NASD

Date Initiated: 09/02/2005



Docket/Case Number: E0420040111-01
Principal Product Type: Other
Other Product Type(s): MUNICIPAL SECURITIES
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 09/02/2005
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No
Sanctions Ordered: Monetary/Fine \$5,000.00
Other Sanctions Ordered:
Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, STIFEL, NICOLAUS & COMPANY, INCORPORATED, CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS, THEREFORE THE FIRM IS FINED \$5,000.

Reporting Source: Firm
Current Status: Final
Allegations: MSRB RULE G-36 - RESPONDENT MEMBER FAILED TO FILE FORMS G-36(OS) AND FORMS G-36(ARD) WITH THE MSRB IN A TIMELY MANNER.
Initiated By: NASD
Date Initiated: 09/02/2005
Docket/Case Number: E0420040111-01
Principal Product Type: Debt - Municipal
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)



Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/02/2005

Sanctions Ordered: Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, STIFEL, NICOLAUS & COMPANY, INCORPORATED, CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS, THEREFORE THE FIRM IS FINED \$5,000. WHICH WAS PAID 9/29 /05.

Disclosure 8 of 42

Reporting Source: Regulator

Current Status: Final

Allegations: SEC RULE 11AC1-4, NASD RULES 2110, 3010, 6955(A) - RESPONDENT MEMBER FAILED TO DISPLAY IMMEDIATELY CUSTOMER LIMIT ORDERS IN NASDAQ SECURITIES IN ITS PUBLIC QUOTATION, WHEN EACH SUCH ORDER WAS AT A PRICE THAT WOULD HAVE IMPROVED FIRM'S BID OR OFFER IN EACH SUCH SECURITY, OR WHEN THE ORDER WAS PRICED EQUAL TO FIRM'S BID OR OFFER AND THE NATIONAL BEST BID OR OFFER FOR EACH SUCH SECURITY, AND THE SIZE OF THE ORDER REPRESENTED MORE THAN A DE MINIMIS CHANGE IN RELATION TO THE SIZE ASSOCIATED WITH FIRM'S BID OR OFFER IN EACH SUCH SECURITY; TRANSMITTED TO OATS REPORTS THAT CONTAINED INACCURATE, INCOMPLETE, OR IMPROPERLY FORMATTED DATA AND FAILED TO SUBMIT THE CORRECT ORDER RECEIPT TIME TO OATS; THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS CONCERNING THE LIMIT ORDER DISPLAY RULE.

Initiated By: NASD

Date Initiated: 01/28/2005

Docket/Case Number: CLG050006

Principal Product Type: No Product

Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/28/2005

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, STIEFEL, NICOLAUS & COMPANY INCORPORATED, CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE THE FIRM IS CENSURED AND FINED \$20,000.

Reporting Source: Firm

Current Status: Final

Allegations: AS A RESULT OF AN NASD REVIEW OF THE FIRM'S TRADING ACTIVITY FOR THE PERIOD JANUARY THROUGH MARCH 2002, STIFEL CONSENTED TO FINDINGS, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RELATING TO NASD RULES 2110, 3010, 6955(A) AND SEC RULE 11AC1-4, THAT ON CERTAIN OCCASIONS THE FIRM FAILED TO IMMEDIATELY DISPLAY A LIMITED NUMBER OF CUSTOMER LIMIT ORDERS IN NASDAQ SECURITIES IN ITS PUBLIC QUOTATION, WHEN SUCH ORDER WAS EQUAL TO OR WOULD HAVE IMPROVED THE FIRM'S BID OR OFFER AND THE NATIONAL BEST BID OR OFFER FOR SUCH SECURITY, AND THE SIZE OF SUCH ORDER REPRESENTED MORE THAN A DE MINIMIS CHANGE IN RELATION TO THE SIZE ASSOCIATED WITH THE FIRM'S BID OR OFFER IN EACH SUCH SECURITY. THE FIRM ALSO TRANSMITTED A LIMITED NUMBER OF ORDERS TO THE OATS SYSTEM THAT CONTAINED IMPROPERLY FORMATTED, INACCURATE OR INCOMPLETE DATA, OR ON SOME OCCASIONS THE CORRECT ORDER RECEIPT TIME. THE FIRM'S WRITTEN SUPERVISORY SYSTEM, AT THAT TIME, DID NOT ADEQUATELY PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE



COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS CONCERNING THE LIMIT ORDER DISPLAY RULE. BY NOVEMBER 2002, STIFEL UPGRADED ITS SYSTEMS AND ADDRESSED THE ISSUES RAISED. WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, AN ACCEPTANCE, WAIVER AND CONSENT FORM WAS ACCEPTED BY THE NASD FEBRUARY 2005, WHERE STIFEL CONSENTED TO THE FINDINGS AND IMPOSITION OF SANCTIONS OF CENSURE AND A FINE OF \$20,000.

Initiated By: NASD

Date Initiated: 01/28/2005

Docket/Case Number: CLG050006

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/28/2005

Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, AN ACCEPTANCE, WAIVER AND CONSENT FORM WAS ACCEPTED BY THE NASD FEBRUARY 2005, WHERE STIFEL CONSENTED TO THE FINDINGS AND IMPOSITION OF SANCTIONS OF CENSURE AND A FINE OF \$20,000.

Disclosure 9 of 42

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 3010(A) AND (B) - STIFEL NICOLAUS & COMPANY FAILED TO ESTABLISH, MAINTAIN, OR ENFORCE A SUPERVISORY SUSTEM AND WRITTEN PROCEDURES REASONABLY DESIGNED TO PREVENT AND DETECT LATE TRADING; THE FIRM'S SYSTEMS DID NOT PRECLUDE CUSTOMERS FROM COMMUNICATING ORDERS TO THE FIRM'S REPRESENTATIVES AFTER 4:00 P.M. NOR DID THE FIRM PREVENT ITS REPRESENTATIVES FROM ACCEPTING AND ENTERING POST-CLOSING



ORDERS AT THE CURRENT DAY'S NAV; THE FIRM'S WRITTEN PROCEDURES DID NOT INSTRUCT REPRESENTATIVES THAT LATE TRADING WAS PROHIBITED AND DID NOT REQUIRE SUPERVISORY REVIEW OR APPROVAL OF MUTUAL FUND ORDERS AFTER 4:00 P.M. EST; AND THE FIRM MADE NO SURVEILLANCE OR AUDITING EFFORTS TO ENSURE THAT ORDERS ACCEPTED AFTER 4:00 P.M. EST WERE NOT BEING ENTERED AT THE CURRENT DAY'S NET ASSET VALUE (NAV).

Initiated By: NASD

Date Initiated: 06/17/2004

Docket/Case Number: CAF040047

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/17/2004

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$125,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, STIFEL NICOLAUS CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS CENSURED AND FINED \$125,000.

Reporting Source: Firm

Current Status: Final

Allegations: NASD RULES 2110, 3010(A) AND (B) - STIFEL NICOLAUS & COMPANY FAILED TO ESTABLISH, MAINTAIN, OR ENFORCE A SUPERVISORY SUSTEM AND WRITTEN PROCEDURES REASONABLY DESIGNED TO PREVENT AND



DETECT LATE TRADING; THE FIRM'S SYSTEMS DID NOT PRECLUDE CUSTOMERS FROM COMMUNICATING ORDERS TO THE FIRM'S REPRESENTATIVES AFTER 4:00 P.M. NOR DID THE FIRM PREVENT ITS REPRESENTATIVES FROM ACCEPTING AND ENTERING POST-CLOSING ORDERS AT THE CURRENT DAY'S NAV; THE FIRM'S WRITTEN PROCEDURES DID NOT INSTRUCT REPRESENTATIVES THAT LATE TRADING WAS PROHIBITED AND DID NOT REQUIRE SUPERVISORY REVIEW OR APPROVAL OF MUTUAL FUND ORDERS AFTER 4:00 P.M. EST; AND THE FIRM MADE NO SURVEILLANCE OR AUDITING EFFORTS TO ENSURE THAT ORDERS ACCEPTED AFTER 4:00 P.M. EST WERE NOT BEING ENTERED AT THE CURRENT DAY'S NET ASSET VALUE (NAV).

Initiated By: NASD

Date Initiated: 06/17/2004

Docket/Case Number: CAF040047

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/17/2004

Sanctions Ordered: Censure
Monetary/Fine \$125,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, STIFEL NICOLAUS CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS CENSURED AND FINED \$125,000.

Summary: STIFEL NICOLAUS ENTERED INTO AN ACCEPTANCE, WAIVER AND CONSENT (AWC) WITH THE NASD AS OF JUNE 17, 2004, WHERE THE FIRM ACCEPTED AND CONSENTED, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS AND SOLELY FOR THE PURPOSES OF SETTLING THE MATTER, TO FINDINGS BY THE NASD THAT STIFEL VIOLATED NASD RULES 3010 (A) AND (B) AND 2110 AND A CENSURE AND FINE. IN SUMMARY, STIFEL FAILED TO ESTABLISH AND IMPLEMENT ADEQUATE SUPERVISORY SYSTEMS AND WRITTEN PROCEDURES REASONABLY DESIGNED TO PREVENT AND DETECT LATE TRADING AND TO CONDUCT THOROUGH SURVEILLANCE OR AUDITING TO ENSURE THAT AN ORDER PROCESSED



DURING A LIMITED PERIOD AFTER THE MARKET'S CLOSE WAS DOCUMENTED AS BEING ACTUALLY ACCEPTED PRIOR TO THE MARKET'S CLOSE. PRIOR TO THE NASD EXAMINATION STIFEL CONDUCTED A REVIEW OF ITS MUTUAL FUND ORDER PROCESSING POLICIES AND PROCEDURES IDENTIFYING POTENTIAL WEAKNESSES, WHICH WERE IMMEDIATELY ADDRESSED. IT IS IMPORTANT TO NOTE THAT THE REVIEW DID NOT IDENTIFY ANY INSTANCES OF LATE TRADING OF MUTUAL FUNDS AND THAT THE NASD'S FINDINGS RELATE TO SUPERVISORY SYSTEMS AND WRITTEN PROCEDURES, NOT ACTUAL INSTANCES OF LATE TRADING.

Disclosure 10 of 42

Reporting Source:

Regulator

Current Status:

Final

Allegations:

****3/17/03****STIPULATION AND CONSENT TO PENALTY FILED BY NYSE DIVISION OF ENFORCEMENT. CHARGES: AS SET FORTH IN THE STIPULATION OF FACTS AND CONSENT TO PENALTY, STIFEL, NICOLAUS & COMPANY, INC. (THE "FIRM") VIOLATED EXCHANGE RULE 342 IN THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN APPROPRIATE PROCEDURES FOR SUPERVISION AND CONTROL, INCLUDING A SEPARATE SYSTEM OF FOLLOW-UP AND REVIEW, WITH RESPECT TO THE: (I) ACTIVITIES OF ITS QUALIFYING MEMBER ON THE TRADING FLOOR OF THE EXCHANGE; (II) TIMELY FILING OF ACCURATE FORM U-5AS AND FORM RE-3S WITH THE EXCHANGE, AS REQUIRED BY EXCHANGE RULES 345.17 AND 351(A) AND (D); (III) PREVENTING OF ONE OR MORE EMPLOYEES WITH INACTIVE REGISTRATIONS FROM PERFORMING DUTIES AND FUNCTIONS WHICH REQUIRED REGISTRATION, AND WITHHOLDING OF COMPENSATION FROM SUCH PERSONS DURING PERIODS WHEN THEIR REGISTRATIONS WERE INACTIVE, AS REQUIRED BY EXCHANGE RULE 345A; (IV) APPROVAL AND REVIEW OF CERTAIN EMPLOYEE-RELATED ACCOUNTS HELD OUTSIDE THE FIRM, TO ENSURE COMPLIANCE WITH EXCHANGE RULE 407; (V) OBTAINING OF EXCHANGE APPROVAL FOR VARIOUS OFFICERS AND DIRECTORS TO BE ALLIED MEMBERS, AS REQUIRED BY EXCHANGE RULES 304(H) AND 311(B); AND (VI) SUBMISSION TO ITS CLEARING AGENT OF ACCURATE ACCOUNT TYPE INDICATORS FOR CERTAIN TRANSACTIONS, AS REQUIRED BY EXCHANGE RULE 132. IN ADDITION, THE FIRM VIOLATED EXCHANGE RULE 301.36(3), BY, ON NUMEROUS OCCASIONS, FAILING TO RECEIVE ALL COMMISSIONS OF ITS FLOOR BROKER; VIOLATED SEC RULE 15C3-1 BY FAILING TO PROPERLY ACCRUE COMMISSIONS RECEIVED FROM ITS FLOOR BROKER; AND VIOLATED EXCHANGE RULES 410 AND 440, SECTION 17(A) OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECURITIES AND EXCHANGE COMMISSION SEC REGULATIONS SECTIONS 240.17A-3 AND 240.17A-4 BY FAILING TO PRESERVE CERTAIN REQUIRED BOOKS AND RECORDS. THE FIRM



CONSENTED TO A A CENSURE AND A FINE \$50,000.

Initiated By: NEW YORK STOCK EXCHANGE DIVISION OF ENFORCEMENT

Date Initiated: 03/17/2003

Docket/Case Number: HPD#: 03-86

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 06/13/2003

Sanctions Ordered: Censure
Monetary/Fine \$50,000.00

Other Sanctions Ordered:

Sanction Details:

****5/7/03****DECISION 03-86 ISSUED BY NYSE HEARING PANEL.
DECISION: AS SET FORTH IN THE HEARING PANEL DECISION, WHICH WAS BASED ON A STIPULATION OF FACTS AND CONSENT TO PENALTY, STIFEL, NICOLAUS & COMPANY (THE "FIRM") VIOLATED RULE 342 BY FAILING TO MAINTAIN APPROPRIATE PROCEDURES FOR SUPERVISION ANAD CONTROL; VIOLATED RULE 301.36(3) BY FAILING TO RECEIVE ALL COMMISSIONS OF ITS FLOOR BROKER; VIOLATED SEC RULE 15C3-1 BY FAILING TO PROPERLY ACCRUE COMMISSIONS RECEIVED FROM ITS FLOOR BROKER; AND VIOLATED EXCHANGE RULES 410 AND 440 AND SEA SECTION 17(A) AND SEC REGULATIONS 17A-3 AND 17A-4 BY FAILING TO PRESERVE REQUIRED BOOKS AND RECORDS. THE FIRM WAS CENSURED AND FINED \$50,000.

Summary: ****6/13/03***THE DECISION IS NOW FINAL AND EFFECTIVE IMMEDIATELY.
CONTACT:EVELYN PENA 212-656-5211

Reporting Source: Firm

Current Status: Final

Allegations: ****3/17/03****STIPULATION AND CONSENT TO PENALTY FILED BY NYSE DIVISION OF ENFORCEMENT. CHARGES: AS SET FORTH IN THE STIPULATION OF FACTS AND CONSENT TO PENALTY, STIFEL, NICOLAUS & COMPANY, INC. (THE "FIRM") VIOLATED EXCHANGE RULE 342 IN THAT THE



FIRM FAILED TO ESTABLISH AND MAINTAIN APPROPRIATE PROCEDURES FOR SUPERVISION AND CONTROL, INCLUDING A SEPARATE SYSTEM OF FOLLOW-UP AND REVIEW, WITH RESPECT TO THE: (I) ACTIVITIES OF ITS QUALIFYING MEMBER ON THE TRADING FLOOR OF THE EXCHANGE; (II) TIMELY FILING OF ACCURATE FORM U-5AS AND FORM RE-3S WITH THE EXCHANGE, AS REQUIRED BY EXCHANGE RULES 345.17 AND 351(A) AND (D); (III) PREVENTING OF ONE OR MORE EMPLOYEES WITH INACTIVE REGISTRATIONS FROM PERFORMING DUTIES AND FUNCTIONS WHICH REQUIRED REGISTRATION, AND WITHHOLDING OF COMPENSATION FROM SUCH PERSONS DURING PERIODS WHEN THEIR REGISTRATIONS WERE INACTIVE, AS REQUIRED BY EXCHANGE RULE 345A; (IV) APPROVAL AND REVIEW OF CERTAIN EMPLOYEE-RELATED ACCOUNTS HELD OUTSIDE THE FIRM, TO ENSURE COMPLIANCE WITH EXCHANGE RULE 407; (V) OBTAINING OF EXCHANGE APPROVAL FOR VARIOUS OFFICERS AND DIRECTORS TO BE ALLIED MEMBERS, AS REQUIRED BY EXCHANGE RULES 304(H) AND 311(B); AND (VI) SUBMISSION TO ITS CLEARING AGENT OF ACCURATE ACCOUNT TYPE INDICATORS FOR CERTAIN TRANSACTIONS, AS REQUIRED BY EXCHANGE RULE 132. IN ADDITION, THE FIRM VIOLATED EXCHANGE RULE 301.36(3), BY, ON NUMEROUS OCCASIONS, FAILING TO RECEIVE ALL COMMISSIONS OF ITS FLOOR BROKER; VIOLATED SEC RULE 15C3-1 BY FAILING TO PROPERLY ACCRUE COMMISSIONS RECEIVED FROM ITS FLOOR BROKER; AND VIOLATED EXCHANGE RULES 410 AND 440, SECTION 17(A) OF THE SECURITIES EXCHANGE ACT OF 1934 AND SECURITIES AND EXCHANGE COMMISSION SEC REGULATIONS SECTIONS 240.17A-3 AND 240.17A-4 BY FAILING TO PRESERVE CERTAIN REQUIRED BOOKS AND RECORDS. THE FIRM CONSENTED TO A A CENSURE AND A FINE \$50,000

Initiated By: NEW YORK STOCK EXCHANGE DIVISION OF ENFORCEMENT.

Date Initiated: 03/17/2003

Docket/Case Number: HPD#: 03-86

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 06/13/2003

Sanctions Ordered: Censure
Monetary/Fine \$50,000.00

**Other Sanctions Ordered:****Sanction Details:**

****5/7/03****DECISION 03-86 ISSUED BY NYSE HEARING PANEL. DECISION: AS SET FORTH IN THE HEARING PANEL DECISION, WHICH WAS BASED ON A STIPULATION OF FACTS AND CONSENT TO PENALTY, STIFEL, NICOLAUS & COMPANY (THE "FIRM") VIOLATED RULE 342 BY FAILING TO MAINTAIN APPROPRIATE PROCEDURES FOR SUPERVISION ANAD CONTROL; VIOLATED RULE 301.36(3) BY FAILING TO RECEIVE ALL COMMISSIONS OF ITS FLOOR BROKER; VIOLATED SEC RULE 15C3-1 BY FAILING TO PROPERLY ACCRUE COMMISSIONS RECEIVED FROM ITS FLOOR BROKER; AND VIOLATED EXCHANGE RULES 410 AND 440 AND SEA SECTION 17(A) AND SEC REGULATIONS 17A-3 AND 17A-4 BY FAILING TO PRESERVE REQUIRED BOOKS AND RECORDS. THE FIRM WAS CENSURED AND FINED \$50,000.

Summary:

****6/13/03***THE DECISION IS NOW FINAL AND EFFECTIVE IMMEDIATELY. CONTACT:EVELYN PENA 212-656-5211

Disclosure 11 of 42**Reporting Source:**

Regulator

Current Status:

Final

Allegations:

SEC RULE 11AC1-4 - WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE RESPONDENT MEMBER CONSENTED TO THE ENTRY OF FINDINGS THAT IT FAILED TO DISPLAY IMMEDIATELY THE CUSTOMER LIMIT ORDERS IN NASDAQ SECURITIES IN ITS PUBLIC QUOTATION, WHEN EACH SUCH ORDER WAS AT A PRICE THAT WOULD HAVE IMPROVED THE FIRM'S BID OR OFFER IN EACH SUCH SECURITY; OR WHEN THE ORDER WAS PRICED EQUAL TO THE FIRM'S BID OR OFFER AND THE NATIONAL BEST BID OR OFFER IN SUCH SECURITY, AND THE SIZE OF THE ORDER REPRESENTED MORE THAN A DE MINIMIS CHANGE IN RELATION TO THE SIZE ASSOCIATED WITH ITS BID OR OFFER IN EACH SUCH SECURITY.

Initiated By:

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated:

10/10/2002

Docket/Case Number:

CMS020185

Principal Product Type:

Other

Other Product Type(s):

UNKNOWN TYPE OF SECURITIES

Principal Sanction(s)/Relief Sought:**Other Sanction(s)/Relief Sought:**



Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/10/2002

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details: A CENSURE AND A FINE OF \$10,000.

Reporting Source: Firm

Current Status: Final

Allegations: ON 55 OCCASIONS DURING THE PERIOD 10/2/00 - 10/31/00, STFL FAILED TO DISPLAY IMMEDIATELY 55 CUST LMT ORDS IN NASDAQ SECS IN ITS PUBLIC QUOTIATION, WHEN EACH SUCH ORDER WAS AT A PRICE THAT WOULD HAVE IMPROVED THE FIRM'S BID OFFER IN EACH SUCH SEC; OR WHEN THE ORDER WAS PRICED EQUAL TO THE FIRM'S BID/OFFER & THE NATIONAL BEST BID OR OFFER FOR EACH SUCH SEC, & THE SIZE OF THE ORDER REPRESENTED MORE THAN A DE MINIMIS CHANGE IN RELATION TO THE SIZE ASSOCIATED WITH THE FIRM'S BID OR OFFER IN EACH SUCH SECURITY. WITHOUT ADMITTING OR DENYING THE ALLEGATIONS.

Initiated By: NASD

Date Initiated: 10/10/2002

Docket/Case Number: CMS020185

Principal Product Type: Equity - OTC

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: AWC

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/10/2002

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details: A CENSURE AND A FINE OF \$10,000.00.



Summary: STIFEL WAS CENSURED AND FINED \$10,000.00.

Disclosure 12 of 42

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 3010, 3320 AND 4613(B) AND SEC RULE 11AC1-1 - WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE FINDINGS THAT AN ORDER WAS PRESENTED TO THE FIRM AT THE FIRM'S PUBLISHED BID OR PUBLISHED OFFER IN AN AMOUNT UP TO ITS PUBLISHED QUOTATION SIZE. THE FIRM FAILED TO EXECUTE THE ORDERS UPON PRESENTMENT AND THEREBY FAILED TO HONOR ITS PUBLISHED QUOTATION; AND, THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS CONCERNING FIRM QUOTE COMPLIANCE. SPECIFICALLY, THE FIRM'S SUPERVISORY SYSTEM DID NOT INCLUDE WRITTEN SUPERVISORY PROCEDURES PROVIDING FOR THE IDENTIFICATION OF THE PERSON RESPONSIBLE AT THE FIRM TO ENSURE COMPLIANCE WITH THE APPLICABLE RULES; A STATEMENT OF THE STEPS THAT SUCH PERSON SHOULD TAKE TO ENSURE COMPLIANCE; A STATEMENT AS TO HOW OFTEN SUCH PERSON SHOULD TAKE SUCH STEPS; AND A STATEMENT AS TO HOW ENFORCEMENT OF SUCH WRITTEN SUPERVISORY PROCEDURES SHOULD BE DOCUMENTED AT THE FIRM.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 02/13/2002

Docket/Case Number: CMS020031

Principal Product Type: Equity - OTC

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 02/13/2002

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered: REVISE ITS WRITTEN SUPERVISORY PROCEDURES WITH RESPECT TO



THE APPLICABLE SECURITIES LAWS AND REGULATIONS CONCERNING
FIRM QUOTE COMPLIANCE WITHIN 30 BUSINESS DAYS.

Sanction Details:	N/A
<hr/>	
Reporting Source:	Firm
Current Status:	Final
Allegations:	STIFEL'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH SEC RULE 11AC1-1(C), NASD CONDUCT RULE 3320 & NASD MARKETPLACE RULE 4613(B) FROM 4-2-01 TO 6-29-01.
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated:	02/13/2002
Docket/Case Number:	CMS020031
Principal Product Type:	Equity - OTC
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	AWC
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	02/13/2002
Sanctions Ordered:	Censure Monetary/Fine \$15,000.00
Other Sanctions Ordered:	REVISE ITS WRITTEN SUPERVISORY PROCEDURES WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS CONCERNING FIRM QUOTE COMPLIANCE WITHIN 30 BUSINESS DAYS.
Sanction Details:	\$10,000.00 FOR BACKING AWAY & \$5,000.00 FOR SUPERVISORY PROCEDURE VIOLATION.

Disclosure 13 of 42

Reporting Source:	Regulator
Current Status:	Final
Allegations:	THE STATE ALLEGES BD FAILED TO REASONABLY SUPERVISE ITS



AGENTS, ENGAGED IN DISHONEST AND UNETHICAL BUSINESS PRACTICES AND MADE UNSUITABLE TRADES AND RECOMMENDATIONS.

Initiated By: INDIANA SECURITIES DIVISION

Date Initiated: 10/02/2001

Docket/Case Number: 01-0174 SC

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: ORDER TO SHOW CAUSE WHY REGISTRATION SHOULD NOT BE REVOKED

Resolution: Consent

Resolution Date: 05/16/2002

Sanctions Ordered: Disgorgement/Restitution

Other Sanctions Ordered: TWO INDIANA INVESTORS WERE OFFERED RESTITUTION OF ONE HALF OF THEIR ORIGINAL INVESTMENT. THE DIVISION RECEIVED \$850.00 AS COSTS OF THE INVESTIGATION. ON MAY 28, 2002 THE ADMINISTRATIVE COMPLAINT WAS DISMISSED AND THE ORDER TO SHOW CAUSE WAS VACATED.

Sanction Details: STIFEL PROVIDED RESTITUTION TO TWO INDIANA INVESTORS IN THE AMOUNT OF \$12,250 EACH. STIFEL ALSO PAID \$850.00 TO THE DIVISION AS COSTS OF THE INVESTIGATION.

Summary: THE STATE RECEIVED COMPLAINTS FROM A RESIDENTS REGARDING AN INVESTMENT IN FREEDOM CHOICE, INC.

Reporting Source: Firm

Current Status: Final

Allegations: THE STATE ALLEGES BD FAILED TO REASONABLY SUPERVISE IT AGENTS, ENGAGED IN DISHONEST AND UNETHICAL BUSINESS PRACTICES AND MADE UNSUITABLE TRADES AND RECOMMENDATIONS.

Initiated By: INDIANA SECURITIES DIVISION

Date Initiated: 10/02/2001



Docket/Case Number: 01-0174 SC
Principal Product Type: Other
Other Product Type(s): CREDIT CARD PRODUCT. NOT A SECURITY. SOLD AWAY FROM STIFEL.
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought: ORDER TO SHOW CAUSE WHY REGISTRATION SHOULD NOT BE REVOKED.
Resolution: Consent
Resolution Date: 05/16/2002
Sanctions Ordered: Monetary/Fine \$24,500.00
 Disgorgement/Restitution
Other Sanctions Ordered:
Sanction Details: STIFEL PAID \$12,250.00 EACH TO JAMES ROBERTS & JAMES TYLER
Summary: THE STATE RECEIVED COMPLAINTS FROM A RESIDENTS REGARDING AN INVESTMENT IN FREEDOM CHOICE, INC.

Disclosure 14 of 42

Reporting Source: Regulator
Current Status: Final
Allegations: NASD RULES 2110 AND 6240 - FAILED TO REPORT NON-MANDATORY FIPS SECURITIES TRANSACTIONS BEFORE THE CLOSE OF BUSINESS ON TRADE DATE
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated: 08/24/2001
Docket/Case Number: C04010032
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 08/24/2001



Sanctions Ordered: Monetary/Fine \$3,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, STIFEL, NICOLAUS CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS FINED \$3,000.

Reporting Source: Firm

Current Status: Final

Allegations: DURING A ROUTINE NASD EXAMINATION, INCONSISTENCIES IN REPORTING NON-MANDATORY FIPS SECURITIES TRANSACTIONS WERE DISCOVERED DUE TO A CLERICAL ERROR FOR A VERY LIMITED PERIOD.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 03/15/2001

Docket/Case Number: C04010032

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: ACCEPTANCE, WAIVER & CONSENT

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/22/2001

Sanctions Ordered: Monetary/Fine \$3,000.00

Other Sanctions Ordered:

Sanction Details: AN AWC WAS ACCEPTED AUGUST 22, 2001 AND A FINE OF \$3,000 WAS IMPOSED.

Summary: AS A RESULT OF THE LATEST NASDR EXAMINATION, STIFEL WAS FOUND IN VIOLATION OF NASD SYSTEMS AND PROGRAMS RULE 6240 AND NASD CONDUCT RULE 2110. AN ACCEPTANCE, WAIVER AND CONSENT FORM WAS ACCEPTED AUGUST 22, 2001, AND A FINE OF \$3,000 WAS IMPOSED.

Disclosure 15 of 42

Reporting Source: Regulator



Current Status: Final

Allegations: NASD RULES 1021, 2110, IM-2110-2, 3010 - AND SEC RULE 11AC1-4(B)(2)(I)- A FORMER REGISTERED REPRESENTATIVE ENGAGED IN A PATTERN OF MAKING UNSUITABLE RECOMMENDATIONS TO PUBLIC CUSTOMERS IN CONNECTION WITH THE SALE OF MUTUAL FUNDS. RECOMMENDATION AND SALES OF CLASS B MUTUAL FUND SHARES WERE MADE TO INDIVIDUALS BY THE INDIVIDUAL, THAT WERE UNSUITABLE FOR THESE CUSTOMERS IN LIGHT OF THE AMOUNT SOLD, THE SALES AND DISTRIBUTION CHARGES INCURRED, AND THE ABILITY TO PURCHASE CLASS A SHARES WITH SUBSTANTIALLY LOWER SALES CHARGES, AND THE FACT THAT CUSTOMERS WERE ELIGIBLE TO PURCHASE CERTAIN CLASS A MUTUAL FUND SHARES WITH NO SALES CHARGES THROUGH A TEMPORARY MARKETING PROMOTION OFFERED BY THE MUTUAL FUND. IN CONNECTION WITH THE ACTIVITIES DESCRIBED ABOVE, RESPONDENT MEMBER FAILED TO ADEQUATELY SUPERVISE THE REPRESENTATIVE TO ENSURE COMPLIANCE BY THE INDIVIDUAL WITH NASD CONDUCT RULES 2110 AND 2310 AND FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE WRITTEN SUPERVISORY PROCEDURES AND SUPERVISORY SYSTEMS TO DETECT AND PREVENT SALES PRACTICE VIOLATIONS WITH RESPECT TO THE SALE OF MUTUAL FUNDS PRODUCTS; ALLOWED A SENIOR EXECUTIVE OFFICER TO ACT AS A GENERAL SECURITIES PRINCIPAL, ALTHOUGH HE WAS REGISTERED ONLY AS A FINANCIAL AND OPERATIONS PRINCIPAL; TRADED AT A PRICE THAT WAS EQUAL OR SUPERIOR TO A CUSTOMER LIMIT ORDER, AND FAILED TO EXECUTE THE CUSTOMERS' ORDERS WITHIN ONE MINUTE, OR AT ALL; AND, FAILED TO DISPLAY CUSTOMER LIMIT ORDERS IN ITS NASDAQ QUOTATIONS FOR STOCKS IN WHICH IT WAS A MARKET MAKER WHEREIN THE CUSTOMERS' LIMITED ORDERS IMPROVED THE BID/ASK QUOTATIONS DISPLAYED BY THE FIRM IN NASDAQ AT THE TIME THE LIMIT ORDERS WERE RECEIVED BY THE FIRM.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 03/20/2001

Docket/Case Number: C04010012

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)



Resolution Date: 03/20/2001

Sanctions Ordered: Censure
Monetary/Fine \$41,000.00
Disgorgement/Restitution

Other Sanctions Ordered: UNDERTAKING

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, STIFEL, NICOLAUS CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS THEREFORE, THE FIRM IS CENSURED, FINED \$41,000, OF WHICH \$25,000 IS JOINT AND SEVERAL. IN ADDITION, WITHIN 30 DAYS OF THE ACCEPTANCE OF THIS AWC, THE FIRM'S LEGAL COUNSEL AND CONSULTANT SHALL COMPLETE THEIR PROPOSED WORK PLAN AND WITHIN 30 DAYS THEREAFTER, PROVIDE A WRITTEN REPORT CONTAINING SPECIFIC RECOMMENDATIONS TO REVISE THE FIRM'S COMPLIANCE AND WRITTEN SUPERVISORY PROCEDURES. ALSO, WITHIN 20 BUSINESS DAYS OF THE ACCEPTANCE OF THIS AWC, THE FIRM WILL OFFER CUSTOMERS WHO PURCHASED CLASS B SHARES RATHER THAN CLASS A SHARES AT NET ASSET VALUE UNDER THE TEMPORARY MARKETING PROMOTION AN EXCHANGE OF THE CLASS B SHARES OWNED BY THESE CUSTOMERS FOR THE NUMBER OF CLASS A SHARES THEY WOULD HOLD AS OF THE DATE OF THE OFFER HAD THEY INITIALLY PURCHASED CLASS A SHARES AT NET ASSET VALUE. WITH RESPECT TO THE CUSTOMERS WHO WOULD HAVE QUALIFIED TO PURCHASE CLASS A SHARES WITH REDUCED SALES CHARGES, THE FIRM WILL OFFER THESE CUSTOMERS THE OPPORTUNITY TO EXCHANGE THE CLASS B SHARES THEY HOLD FOR CLASS A SHARES AT THE PRICE, INCLUDING THE APPLICABLE FRONT-END SALES CHARGES, AT WHICH THE CLASS A SHARES COULD HAVE BEEN PURCHASED AT THE TIME THE CUSTOMERS PURCHASED THE CLASS B SHARES. THE FIRM WILL INCUR ALL CHARGES RELATING TO THE EXCHANGE BY ANY OF THE CUSTOMERS. SATISFACTORY PROOF SHALL BE PROVIDED TO THE NASD STAFF NO LATER THAN 90 DAYS AFTER ACCEPTANCE OF THIS AWC. IT IS ESTIMATED THAT THE COST TO THE FIRM FOR THIS OFFER WILL BE APPROXIMATELY \$225,000 WHICH WILL BE PAID BY THE FIRM, IF EACH CUSTOMER ELECTS TO EXCHANGE.

Reporting Source: Firm

Current Status: Final

Allegations: NASD REGULATION CENSURED AND FINED STIFEL, AND TWO INDIVIDUALS, MICHAEL G. GRIMES AND HIS SUPERVISOR, WILLIAM J. LASKO, FOR VIOLATING NASD RULES IN CONNECTION WITH THE SALE OF CLASS B MUTUAL FUND SHARES. NASD REGULATION FOUND THAT



BETWEEN JUNE 1996 AND MAY 1998, GRIMES MADE UNSUITABLE SALES TOTALING OVER \$7 MILLION TO 44 CUSTOMERS IN CLASS B MUTUAL FUND SHARES, AND THAT LASKO AND THE FIRM FAILED TO SUPERVISE GRIMES WITH RESPECT TO THESE UNSUITABLE SALES.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION INC.

Date Initiated: 03/20/2001

Docket/Case Number: AWC NO. CO4010012

Principal Product Type: Mutual Fund(s)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought: CENSURE AND UNDERTAKING

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/20/2001

Sanctions Ordered: Censure
Monetary/Fine \$41,000.00
Disgorgement/Restitution

Other Sanctions Ordered: UNDERTAKING

Sanction Details: CENSURE, FINE OF \$41,000.00, OF WHICH \$25,000.00 IS JOINT AND SEVERAL WITH LASKO. STIFEL AGREED TO COMPLY WITH CERTAIN UNDERTAKINGS RELATING TO ENHANCED PROCEDURES AND OFFERS TO BE MADE TO 44 INDENTIFIED CUSTOMERS.

Summary: NASD REG. TOOK FORMAL ACTION AGAINST STIFEL FOR VIOLATING NASD RULES IN CONNECTION WITH CLASS B MUTUAL FUND SALES. NASD REGULATION FOUND THAT FORMER BROKER GRIMES MADE UNSUITABLE SALES IN CLASS B MUTUAL FUND SHARES AND THAT HIS MANAGER, LASKO, AND THE FIRM FAILED TO SUPERVISE GRIMES WITH RESPECT TO THESE SALES. AS A RESULT OF THE DISC. ACTION, GRIMES WAS SUSPENDED FOR 30 DAYS AND PAID A FINE OF \$30,000, LASKO WAS SUSPENDED FOR 10 DAYS IN A SUPERVISORY CAPACITY AND WAS FINED TOGETHER WITH STIFEL \$25,000. STIFEL AGREED TO PAY A TOTAL FINE OF \$41,000. OTHER MATTERS IN THE ACTION INCLUDE REGISTRATION ISSUES SURROUNDING AN EXECUTIVE OFFICER AND THE SEC LIMIT ORDER DISPLAY RULE AND THE LIMIT ORDER PROTECTION RULE.



Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED THAT STIFEL EMPLOYED AGENTS WHO UNLAWFULLY OFFERED AND SOLD SECURITIES TO MASSACHUSETTS RESIDENTS WITHOUT REGISTRATION WHICH CONSTITUTES A VIOLATION OF 201(B) OF THE ACT.

Initiated By: STATE OF MASSACHUSETTS

Date Initiated: 06/01/1995

Docket/Case Number: 93-129-E & 92-176-E

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Disgorgement

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 06/01/1995

Sanctions Ordered: Monetary/Fine \$1,500.00
Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions Ordered:

Sanction Details: STIFEL DISGORGED \$3,267.07 TO THE STATE, PAID A FINE OF \$1,500.00 AND CEASE AND DESIST FROM FURTHER VIOLATIONS OF THE ACT.

Disclosure 17 of 42

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATION OF SEC RULES 17A-3,15C3-1 AND ARTICLE II, SECT. 1 AND 21 OF THE NASD RULES OF FAIR PRACTICE. THE ALLEGED VIOLATIONS WERE THE RESULT OF ACCOUNTING AND BOOKKEEPING ERRORS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 07/17/1984

Docket/Case Number: KC-309

Principal Product Type: No Product

**Other Product Type(s):****Principal Sanction(s)/Relief Sought:**

Other

Other Sanction(s)/Relief Sought:

COMPLAINT

Resolution:

Settled

Resolution Date:

04/16/1985

Sanctions Ordered:

Censure

Other Sanctions Ordered:

THE "OFFER OF SETTLEMENT" WAS ACCEPTED BY THE NASD. MR. KNOTT WAS CENSURED.

Sanction Details:

THE OFFER OF SETTLEMENT WAS ACCEPTED BY THE NASD. MR. KNOTT WAS CENSURED.

Disclosure 18 of 42**Reporting Source:**

Regulator

Current Status:

Final

Allegations:

RESPONDENT MEMBER: FAILED TO REPORT TO FIPS TRANSACTIONS IN HIGH YIELD DEBT AND TRANSACTIONS IN FIPS SECURITIES THAT IT WAS REQUIRED TO REPORT; FAILED TO ESTABLISH, MAINTAIN AND ENFORCE WRITTEN SUPERVISORY PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS REGARDING FIPS. [NASD RULES 2110, 3010, 6240(A), 6240(B)]

Initiated By:

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated:

02/25/1999

Docket/Case Number:

CMS990028

Principal Product Type:

Other

Other Product Type(s):**Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:**

Acceptance, Waiver & Consent(AWC)

Resolution Date:

02/25/1999



Sanctions Ordered: Censure
Monetary/Fine \$8,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, STIFEL, NICOLAUS & COMPANY CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS CENSURED AND FINED \$8,000.00.

Reporting Source: Firm

Current Status: Final

Allegations: RESPONDENT MEMBER: FAILED TO REPORT TO FIPS TRANSACTIONS IN HIGH YIELD DEBT AND TRANSACTIONS IN FIPS SECURITIES THAT IT WAS REQUIRED TO REPORT; FAILED TO ESTABLISH, MAINTAIN AND ENFORCE WRITTEN SUPERVISORY PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS REGARDING FIPS. [NASD RULES 2110, 3010, 6240(A), 6240(B)]

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION INC.

Date Initiated: 02/25/1999

Docket/Case Number: AWC NO. CMS990028

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 02/25/1999

Sanctions Ordered: Censure
Monetary/Fine \$8,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, STIFEL, NICOLAUS & COMPANY CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, THE FIRM IS CENSURED AND FINED \$8,000.00.



Disclosure 19 of 42

Reporting Source: Regulator
Current Status: Final
Allegations:
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 10/12/1962
Docket/Case Number:
Principal Product Type:
Other Product Type(s):
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Other
Resolution Date: 10/25/1962
Sanctions Ordered:
Other Sanctions Ordered:
Sanction Details: CPL. #K-MV-2 FILED 10-12-62
 ON 10-25-62 RESPONDENT REJECTED MV PROCEDURE - FORMAL COMPLAINT WILL BE FILED.

Reporting Source: Firm
Current Status: Final
Allegations: APPLICANT REJECTED MV PROCEDURES - FORMAL COMPLAINT WILL BE FILED.
Initiated By: NASD
Date Initiated: 10/12/1962
Docket/Case Number: K-MV-2
Principal Product Type: No Product

**Other Product Type(s):**

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: THE COMPLAINT WAS WITHDRAWN

Resolution: Withdrawn

Resolution Date: 10/12/1962

Sanctions Ordered:

Other Sanctions Ordered: NONE

Sanction Details: THE COMPLAINT WAS WITHDRAWN.

Disclosure 20 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 02/13/1997

Docket/Case Number: C04960069

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 02/13/1997

Sanctions Ordered: Censure
Monetary/Fine \$250.00

Other Sanctions Ordered:

Sanction Details:

Summary: ON FEBRUARY 13, 1997, DISTRICT NO. 4 NOTIFIED RESPONDENT STIFEL NICOLAUS & COMPANY, INCORPORATED THAT THE LETTER OF



ACCEPTANCE,
 WAIVER AND CONSENT NO. C04960069 WAS ACCEPTED; THEREFORE, THE
 FIRM IS CENSURED AND FINED \$250 - (MSRB RULE G-37 - RESPONDENT
 MEMBER FAILED TO INCLUDE ALL NEGOTIATED MUNICIPAL
 UNDERWRITINGS
 ON ITS ORIGINAL FILING OF FORM G-37/G-38).

\$250.00 PAID ON 3/17/97, INVOICE #97-04-166

Reporting Source: Firm

Current Status: Final

Allegations: FAILED TO INCLUDE ALL NEGOTIATED MUNICIPAL UNDERWRITINGS ON ORIGINAL FILING OF FORM G-37/G38.

Initiated By: NASD

Date Initiated: 02/13/1997

Docket/Case Number: C04960069

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 02/13/1997

Sanctions Ordered: Censure
Monetary/Fine \$250.00

Other Sanctions Ordered:

Sanction Details: STIFEL ACCPETED THE AWC ON 2/13/1997 AND WAS CENSURED AND FINED \$250.00 WHICH WAS PAID ON 3/17/1997.

Summary: \$250 FINE PAID ON 3/17/1997

Disclosure 21 of 42

Reporting Source: Regulator

Current Status: Final



Allegations: SEE RESULTS

Initiated By: NEW YORK STOCK EXCHANGE

Date Initiated: 10/18/1991

Docket/Case Number: 91-161

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 10/18/1991

Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details: STIFEL, NICOLAUS & COMPANY INCORPORATED, MEMBER ORGANIZATION VIOLATED SECURITIES EXCHANGE ACT REGULATION 240.15c3-3 WITH RESPECT TO REQUIREMENTS CONCERNING ITS SPECIAL RESERVE BANK ACCOUNT FOR THE EXCLUSIVE BENEFIT OF CUSTOMERS, OBTAINING AND MAINTAINING PHYSICAL POSSESSION AND CONTROL OF FULLY PAID FOR SECURITIES AND EXCESS MARGIN SECURITIES, AND PURCHASING OR RECEIVING SECURITIES SOLD FOR CUSTOMERS; EXCHANGE RULES 345.11,346(f),351(a)(9), AND ENGAGED IN ACTS DETRIMENTAL TO THE INTEREST OR WELFARE OF THE EXCHANGE, BY EMPLOYING A STATUTORILY DISQUALIFIED PERSON; EXCHANGE RULE 342 BY FAILING TO PROPERLY SUPERVISE OR CONTROL ITS BUSINESS ACTIVITIES TO PREVENT SUCH ACTS OR FAILURES TO ACT ----- CONSENT TO CENSURE AND \$20,000 FINE.

Summary: SEE RESULTS

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATION OF SEA REG 240,15C3-3 SECTIONS (E)(G)&(B) BY FUNDING THE SPECIAL RESERVE BANK ACCT. FOR EXCLUSIVE BENEFIT OF CUSTOMERS WITH NON-QUALIFIED NFMA & JUMBO CD IN EXCESS OF APPLICANT THEN



EXCESS NET CAPITAL. SECTIONS (M) & (N) BY NOT RECEIVING SECURITIES SOLD WITHIN 10 DAYS OF OBTAINING AN EXTENSION & IN FOUR INSTANCES RECEIVING AFTER THE EXPR. OF EXT., VIOLATE NYSE RULES BY EMPLOYING AN INDIVIDUAL TO SUPERVISE WHILE INDIVL. SUBJ. TO STAT. DISQUAL. W/O FIRST OBTAINING NYSE APPROVAL. VIOLATE FAILURE TO SUPERVISE AND CONTROL BUSINESS ACTIVITIES TO PREVENT THE RULE VIOLATION.

Initiated By: NEW YORK STOCK EXCHANGE

Date Initiated: 09/12/1991

Docket/Case Number: N/A/

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: DISCIPLINARY PROCEEDINGS

Resolution: Decision

Resolution Date: 09/12/1991

Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered:

Sanction Details: THE APPLICANT WAS CENSURED AND FINED \$20,0000.00.

Disclosure 22 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 06/14/1983

Docket/Case Number: KC-289

Principal Product Type:

Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 09/20/1984

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

Other Sanctions Ordered:

Sanction Details:

Summary: COMPLAINT #KC-289, 6/14/83, DIST. #4, ALLEGING VIOLATIONS OF ARTICLE III, SECTIONS 1 AND 27 OF THE RULES OF FAIR PRACTICE - RESPONDENT MEMBER, ACTING THRU RESPONDENT VIRGIL R. REESE, FAILED TO MAKE A BONA FIDE PUBLIC DISTRIBUTION OF SHARES IN GOTT CORP. STOCK, WHICH SHARES ADVANCED TO AN IMMEDIATE PREMIUM IN THE SECONDARY MARKET IN THAT SHARES WERE SOLD TO A RESTRICTED ACCOUNT IN CONTRAVENTION OF THE B/GS' INTERPRETATION REGARDING FREE-RIDING AND WITHHOLDING; MEMBER, ACTING THRU J. JOSEH SCHLAFLY, FAILED TO PROPERLY SUPERVISE THE SALES OF GOTT CORP. MADE BY REESE TO ENSURE COMPLIANCE WITH THE INTERPRETATION. ****2/11/85, DECISION RENDERED 9/20/84, WHEREIN THE OFFER OF SETTLEMENT SUBMITTED BY RESPONDENTS WAS ACCEPTED; THEREFORE, MEMBER AND REESE ARE CENSURED AND FINED \$5,000, EACH, AND MEMBER AND SCHLAFLY ARE ISSUED A LETTER OF CAUTION AND FINED \$2,500, J&S, REGARDING THE ALLEGATIONS IN THE SECOND CAUSE OF COMPLAINT OF A FAILURE TO PROPERLY SUPERVISE RESPONDENT REESE AND THE MEMBER IS ISSUED A LETTER OF CAUTION REINFORCING THE MEMBER'S NEED TO AGAIN REVIEW THE PROHIBITIONS OF THE FREE-RIDING AND WITHHOLDING INTERPRETATION WITH ITS EMPLOYEES, THIS DECISION TO SERVE AS SUCH LETTERS OF CAUTION. ALL RIGHTS OF APPEAL AND REVIEW HAVE BEEN WAIVED, THIS DECISION WAS FINAL 9/20/84. ***11/7/84, FC# 8886, PAID IN FULL. ***11/7/84, FC# 8888, PAID IN FULL.



Reporting Source: Firm

Current Status: Final

Allegations: APPLICANT & VIRGIL REESE (FORMER EMPLOYEE) WERE FOUND TO HAVE VIOLATED THE NASD RULES OF FAIR PRACTICE FOR FAILURE TO MAKE A BONAFIDE PUBLIC DISTRIBUTION OF SHARES OF GOTT CORP. BY SELLING 10,000 SHARES TO RESTRICTED PERSONS AS DEFINED UNDER NASD RULES. FAILURE TO SUPERVISE THE SALES OF GOTT CORP. STOCK.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 09/20/1984

Docket/Case Number: KC-289

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: COMPLAINT

Resolution: Decision

Resolution Date: 09/20/1984

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

Other Sanctions Ordered: LETTER OF CAUTION.

Sanction Details: APPLICANT AND VIRGIL WERE CENSURED AND FINED \$5000 EACH. APPLICANT AND SCHLAFLY WERE ISSUED LETTER OF CAUTION AND FINED \$2,500 JOINTLY AND SEVERALLY.

Disclosure 23 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 07/29/1976

Docket/Case Number: Unknown

Principal Product Type:

**Other Product Type(s):****Principal Sanction(s)/Relief Sought:****Other Sanction(s)/Relief Sought:****Resolution:** Consent**Resolution Date:** 03/09/1977

Sanctions Ordered: Censure
 Monetary/Fine \$15,000.00
 Disgorgement/Restitution

Other Sanctions Ordered:**Sanction Details:**

Summary: ND 76-147 07/29/76
 REL 34-12667
 PUBLIC PROCEEDINGS ORDERED.
 ND 77-46 03/09/77
 REL 34-13307
 CENSURED, ORDERED TO PAY \$15,000 TO THE PERSON OR ORGANIZATION SELECTED BY THE COMMISSION AND PROVIDING FOR AN UNDERTAKING THAT FIRM WILL REVISE AND AMEND ITS COMPLIANCE PROCEDURES IN A MANNER TO BE AGREED UPON BY FIRM AND THE STAFF OF THE COMMISSION'S CHICAGO REGIONAL OFFICE. PURSUANT TO OFFERS OF SETTLEMENT IN WHICH FIRM CONSENTED TO ORDER WITHOUT ADMITTING OR DENYING THE CHARGES.

Reporting Source: Firm**Current Status:** Final**Allegations:** UNKNOWN**Initiated By:** SECURITIES AND EXCHANGE COMMISSION**Date Initiated:** 03/09/1977**Docket/Case Number:** #77-46**Principal Product Type:** No Product**Other Product Type(s):**



Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: PUBLIC PROCEEDING

Resolution: Consent

Resolution Date: 03/09/1977

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00
Disgorgement/Restitution

Other Sanctions Ordered: REVISE COMPLIANCE PROCEDURES.

Sanction Details: APPLICANT WAS FINED \$15,000 AND AGREED TO REVISE ITS COMPLIANCE PROCEDURES.

Disclosure 24 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 11/13/1975

Docket/Case Number: K-189

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 01/28/1977

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details:

Summary: COMPLAINT #K-189 FILED 11/13/75



DIST. #4
 DECISION 08/04/76: CENSURED; FINED \$25,000; SALES OFFICE
 SUSPENDED FOR 5 DAYS.
 ASSESSED COSTS \$3,747.33 J&S
 09/18/76: TO BE FINAL
 FINES & COSTS 03/10/77 FC# 6756 PD
 03/10/77 FC# 6758 PD
 APPEAL ACTION 08/12/76: APPEALED TO B/G. DBCC DEC. STAYED.
 12/29/76: PENALTIES REDUCED; CENSURED; FINED \$10,000;
 ASSESSED COSTS (DBCC) \$3,747.33 J&S.
 01/28/77: TO BE FINAL
 01/28/77: FINAL

Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED APPLICANT VIOLATED NASD RULES OF FAIR PRACTICE BY RECOMMENDING & CAUSING TO BE EFFECTED TRANS. WHICH WERE UNSUITABLE FOR THE CUSTOMERS INVOLVED. APPLICANT AND GEORGE NEWTON FAILED TO SUPERVISE THE ACTIVITIES OF KINGSLEY O. WRIGHT WHO WAS FOUND TO VIOLATED THE NASD RULES OF FAIR PRACTICE BY ENGAGING IN FRAUD & DECEPT. PRACTICES BY OMITTING TO STATE AND/OR MISSTATING MATERIAL FACT TO PUBLIC CUSTOMERS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 12/29/1976

Docket/Case Number: K-189

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: COMPLAINT

Resolution: Other

Resolution Date: 12/29/1976

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered: GEORGE NEWTON WAS CENSURED. KINGSLEY O. WRIGHT, SR. WAS CENSURED, FINED \$10,000 AND SUSPENDED FOR 90 DAYS.



Sanction Details: APPLICANT WAS CENSURED AND FINED \$10,000. GEORGE A. NEWTON WAS CENSURED. KINGSLEY O. WRIGHT, SR. WAS CENSURED, FINED \$10,000 AND SUSPENDED FOR 90 DAYS.

Disclosure 25 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 02/25/1975

Docket/Case Number: K-183

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 01/18/1976

Sanctions Ordered: Censure

Other Sanctions Ordered:

Sanction Details:

Summary: #K-183 FILED 02/25/75
12/04/75: CENSURED:
ASSESSED COSTS OF \$627.00 EQUALLY.
01/18/76: TO BE FINAL
01/18/76: FINAL
02/03/76: FC# 6448 PAID

Reporting Source: Firm

Current Status: Final

Allegations: APPLICANT VIOLATED NASD RULES REGARDING UNSUITABLE MUTUAL FUND TRANSACTIONS.



Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated: 02/25/1975
Docket/Case Number: K-183
Principal Product Type: Mutual Fund(s)
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought:
Resolution: Decision
Resolution Date: 02/25/1975
Sanctions Ordered: Censure
Other Sanctions Ordered:
Sanction Details: APPLICANT WAS CENSURED.

Disclosure 26 of 42

Reporting Source: Regulator
Current Status: Final
Allegations:
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 07/27/1972
Docket/Case Number: N-V-223
Principal Product Type:
Other Product Type(s):
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Decision
Resolution Date: 08/30/1972
Sanctions Ordered: Monetary/Fine \$25.00

**Other Sanctions Ordered:****Sanction Details:**

Summary: NASDAQ COMPLAINT N-V-223 FILED 07/27/72
 08/30/72: FINED \$25
 09/13/72: PAID
 08/30/72: FINAL

Reporting Source: Firm
Current Status: Final
Allegations: APPLICANT FAILED TO REPORT NASDAQ VOLUME.
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated: 07/27/1972
Docket/Case Number: N-V-223
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought:
Resolution: Other
Resolution Date: 07/27/1972
Sanctions Ordered: Monetary/Fine \$25.00
Other Sanctions Ordered:
Sanction Details: APPLICANT WAS FINED \$25.00.

Disclosure 27 of 42

Reporting Source: Regulator
Current Status: Final
Allegations:
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 11/05/1962



Docket/Case Number: K-37
Principal Product Type:
Other Product Type(s):
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Decision
Resolution Date: 06/13/1983
Sanctions Ordered: Censure
 Monetary/Fine \$1,000.00
Other Sanctions Ordered:
Sanction Details:
Summary: #K-37 FILED 11/05/62
 06/13/63 CENSURED & FINED
 \$1,000 ASSESSED COST OF
 \$105.82. PD. 06/21/83

Reporting Source: Firm
Current Status: Final
Allegations: APPLICANT VIOLATED REGULATION "T" OF THE FEDERAL RESERVE BOARD.
Initiated By: NASD
Date Initiated: 11/05/1962
Docket/Case Number: K-37
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought: FINED \$1,000.00.
Resolution: Other



Resolution Date: 11/05/1962

Sanctions Ordered: Censure
Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: APPLICANT WAS CENSURED AND FINED \$1000.00.

Disclosure 28 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 04/02/1992

Docket/Case Number: CMS920056-AWC

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 06/03/1992

Sanctions Ordered: Monetary/Fine \$250.00

Other Sanctions Ordered:

Sanction Details:

Summary: 6/10/92: MARKET SURVEILLANCE COMMITTEE COMPLAINT
#CMS920056-AWC:

A LETTER OF ACCEPTANCE, WAIVER AND CONSENT FILED APRIL 2, 1992
AGAINST RESPONDENT MEMBER STIFEL, NICOLAUS & COMPANY,
INCORPORATED ALLEGING VIOLATIONS OF PART VI, SECTION 5(a) OF
SCHEDULE D IN THAT THE FOLLOWING RESPONDENTS FAILED TO
REPORT
THEIR NASDAQ VOLUME:



THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT WAS ACCEPTED BY THE MARKET SURVEILLANCE COMMITTEE ON MAY 8, 1992 AND BY THE NATIONAL BUSINESS CONDUCT COMMITTEE ON JUNE 3, 1992. \$250.00 FINE.

\$250.00 PAID ON 6/23/92 INVOICE #92-MS-578

Reporting Source: Firm

Current Status: Final

Allegations: APPLICANT WAS FOUND TO HAVE VIOLATED PART I, SECT. 5(A) OF SCHEDULE D OF THE NASD BY-LAWS BY FAILURE TO REPORT ITS NASDAQ VOLUME IN CERTAIN SECURITIES.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 04/02/1992

Docket/Case Number: AWC PROCEDURE NO. CMS920056 AWC

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: AWC ACTION

Resolution: Other

Resolution Date: 04/02/1992

Sanctions Ordered: Monetary/Fine \$250.00

Other Sanctions Ordered:

Sanction Details: THE APPLICANT WAS FINED \$250.00.

Disclosure 29 of 42

Reporting Source: Regulator

Current Status: Final

Allegations: FAILURE TO SUPERVISE

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 12/03/1991



Docket/Case Number: C04910041

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision & Order of Offer of Settlement

Resolution Date: 07/21/1992

Sanctions Ordered: Censure
Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: **\$5,000.00 PAID ON 8/19/92 INVOICE #92-04-716**

Summary: COMPLAINT NO. C04910041 FILED 12/3/91 BY DISTRICT 4 AGAINST RESPONDENTS STIFEL, NICOLAUS & COMPANY, INC. MIKE KISHENDAS LULLA AND FRANK CLAYTON LESTER, SR. ALLEGING VIOLATIONS OF ARTICLE III, SECTIONS 1, 18, 19 AND 27 OF THE RULES OF FAIR PRACTICE IN THAT RESPONDENT LULLA RECEIVED CHECKS TOTALING \$200,000 FROM A PUBLIC CUSTOMER FOR INVESTMENT PURPOSES WITH RESPONDENT MEMBER, AND INSTEAD, HE DEPOSITED THE FUNDS INTO HIS PERSONAL ACCOUNT AT RESPONDENT MEMBER AND CONVERTED THE FUNDS TO HIS OWN USE AND BENEFIT; RESPONDENT LESTER AIDED AND BETTED RESPONDENT LULLA IN THE AFOREMENTIONED CONVERSION OF CUSTOMER FUNDS; EXECUTED SECURITIES TRANSACTIONS IN THE ACCOUNT OF RESPONDENT LULLA AT RESPONDENT MEMBER WHILE KNOWING THAT THE MONIES IN THE ACCOUNT WERE THOSE OF THE AFOREMENTIONED CUSTOMER; AND, RESPONDENT MEMBER FAILED TO ADEQUATELY AND PROPERLY SUPERVISE RESPONDENT LESTER. DECISION 7/21/92, OFFER OF SETTLEMENT SUBMITTED BY RESPONDENT MEMBER ACCEPTED; THEREFORE, IT IS CENSURED, FINED \$5,000 AND MUST DEMONSTRATE TO THE NASD'S DISTRICT NO. 4 OFFICE WITHIN 60 DAYS FROM THE DATE OF ISSUANCE OF THIS DECISION AND ORDER OF ACCEPTANCE OF OFFER OF SETTLEMENT, THAT IT HAS MODIFIED ITS BRANCH OFFICE OPERATIONAL PROCEDURES TO REQUIRE THAT, PRIOR TO DEPOSITING A CASHIER'S CHECK CREDITING THE ACCOUNT OF A PERSON OTHER THAN THE REMITTER, WRITTEN APPROVAL WILL BE OBTAINED FROM THE REMITTER.

\$5,000.00 PAID ON 8/19/92 INVOICE #92-04-716



Reporting Source: Firm
Current Status: Final
Allegations: ALLEGED APPLICANT VIOLATED ARTICLE III, SEC. 1 AND 27 OF THE RULES OF FAIR PRACTICE IN THAT, PRIOR TO DEPOSITING A CASHIERS CHECK CREDITING THE ACCOUNT OF A PERSON OTHER THAN THE REMITTER, WRITTEN APPROVAL WAS NOT OBTAINED FROM THE REMITTER.
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated: 12/03/1991
Docket/Case Number: CO4910041
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought: COMPLAINT
Resolution: Decision & Order of Offer of Settlement
Resolution Date: 07/21/1992
Sanctions Ordered: Censure
 Monetary/Fine \$5,000.00
Other Sanctions Ordered: AGREED TO MODIFY CERTAIN CHECK HANDLING PROCEDURES.
Sanction Details: APPLICANT CONSENTED TO AN OFFERING SETTLEMENT WHEREBY APPLICANT WAS CENSURED, FINED \$5,0000 AND AGREED TO MODIFY CERTAIN CHECK HANDLING PROCEDURES. THE FINE WAS PAID ON OR ABOUT JULY 21, 1992.

Disclosure 30 of 42

Reporting Source: Regulator
Current Status: Final
Allegations:
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 02/25/1987
Docket/Case Number: KC-371-AWC



Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 02/25/1987

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details:

Summary: ON FEBRUARY 25, 1987, THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. KC-371-AWC (DISTRICT NO. 4) SUBMITTED BY RESPONDENT STIFEL, NICOLAUS & COMPANY, INCORPORATED WAS ACCEPTED; THEREFORE, THE FIRM IS CENSURED AND FINED \$10,000.00 (ARTICLE III, SECTION 1 OF THE RULES OF FAIR PRACTICE - FAILED TO QUALIFY BY EXAMINATION TWO INDIVIDUALS FUNCTIONING IN THE CAPACITY OF PRINCIPALS). ***** \$10,000 PAID 3-11-87.

Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED APPLICANT CONTRAVENED THE PROVISIONS OF SCHEDULE C11 OF THE NASD BY-LAWS, THEREBY VIOLATING ARTICLE III, SECT. I OF THE NASD'S RULES OF FAIR PRACTICE, IN THAT IT FAILED TO QUALIFY BY EXAM ROBERT COCHRANE AND JOSEPH SCHAFLY AS PRINCIPALS WHEN BOTH WERE FUNCTIONING IN CAPACITIES WHICH WOULD REQUIRE THE QUALIFICATIONS.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 02/25/1987

Docket/Case Number: KC-371-AWC

Principal Product Type: No Product

Other Product Type(s):



Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: COMPLAINT

Resolution: Decision

Resolution Date: 02/05/1987

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered:

Sanction Details: APPLICANT WAS CENSURED AND FINED \$10,000.00.

Disclosure 31 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 04/03/1986

Docket/Case Number: MS-300-AWC

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 06/24/1986

Sanctions Ordered: Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details:

Summary: 7/3/86: MARKET SURVEILLANCE COMMITTEE COMPLAINT #MS-300-AWC:

LETTER OF ACCEPTANCE, WAIVER AND CONSENT ISSUED ON APRIL 3,



1986, ALLEGING VIOLATIONS OF PART I, SECTION C.3.(c) OF D OF THE ASSOCIATION'S BY-LAWS IN THAT RESPONDENT FAILED TO REPORT ITS NASDAQ VOLUME IN THREE SECURITIES ON 1/15/86. AWC ACCEPTED BY THE MARKET SURVEILLANCE COMMITTEE ON 5/20/86 AND BY THE NATIONAL BUSINESS CONDUCT COMMITTEE ON 6/24/86.

11/18/86: \$500 FINE PAID 7/16/86

Reporting Source: Firm

Current Status: Final

Allegations: APPLICANT WAS FOUND TO HAVE VIOLATED PART I, SECT. C.3(C) OF SCHEDULE D OF THE NASD BY-LAWS BY FAILURE TO REPORT ITS NASDAQ VOLUME IN CERTAIN SECURITIES.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 04/15/1986

Docket/Case Number: MS-300 AWC

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: AWC ACTION

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 04/15/1986

Sanctions Ordered: Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details: APPLICANT WAS FINED \$500.00 - PAID ON APRIL 15, 1986.

Disclosure 32 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.



Date Initiated: 07/13/1960
Docket/Case Number: K-15
Principal Product Type:
Other Product Type(s):
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Decision
Resolution Date: 08/12/1960
Sanctions Ordered: Censure
 Monetary/Fine \$100.00
Other Sanctions Ordered:
Sanction Details:
Summary: #K-15 FILED 07/13/60
 08/12/60 CENSURE & FINED
 \$100. ASSESSED COST OF \$6.74

Reporting Source: Firm
Current Status: Final
Allegations: VIOLATION OF REGULATION "T" OF THE FEDERAL RESERVE BOARD
Initiated By: NASD
Date Initiated: 07/13/1960
Docket/Case Number: K-15
Principal Product Type: Other
Other Product Type(s): VIOLATION OF REGULATION "T" OF THE FEDERAL RESERVE BOARD
Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:
Resolution: Settled
Resolution Date: 07/13/1960



Sanctions Ordered: Censure
Monetary/Fine \$100.00

Other Sanctions Ordered:

Sanction Details: APPLICANT WAS FINED \$100.00 WHICH WAS PAID 7/13/1960.

Disclosure 33 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 01/27/1986

Docket/Case Number: MS-250-AWC

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 04/01/1986

Sanctions Ordered: Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details:

Summary: MS-250-AWC: LETTER OF ACCEPTANCE, WAIVER AND CONSENT ISSUED ON JANUARY 27, 1986, ALLEGING VIOLATIONS OF PART I, SECTION C.3.(c) OF SCHEDULE D OF THE ASSOCIATION'S BY-LAWS IN THAT RESPONDENT FAILED TO REPORT ITS NASDAQ VOLUME ON APRIL 22, AUGUST 14, SEPTEMBER 26 AND OCTOBER 1, 1985. THE AWC WAS ACCEPTED BY THE MARKET SUREVEILLANCE COMMITTEE ON FEBRUARY 13 AND BY THE NATIONAL BUSINESS CONDUCT COMMITTEE ON APRIL 1, 1986. AMOUNT OF FINE; \$500 ***4/21/86, NFC# 70, PAID IN FULL.



Reporting Source: Firm
Current Status: Final
Allegations: APPLICANT WAS FOUND TO HAVE VIOLATED PART I SEC. C.3(C) OF SCHEDULE D OF THE NASD BY-LAWS BY FAILURE TO REPORT ITS NASDAQ VOLUME IN CERTAIN SECURITIES.
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated: 01/27/1986
Docket/Case Number: MS-250 AWC
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought: AWC ACTION
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 01/27/1986
Sanctions Ordered: Monetary/Fine \$500.00
Other Sanctions Ordered:
Sanction Details: APPLICANT WAS FINED \$500.00

Disclosure 34 of 42

Reporting Source: Regulator
Current Status: Final
Allegations:
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 04/23/1970
Docket/Case Number: K-115
Principal Product Type:
Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision
Resolution Date: 11/03/1971
Sanctions Ordered: Censure
 Monetary/Fine \$1,500.00

Other Sanctions Ordered:

Sanction Details:

Summary: COMPLAINT #K-115 FILED 4/23/70
 DECISION CENSURED AND FINED \$1,500 10-15-70
 ASSESSED \$191.66
 11/13/70 CALLED BEFORE B/G FOR REVIEW. DBCC DEC. STAYED
 B/G DECISION RENDERED 10/4/71. FINDINGS MADE BY DBCC ARE
 AFFIRMED RESPONDENT CENSURED AND FINED \$1,500.ASSESSED
 \$191.66
 TO BE FINAL 11/3/71
 B/G DECISION FINAL 11/3/71
 FINE PAID

Reporting Source: Firm
Current Status: Final
Allegations: APPLICANT VIOLATED NASD RULES REGARDING FREE-RIDING
 INTERPRETATION.
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated: 04/23/1970
Docket/Case Number: K-115
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought:
Resolution: Other



Resolution Date: 04/23/1970

Sanctions Ordered: Censure
Monetary/Fine \$1,500.00

Other Sanctions Ordered:

Sanction Details: APPLICANT WAS CENSURED AND FINED \$1,500.00.

Disclosure 35 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 03/03/1970

Docket/Case Number: K-114

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 11/03/1971

Sanctions Ordered: Censure
Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details:

Summary: COMPLAINT #K-114 FILED 3/3/70
DECISION 10/15/70, RESPONDENT CENSURED AND FINED \$1,000
11/13/70 CALLED BEFORE B/G FOR REVIEW - DBCC DECISION STAYED
10/4/71 B/G DECISION RENDERED. FINDINGS MADE BY DBCC ARE
AFFIRMED BUT PENALTIES ARE INCREASED. RESPONDENT MEMBER IS
CENSURED AND FINED \$1,000. ASSESSED COSTS OF \$191.66
TO BE FINAL 11/3/71
B/G DEC. FINAL 11/3/71
FINE PAID



Reporting Source: Firm

Current Status: Final

Allegations: APPLICANT VIOLATED NASD RULES REGARDING FREE-RIDING INTERPRETATION.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 03/03/1970

Docket/Case Number: K-114

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought:

Resolution: Other

Resolution Date: 03/03/1970

Sanctions Ordered: Censure
Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: APPLICANT WAS CENSURED AND FINED \$1000.00 WHICH WAS PAID ON MARCH 3, 1970.

Disclosure 36 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 03/03/1970

Docket/Case Number: K-106

Principal Product Type:

Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision
Resolution Date: 10/04/1971
Sanctions Ordered: Monetary/Fine \$3,000.00
Other Sanctions Ordered:

Sanction Details:

Summary: COMPLAINT #K-106 FILED 3/3/70
 DECISION 10/15/70 RESPONDENT FINED \$1500
 11/13/70 CALLED BEFORE B/G FOR REVIEW DBCC DEC STAYED
 B/G DECISION RENDERED 10/4/71. FINDINGS MADE BY DBCC ARE
 AFFIRMED BUT PENALTIES ARE INCREASED. RESPONDENT MEMBER
 IS FINED \$3,000.
 FINAL - 11/3/71
 PAID

Reporting Source: Firm
Current Status: Final
Allegations: ALLEGED APPLICANT VIOLATED NASD RULES REGARDING FREE-RIDING INTERPRETATION.
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated: 03/03/1970
Docket/Case Number: K-106
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought:
Resolution: Other
Resolution Date: 03/03/1970



Sanctions Ordered: Monetary/Fine \$3,000.00

Other Sanctions Ordered:

Sanction Details: APPLICANT WAS FINED \$3,000 WHICH WAS PAID ON MARCH 3, 1970.

Disclosure 37 of 42

Reporting Source: Regulator

Current Status: Final

Allegations: NONE

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 02/14/1972

Docket/Case Number: K-144

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 10/28/1973

Sanctions Ordered:

Other Sanctions Ordered:

Sanction Details: NONE

Summary: COMPLAINT #K-144 FILED 2-14-72
10-28-73: FINAL
10-3-73: PAID (FC#5336)

Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED APPLICANT VIOLATED NASD RULES REGARDING FREE-RIDING INTERPRETATION, FAILURE TO REGISTER AN OFFICER AS A PRINCIPAL AND INADEQUATE SUPERVISION.



Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated: 02/14/1972
Docket/Case Number: K-144
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought:
Resolution: Other
Resolution Date: 02/14/1972
Sanctions Ordered: Censure
 Monetary/Fine \$2,500.00
Other Sanctions Ordered:
Sanction Details: APPLICANT WAS CENSURED AND FINED \$2,500.00.

Disclosure 38 of 42

Reporting Source: Regulator
Current Status: Final
Allegations:
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated: 04/08/1969
Docket/Case Number: K-97
Principal Product Type:
Other Product Type(s):
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Decision
Resolution Date: 09/18/1969



Sanctions Ordered: Censure
Monetary/Fine \$6,000.00

Other Sanctions Ordered:

Sanction Details:

Summary: COMPLAINT K-97 FILED 4/8/69
DECISION 8/19/69, MEMBER CENSURED, FINED \$6,000
ASSESSED \$154.45
FINAL 9/18/69

Reporting Source: Firm

Current Status: Final

Allegations: ALLEGED APPLICANT VIOLATED NASD RULES REGARDING FREE-RIDING INTERPRETATION AND VIOLATION OF REGULATION "T" OF THE FEDERAL RESERVE BOARD.

Initiated By: NASD

Date Initiated: 04/08/1969

Docket/Case Number: K-97

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 04/08/1969

Sanctions Ordered: Censure
Monetary/Fine \$6,000.00

Other Sanctions Ordered:

Sanction Details: APPLICANT WAS CENSURED AND FINED \$6,000.00 WHICH WAS PAID ON APRIL 8, 1969.

Disclosure 39 of 42

Reporting Source: Regulator



Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 02/16/1984

Docket/Case Number: KC-296

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 07/31/1984

Sanctions Ordered: Censure
Monetary/Fine \$100.00

Other Sanctions Ordered:

Sanction Details:

Summary: NASD COMPLAINT KC-296, FILED 2/16/84, DIST. 4, ALLEGING VIOLATIONS OF ARTICLE III, SECTION 1 AND 27 OF THE RULES OF FAIR PRACTICE IN THT RESPONDENT MEMBER, DEMANUELE AND SCHLAFLY FAILED TO ADEQUATELY SUPERVISE THE ATIVITIES OF RESPONDENT WOODY. *** DECISION RENDERED JULY 31, 1984, WHEREIN THE OFFER OF SETTLEMENT SUBMITTED BY THE RESPONDENTS WAS ACCEPTED; THEREFORE, RESPONDENTS MEMBER AND WOODY ARE CENSURED AND FINED \$100, JOINTLY AND SEVERALLY (ARTICLE III, SECTION 1 OF THE RULES OF FAIR PRACTICE - RESPONDENT MEMBER, ACTING THROUGH RESPONDENT WOODY, FAILED TO MAKE A BONA FIDE PUBLIC DISTRUCTION OF SHARES OF INTEGRATED SOFTWARE SYSTEMS CORP., WHICH SHARES WENT TO AN IMMEDIATE PREMIUM IN THE SECONDARY MARKET IN THAT SHARES WERE SOLD TO A RESTRICTED ACCOUNT IN CONTRAVENTION OF THE BOARD OF GOVERNORS' INTERPRETATION WITH RESPECT TO FREE-RIDING AND WITHHOLDING). ALLEGATIONS AS CONTAINED IN THE SECOND CAUSE OF



COMPLAINT OF A FAILURE BY THE RESPONDENTS MEMBER, DEMANUELE AND SCHLAFLY TO ADEQUATELY SUPERVISE THE ACTIVITIES OF RESPONDENT WOODY WERE DISMISSED IN THAT THE COMMITTEE DETERMINED THE FINDINGS DID NOT SUPPORT A FINDING OF VIOLATION, THEREFORE, THE COMPLAINT IS DISMISSED WITH REGARD TO RESPONDENTS SCHLAFLY DEMANUELE. AS ALL RIGHTS OF APPEAL AND REVIEW HAVE BEEN WAIVED, THIS DECISION WAS FINAL JULY 31, 1984.

Reporting Source: Firm

Current Status: Final

Allegations: APPLICANT & BERNARD WOODY (FORMER EMPLOYEE) WERE FOUND TO HAVE VIOLATED THE NASD RULES OF FAIR PRACTICE FOR FAILURE TO MAKE A BONAFIDE PUBLIC DISTRIBUTION OF SHARES OF INTERGRATED SOFTWARE SYSTEMS CORP BY SELLING 50 SHARES TO A RESTRICTED PERSON AS DEFINED UNDER NASD RULES.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 07/03/1984

Docket/Case Number: KC-296

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: COMPLAINT

Resolution: Other

Resolution Date: 07/31/1984

Sanctions Ordered: Censure
Monetary/Fine \$100.00

Other Sanctions Ordered:

Sanction Details: APPLICANT AND MR. WOODY WERE CENSURED AND FINED \$100.00 JOINTLY AND SEVERALLY.



Disclosure 40 of 42

Reporting Source: Regulator
Current Status: Final
Allegations:
Initiated By: SECURITIES AND EXCHANGE COMMISSION
Date Initiated: 12/22/1983
Docket/Case Number: Unknown
Principal Product Type:
Other Product Type(s):
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Consent
Resolution Date: 12/22/1983
Sanctions Ordered: Censure
Other Sanctions Ordered:
Sanction Details:
Summary: SEC NEWS DIGEST 12/22/83, ISSUE 83-246. THE COMMISSION HAS ACCEPTED AN OFFER OF SETTLEMENT FROM CARLTON R. JORGENSEN AND STIFEL, NICOLAUS & CO. IN CONNECTION WITH INSTITUTED ADMINISTRATIVE PROCEEDINGS AGAINST THEM.THE COMMISSION HAD ALLEGED THAT JORGENSEN VIOLATED THE ANTIFRAUD PROVISIONS OF THE CT BY EXECUTING UNAUTHORIZED TRADING IN AND CONVERSION OF CUSTOMER ACCOUNTS. THE FIRM WAS ALLEGED TO HAVE FAILED TO PROPERLY SUPERVISE THE AGENT.THE RESPONDENTS, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, CONSENTED TO THE FINDINGS OF VIOLATIONS AS ALLEGED. JORGENSEN CONSENTED TO A BAR IN ALL CAPACITIES AND THE FIRM WAS CENSURED AND ORDERED TO COMPLY WITH CERTAIN UNDERTAKINGS. (REL. 34-20473)

Reporting Source: Firm



Current Status: Final

Allegations: APPLICANT FAILED, WITHIN THE MEANING OF SECT. 15(B)(4)(E) OF THE EXCHANGE ACT, REASONABLY TO SUPERVISE CARLETON R. JORGENSEN, ONE OF IT'S FORMER REGISTERED REPRESENTATIVES.

Initiated By: SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 12/12/1983

Docket/Case Number: FILE NO. 3-6314

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: ADMINISTRATIVE PROCEEDING

Resolution: Decision

Resolution Date: 12/12/1983

Sanctions Ordered: Censure

Other Sanctions Ordered: ORDERED TO ESTABLISH & MAINTAIN WRITTEN PROCEDURES CONCERNING CHECK WITHDRAWALS FROM CUSTOMER ACCOUNTS, AND THE EXECUTION OF TRANSACTIONS IN CUSTOMER ACCOUNTS BY FORMER EMPLOYEES.

Sanction Details: CENSURE AND ORDERED TO ESTABLISH AND MAINTAIN WRITTEN PROCEDURES.

Disclosure 41 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 10/21/1981

Docket/Case Number: K-245

Principal Product Type:

Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision
Resolution Date: 06/23/1983
Sanctions Ordered: Censure
 Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details:

Summary: COMPLAINT K-245 FILED 10/21/81
 DIST. #4
 DECISION 06/23/83: CENSURED AND FINED \$1,000, J&S.
 FINES & COSTS PD IN FULL: FC #8483. 07/12/83

Reporting Source: Firm

Current Status: Final

Allegations: WHEN DIRECTOR OF COMPLIANCE FOR APPLICANT, MR. KIRCHOFF WAS FOUND TO HAVE VIOLATED ART III, SEC 1 & 27 OF THE NASD RULES OF FAIR PRACTICE IN THAT DURING THE PERIOD FROM JANUARY, 1980 THROUGH JUNE, 1981, HE FAILED TO CONDUCT AN INSPECTION OF 5 OFFICES OF SUPERVISORY JURISDICTION ON A TIMELY ANNUAL BASIS AS REQUIRED UNDER THE RULE.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS

Date Initiated: 06/23/1983

Docket/Case Number: K-245

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: COMPLAINT

Resolution: Other

Resolution Date: 06/23/1983



Sanctions Ordered: Censure
Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: APPLICANT AND MR. KIRCHOFF WERE CENSURED AND FINED \$1000 JOINTLY AND SEVERALLY.

Disclosure 42 of 42

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 11/14/1961

Docket/Case Number: K-25

Principal Product Type:

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision

Resolution Date: 05/19/1962

Sanctions Ordered: Censure

Other Sanctions Ordered:

Sanction Details:

Summary: #K-25 FILED 11/14/61
05/19/62 CENSURED

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATION OF NASD RULES REGARDING FREE RIDING INTERPRETATION.

Initiated By: NASD



Date Initiated: 11/14/1961
Docket/Case Number: K-25
Principal Product Type: No Product
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought:
Resolution: Other
Resolution Date: 11/14/1961
Sanctions Ordered: Censure
Other Sanctions Ordered:
Sanction Details: APPLICANT WAS CENSURED.



Civil - Final

This section provides details regarding a final, civil action as reported by the firm and/or a securities regulator to CRD. The event may include an injunction issued by a foreign or domestic court in the last 10 years in connection with investment-related activity, a finding by a domestic or foreign court of a violation of any investment-related statute(s) or regulation(s), or an action dismissed by a domestic or foreign court pursuant to a settlement agreement.

Disclosure 1 of 1

Reporting Source: Regulator

Current Status: Final

Allegations:

Initiated By: SECURITIES AND EXCHANGE COMMISSION

Court Details:

Date Court Action Filed: 08/03/1995

Principal Product Type:

Other Product Types:

Relief Sought:

Other Relief Sought:

Resolution: Consent

Resolution Date: 08/03/1995

Sanctions Ordered or Relief Granted: Monetary/Fine \$250,000.00
Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions:

Sanction Details:

Summary: [TOP] 8/7/95 SEC NEWS DIGEST, ISSUE NO. 95-149, 8/3/95: "CIVIL ACTION AGAINST STIFEL, NICOLAUS AND COMPANY, INC."; SEC FILED A COMPLAINT IN U.S. DISTRICT COURT FOR THE WESTERN DISTRICT OF OKLAHOMA AGAINST STIFEL, NICOLAUS AND COMPANY. STIFEL VIOLATED SECTION 17(a) OF THE SECURITIES ACT, SECTIONS 10(b), 17(a)(1) AND 15B(c)(1) OF THE SECURITIES EXCHANGE ACT AND RULES 10b-5, 17a-3, AND 17a-4 THEREUNDER. STIFEL VIOLATED RULES G-8, G-9 AND G-17 OF THE MUNICIPAL SECURITIES RULEMAKING BOARD. COMPLAINT ALLEGES FROM 1989 TO 1993, STIFEL RECEIVED MILLIONS OF DOLLARS IN UNDISCLOSED PAYMENTS FROM THIRD PARTIES THAT SOLD OR BROKERED INVESTMENTS TO MUNICIPAL ISSUERS AND UNDERMINED



THE INTEGRITY OF THE BIDDING PROCESS SET UP FOR THE PURCHASE OF CERTAIN OF THOSE INVESTMENTS. STIFEL DEFRAUDED INVESTORS BY FAILING TO DISCLOSE THE PAYMENTS, WHICH DEPRIVED INVESTORS OF INFORMATION MATERIAL TO ASSESS THE TAX EXEMPT STATUS OF THE BONDS. COMPLAINT ALLEGES FROM AT LEAST 1990-93, IN CONNECTION WITH THE ISSUE OF CERTIFICATES OF PARTICIPATION FOR THE BENEFIT OF OKLAHOMA SCHOOL DISTRICTS AND COUNTIES, STIFEL PREPARED OR ASSISTED OTHERS IN PREPARING, MATERIALLY OVERSTATED PROJECTED CUMULATIVE CASH FLOW DEFICITS RESULTING IN INFLATED PARTICIPATION AMOUNTS BY THE SCHOOL DISTRICTS AND COUNTIES. STIFEL'S ACTIONS CREATED A RISK THAT BONDS ISSUED WOULD BE DEEMED ARBITRAGE BONDS BY IRS. WITHOUT ADMITTING OR DENYING ALLEGATIONS, STIFEL CONSENTED TO A FINAL JUDGMENT OF PERMANENT INJUNCTION AGAINST VIOLATIONS OF THE PROVISIONS OF THE FEDERAL SECURITIES LAWS CITED ABOVE. HE AGREED TO PAY \$922,741 FOR DISGORGEMENT OF UNDISCLOSED PAYMENTS, PREJUDGMENT INTEREST ON THAT AMOUNT OF \$263,637 AND CIVIL MONEY PENALTY PURSUANT TO SECTION 20(d) OF THE SECURITIES ACT AND SECTION 21(d)(3) OF THE EXCHANGE ACT OF \$250,000. [SEC V. STIFEL, NICOLAUS AND COMPANY, INC., UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF OKLAHOMA, CIVIL ACTION NO. 95-1190] (LR-14587)

Reporting Source: Firm

Current Status: Final

Allegations: STIFEL RECEIVED MONEY IN UNDISCLOSED PAYMENTS FROM THIRD PARTIES THAT SOLD OR BROKERED INVESTMENTS TO MUNICIPAL ISSUERS AND UNDERMINED THE INTEGRITY OF THE BIDDING PROCESS SET UP FOR THE PURCHASE OF CERTAIN OF THOSE INVESTMENTS. DEFRAUDED INVESTORS BY FAILING TO DISCLOSE THE PAYMENTS, WHICH DEPRIVED INVESTORS OF INFO MATERIAL TO ASSESS THE TAX EXEMPT STATUS OF THE BONDS.

Initiated By: SECURITIES AND EXCHANGE COMMISSION

Court Details: U.S. DISTRICT COURT FOR THE WESTERN DISTRICT OF OKLAHOMA, CIVIL ACTION NO. 95-1190

Date Court Action Filed: 08/03/1995

Principal Product Type: Other



Other Product Types: UNKNOWN
Relief Sought: Civil Penalty(ies)/Fine(s)
Other Relief Sought:
Resolution: Consent
Resolution Date: 08/03/1995
Sanctions Ordered or Relief Granted: Monetary/Fine \$250,000.00
Disgorgement/Restitution
Cease and Desist/Injunction

Other Sanctions:

Sanction Details: WITHOUT ADMITTING OR DENYING ALLEGATIONS, STIFEL CONSENTED TO A FINAL JUDGEMENT OF PERMANENT INJUNCTION AGAINST VIOLATIONS OF THE PROVISIONS OF THE FEDERAL SECURITIES LAWS. AGREED TO PAY \$922,741 FOR DISGORGEMENT OF UNDISCLOSED PYAMENTS, PREJUDGEMENT INTREST ON THAT AMOUNT OF \$263,637 AND CIVIL MONEY PENALTY OF \$250,000.

Summary: WITHOUT ADMITTING OR DENYING ALLEGATIONS, STIFEL CONSENTED TO A FINAL JUDGEMENT OF PERMANENT INJUNCTION AGAINST VIOLATIONS OF THE PROVISIONS OF THE FEDERAL SECURITIES LAWS.



Arbitration Award - Award/Judgment

Firms are not required to report arbitration claims filed against them by customers on Form BD; however, FINRA provides summary information regarding FINRA arbitration awards involving securities and commodities disputes between public customers and FINRA-registered firms in this section of the report. Note: An arbitration may contain multiple instances of a certain Relief Type (e.g., Actual/Compensatory Damages) requested by or awarded to one or more Claimants.

The full text of arbitration awards issued by FINRA is available at www.finra.org/awardsonline.

Disclosure 1 of 60

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	NASD
Case Initiated:	06/12/2000
Case Number:	00-01471
Disputed Product Type:	REAL ESTATE INVESTMENT TRUST
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$1,000,000.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$4,000,000.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY
Disposition:	AWARD AGAINST PARTY
Disposition Date:	08/21/2001
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$12,000.00; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; INTEREST, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL



Disclosure 2 of 60

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: ACCOUNT RELATED-FAILURE TO SUPERVISE
Arbitration Forum: NASD
Case Initiated: 09/25/2000
Case Number: [00-04027](#)
Disputed Product Type: REAL ESTATE INVESTMENT TRUST; MUTUAL FUNDS; PREFERRED STOCK; MUNICIPAL BONDS
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$92,125.88 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$3,000.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition: CLOSED-BY HEARING
Disposition Date: 06/12/2002
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 3 of 60

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE
Arbitration Forum: NASD
Case Initiated: 03/02/2001
Case Number: [01-00809](#)
Disputed Product Type: UNKNOWN TYPE OF SECURITIES



Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$225,000.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$500,000.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 12/05/2001

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 4 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT RELATED-TRANSFER

Arbitration Forum: NASD

Case Initiated: 06/19/2002

Case Number: [01-01030](#)

Disputed Product Type: COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$8,221,274.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING



Disposition Date: 06/10/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL

Disclosure 5 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 04/16/2001

Case Number: [01-01128](#)

Disputed Product Type: REAL ESTATE INVESTMENT TRUST; MUTUAL FUNDS; LIMITED PARTNERSHIPS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$400,000.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 TREBLE DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 08/02/2002

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 TREBLE DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;



OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 6 of 60

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-CHURNING; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	NASD
Case Initiated:	05/15/2001
Case Number:	01-02463
Disputed Product Type:	UNKNOWN TYPE OF SECURITIES
Relief Sought:	INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition:	CLOSED-BY HEARING
Disposition Date:	05/31/2002
Relief Awarded:	INTEREST, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 7 of 60

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-CHURNING; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	NASD
Case Initiated:	05/18/2001
Case Number:	01-02611
Disputed Product Type:	UNKNOWN TYPE OF SECURITIES



Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$133,207.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$18,824.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 07/01/2002

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$87,895.14;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$25,000.00;
 ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$35,000.00;
 INTEREST, CLOSED-AWARDED;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$3,802.00;
 OTHER MONETARY RELIEF, CLOSED-AWARDED, AWARD AMOUNT \$300.00

Disclosure 8 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-CHURNING;
 FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 06/07/2001

Case Number: [01-02950](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$11,765,376.95 SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;



ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 10/16/2002

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$2,020,392.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$2,335,626.33;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-AWARDED;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$600.00;
 ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$117,500.00;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 9 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; ACCOUNT RELATED-ERRORS-CHARGES

Arbitration Forum: NASD

Case Initiated: 07/24/2001

Case Number: [01-03867](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$240,256.48 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$135,380.28 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$37,500.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$29,977.16 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY



Disposition Date: 01/10/2003

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$250,256.64;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 10 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 10/11/2001

Case Number: [01-04788](#)

Disputed Product Type: COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$137,328.00 SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$56.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 07/01/2002

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL



Disclosure 11 of 60

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-OMISSION OF FACTS; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT
Arbitration Forum:	NASD
Case Initiated:	11/29/2001
Case Number:	01-06051
Disputed Product Type:	UNKNOWN TYPE OF SECURITIES
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$100,000.01 JOINTLY AND SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$400,000.00 JOINTLY AND SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition:	CLOSED-BY HEARING
Disposition Date:	12/20/2002
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; INTEREST, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 12 of 60

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-CHURNING; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	NASD
Case Initiated:	01/08/2002



Case Number: [02-00017](#)

Disputed Product Type: COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$100,000.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 04/25/2003

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL

Disclosure 13 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-CHURNING; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 02/07/2002

Case Number: [02-00677](#)



Disputed Product Type: OTHER TYPES OF SECURITIES; PREFERRED STOCK; CORPORATE BONDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$300,000.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-STIP. AWARD

Disposition Date: 12/16/2003

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 14 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-CHURNING; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 02/07/2002

Case Number: [02-00678](#)

Disputed Product Type: OTHER TYPES OF SECURITIES; PREFERRED STOCK; CORPORATE BONDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$4,000,000.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY



Disposition: AWARD AGAINST PARTY

Disposition Date: 12/11/2003

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$1,269.00;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 15 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: UNKNOWN TYPE OF CONTROVERSIES

Arbitration Forum: NASD

Case Initiated: 04/27/2002

Case Number: [02-01995](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$47,697.61 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$78,202.08 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$2,237.63 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;



OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$2,911.49 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$2,911.49 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$37,999.43 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 10/24/2003

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$84,720.07;
 INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$11,860.80;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$33,888.03;
 OTHER MONETARY RELIEF, CLOSED-AWARDED, AWARD AMOUNT \$8,221.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 INTEREST, CLOSED-AWARDED;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED;
 OTHER MONETARY RELIEF, CLOSED-AWARDED;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 INTEREST, CLOSED-AWARDED;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED;



OTHER MONETARY RELIEF, CLOSED-AWARDED;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 INTEREST, CLOSED-AWARDED;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED;
 OTHER MONETARY RELIEF, CLOSED-AWARDED;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 INTEREST, CLOSED-AWARDED;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED;
 OTHER MONETARY RELIEF, CLOSED-AWARDED;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 INTEREST, CLOSED-AWARDED;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED;
 OTHER MONETARY RELIEF, CLOSED-AWARDED

Disclosure 16 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-CHURNING;
 FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT
 ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 08/28/2002

Case Number: [02-04886](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$164,981.27
 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$8,982.30 JOINTLY
 AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY

Disposition: CLOSED-BY HEARING



Disposition Date: 03/02/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 17 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT
 ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO
 SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 01/28/2003

Case Number: [03-00495](#)

Disputed Product Type: MUTUAL FUNDS; CORPORATE BONDS; OPTIONS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$1,500,000.00
 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY
 AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY
 AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$1,500,000.00 JOINTLY
 AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 05/28/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD
 AMOUNT \$123,760.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;



PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-AWARDED, AWARD AMOUNT
 \$500.00

Disclosure 18 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-CHURNING; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 02/11/2003

Case Number: [03-00840](#)

Disputed Product Type: REAL ESTATE INVESTMENT TRUST; MUTUAL FUNDS; LIMITED PARTNERSHIPS; COMMON STOCK

Relief Sought: INTEREST, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: CLOSED-STIP. AWARD

Disposition Date: 08/26/2004

Relief Awarded: INTEREST, CLOSED-DENIED IN FULL

Disclosure 19 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-OMISSION OF FACTS; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 03/21/2003

Case Number: [03-01862](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES



Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$460,522.00 SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 08/26/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$200,000.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 20 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 10/27/2003

Case Number: [03-02782](#)

Disputed Product Type: COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$612,692.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-STIP. AWARD

Disposition Date: 10/27/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 21 of 60



Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 08/21/2003

Case Number: [03-05952](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$1,000,000.00 SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$2,500,000.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 06/10/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$25,000.00;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 22 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 09/26/2003



Case Number: [03-06829](#)

Disputed Product Type: REAL ESTATE INVESTMENT TRUST; MUTUAL FUNDS; PREFERRED STOCK; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 12/21/2004

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$34,081.66;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 23 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-MARGIN CALLS; ACCOUNT RELATED-COLLECTION

Arbitration Forum: NASD

Case Initiated: 10/28/2003

Case Number: [03-07535](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$13,125.31 SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 09/27/2004



Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 24 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 11/26/2003

Case Number: [03-07712](#)

Disputed Product Type: COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$1,680,000.00 SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 04/11/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$129,694.52;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-AWARDED;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$4,500.00;
INTEREST, CLOSED-AWARDED

Disclosure 25 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT



Arbitration Forum: NASD
Case Initiated: 01/29/2004
Case Number: [04-00479](#)
Disputed Product Type: UNKNOWN TYPE OF SECURITIES
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$275,000.00 SEVERALLY
Disposition: AWARD AGAINST PARTY
Disposition Date: 12/23/2004
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$53,846.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$13,594.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$82,596.00;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$9,939.00;
 OTHER MONETARY RELIEF, CLOSED-AWARDED, AWARD AMOUNT \$300.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$82,596.00

Disclosure 26 of 60

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT RELATED-ERRORS-CHARGES
Arbitration Forum: NASD
Case Initiated: 09/28/2004



Case Number: [04-01386](#)

Disputed Product Type: MUTUAL FUNDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$30,954.96 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 07/28/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 27 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-UNSUITABILITY; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 04/28/2004

Case Number: [04-03049](#)



Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$150,000.00 SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$350,000.00 SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 05/26/2005

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$30,000.00;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$30,000.00;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 28 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS; ACCOUNT RELATED-FAILURE TO SUPERVISE

Arbitration Forum: NASD

Case Initiated: 12/08/2004

Case Number: [04-04334](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$1,336,218.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;



OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 01/06/2006

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 29 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-MARGIN CALLS; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 06/23/2005

Case Number: [05-01072](#)

Disputed Product Type: PREFERRED STOCK; STOCK INDEX FUTURES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$1,277,759.70 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 10/08/2007

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;



OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 30 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 10/19/2005

Case Number: [05-05315](#)

Disputed Product Type: ANNUITIES

Relief Sought: PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$304,062.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 12/13/2006

Relief Awarded: PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 31 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT



Arbitration Forum: NASD
Case Initiated: 03/27/2006
Case Number: [06-01538](#)
Disputed Product Type: UNKNOWN TYPE OF SECURITIES
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$186,040.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition: CLOSED-BY HEARING
Disposition Date: 05/30/2007
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 32 of 60

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT
Arbitration Forum: NASD
Case Initiated: 03/27/2006
Case Number: [06-01539](#)
Disputed Product Type: UNKNOWN TYPE OF SECURITIES
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$51,868.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;



ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 04/24/2007

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 33 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; FRAUDULENT
 ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF
 FACTS; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 06/05/2006

Case Number: [06-02174](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$200,000.00
 SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 04/30/2007

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD
 AMOUNT \$90,000.00;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL



Disclosure 34 of 60

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-OMISSION OF FACTS; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	NASD
Case Initiated:	05/31/2007
Case Number:	07-01495
Disputed Product Type:	ANNUITIES
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$300,000.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY
Disposition:	AWARD AGAINST PARTY
Disposition Date:	03/23/2009
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$220,944.00; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; INTEREST, CLOSED-AWARDED; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 35 of 60

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-OTHER
Arbitration Forum:	NASD
Case Initiated:	06/13/2007



Case Number: [07-01785](#)
Disputed Product Type: OPTIONS
Relief Sought: OTHER MONETARY RELIEF, ASKED AMOUNT \$25,000.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$425.00 SEVERALLY
Disposition: AWARD AGAINST PARTY
Disposition Date: 11/28/2007
Relief Awarded: OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$212.50

Disclosure 36 of 60

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF
 FIDUCIARY DT; UNKNOWN TYPE OF CONTROVERSIES; FRAUDULENT
 ACTIVITY-UNSUITABILITY
Arbitration Forum: FINRA
Case Initiated: 10/26/2007
Case Number: [07-02976](#)
Disputed Product Type: UNKNOWN TYPE OF SECURITIES
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$100,000.00
 SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY
Disposition: CLOSED-BY HEARING
Disposition Date: 09/15/2008
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL



Disclosure 37 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: FINRA

Case Initiated: 04/16/2008

Case Number: [08-01099](#)

Disputed Product Type: CORPORATE BONDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 03/27/2009

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; INTEREST, CLOSED-DENIED IN FULL; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; ATTORNEY'S FEES, CLOSED-DENIED IN FULL; OTHER COSTS, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 38 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: FINRA

Case Initiated: 04/22/2008

Case Number: [08-01168](#)



Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$50,000.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 04/08/2009

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL

Disclosure 39 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: FINRA

Case Initiated: 06/05/2008

Case Number: [08-01561](#)

Disputed Product Type: MUTUAL FUNDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$8,882.51 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY PAPERS

Disposition Date: 01/02/2009

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL



Disclosure 40 of 60

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY
Arbitration Forum:	FINRA
Case Initiated:	07/17/2008
Case Number:	08-02376
Disputed Product Type:	REAL ESTATE INVESTMENT TRUST; COMMON STOCK
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$260,000.00 SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; SPECIFIC PERFORMANCE; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; SPECIFIC PERFORMANCE; INTEREST, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY
Disposition:	AWARD AGAINST PARTY
Disposition Date:	03/25/2009
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$151,422.61; ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL; SPECIFIC PERFORMANCE, CLOSED-DENIED IN FULL; INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$0.01; OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$6,505.00; PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL; OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;



ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 SPECIFIC PERFORMANCE, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-AWARDED;
 OTHER COSTS, CLOSED-AWARDED;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$300.00;
 OTHER COSTS, CLOSED-AWARDED

Disclosure 41 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: FINRA

Case Initiated: 11/19/2008

Case Number: [08-04259](#)

Disputed Product Type: COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$5,000.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 04/29/2009

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$4,803.71;
OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$175.00

Disclosure 42 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-MARGIN CALLS;
FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated:



Case Number: [88-02061](#)

Disputed Product Type: OPTIONS

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$46,700.88 SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$46,700.88 SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$46,700.88 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$46,700.88 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 05/23/1989

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$19,010.72;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$24,473.96;
INTEREST, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$2,034.40;
INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$2,800.00;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 43 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-CHURNING; FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF



FACTS; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 01/01/1988

Case Number: [88-02407](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$75,000.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 03/05/1990

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL

Disclosure 44 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT

Arbitration Forum: NASD

Case Initiated: 10/12/1990

Case Number: [90-02417](#)

Disputed Product Type:

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$5,000.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY PAPERS

Disposition Date: 02/04/1991

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL



Disclosure 45 of 60

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	FRAUDULENT ACTIVITY-MISREPRESENTATION; UNKNOWN TYPE OF CONTROVERSIES
Arbitration Forum:	NASD
Case Initiated:	11/26/1990
Case Number:	90-02624
Disputed Product Type:	COMMON STOCK; UNKNOWN TYPE OF SECURITIES
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$22,119.46 JOINTLY AND SEVERALLY
Disposition:	CLOSED-BY HEARING
Disposition Date:	05/31/1991
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 46 of 60

Reporting Source:	Regulator
Type of Event:	ARBITRATION
Allegations:	ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT
Arbitration Forum:	NASD
Case Initiated:	04/23/1993
Case Number:	93-01268
Disputed Product Type:	UNKNOWN TYPE OF SECURITIES
Relief Sought:	ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$140,466.00 SEVERALLY; OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 SEVERALLY; ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY; OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY
Disposition:	AWARD AGAINST PARTY
Disposition Date:	02/09/1994
Relief Awarded:	ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD



AMOUNT \$140,000.00;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$200.00

Disclosure 47 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 06/22/1993

Case Number: [93-02125](#)

Disputed Product Type: MUTUAL FUNDS; CORPORATE BONDS; LIMITED PARTNERSHIPS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$337,470.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 10/31/1995

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 48 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-OTHER

Arbitration Forum: NASD



Case Initiated: 06/09/1994
Case Number: [94-00615](#)
Disputed Product Type: UNKNOWN TYPE OF SECURITIES
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$20,000.00 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition: CLOSED-BY HEARING
Disposition Date: 03/13/1996
Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 49 of 60

Reporting Source: Regulator
Type of Event: ARBITRATION
Allegations: FRAUDULENT ACTIVITY-OMISSION OF FACTS; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-UNSUITABILITY; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING
Arbitration Forum: NASD
Case Initiated: 09/27/1994
Case Number: [94-03774](#)
Disputed Product Type: COMMON STOCK
Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$175,000.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY
Disposition: AWARD AGAINST PARTY



Disposition Date: 09/23/1996

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$187,245.43;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$10,000.00;
INTEREST, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 50 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-UNSUITABILITY; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 01/04/1996

Case Number: [95-06055](#)

Disputed Product Type: OPTIONS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$20,000.00 SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 11/01/1996

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$12,177.85;
INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$6,079.51;
OTHER COSTS, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$7,300.00

Disclosure 51 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION



Allegations: ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY; FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 01/26/1996

Case Number: [95-06072](#)

Disputed Product Type: MUNICIPAL BONDS

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$114,901.00 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 07/10/1997

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL

Disclosure 52 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 01/11/1996

Case Number: [95-06095](#)

Disputed Product Type: OPTIONS; COMMON STOCK



Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$50,000.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 07/09/1997

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$25,882.10;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTORNEY'S FEES, CLOSED-DENIED IN FULL;
 ACTORNEY'S FEES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 53 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-BREACH OF CONTRACT; FRAUDULENT ACTIVITY-OMISSION OF FACTS; FRAUDULENT ACTIVITY-UNSUITABILITY;



FRAUDULENT ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 01/24/1996

Case Number: [96-00213](#)

Disputed Product Type: MUTUAL FUNDS; COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$29,516.71 JOINTLY AND SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$3,817.93 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 09/30/1996

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$2,199.03;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
INTEREST, CLOSED-AWARDED, AWARD AMOUNT \$439.81;
OTHER COSTS, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$1,500.00

Disclosure 54 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-OMISSION OF FACTS

Arbitration Forum: NASD

Case Initiated: 04/04/1996

Case Number: [96-01332](#)

Disputed Product Type: COMMON STOCK



Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$7,554.25 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$8,586.87 JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$54,284.22 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 11/25/1996

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL

Disclosure 55 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 02/06/1997

Case Number: [96-04068](#)

Disputed Product Type: COMMON STOCK

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$9,000.00 SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 11/25/1997

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL

Disclosure 56 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; ACCOUNT RELATED-TRANSFER



Arbitration Forum: NASD

Case Initiated: 11/09/1996

Case Number: [96-04344](#)

Disputed Product Type: OTHER TYPES OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$180,000.00 SEVERALLY;
ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 12/16/1997

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$20,000.00;
ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 57 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; EXECUTIONS-FAILURE TO EXECUTE;



ACCOUNT RELATED-FAILURE TO SUPERVISE; FRAUDULENT
ACTIVITY-UNAUTHORIZED TRADING

Arbitration Forum: NASD

Case Initiated: 01/16/1997

Case Number: [96-04961](#)

Disputed Product Type: OPTIONS

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$61,324.06 JOINTLY AND SEVERALLY;
INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$75,000.00 JOINTLY AND SEVERALLY;
OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 09/08/1997

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD AMOUNT \$9,657.00;
INTEREST, CLOSED-AWARDED;
PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
OTHER COSTS, CLOSED-AWARDED, AWARD AMOUNT \$750.00;
ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 58 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT; FRAUDULENT ACTIVITY-OTHER; FRAUDULENT ACTIVITY-UNSUITABILITY

Arbitration Forum: NASD

Case Initiated: 01/06/1997

Case Number: [96-05765](#)

Disputed Product Type: LIMITED PARTNERSHIPS

Relief Sought: OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND



SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$37,000.00
 JOINTLY AND SEVERALLY;
 OTHER NON-MONETARY RELIEF JOINTLY AND SEVERALLY;
 PUNITIVE/EXEMPLARY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND
 SEVERALLY

Disposition: AWARD AGAINST PARTY

Disposition Date: 07/14/1997

Relief Awarded: OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD
 AMOUNT \$35,000.00;
 OTHER NON-MONETARY RELIEF, CLOSED-DENIED IN FULL;
 PUNITIVE/EXEMPLARY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 59 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: FRAUDULENT ACTIVITY-MISREPRESENTATION; ACCOUNT
 RELATED-FAILURE TO SUPERVISE; FRAUDULENT
 ACTIVITY-UNSUITABILITY; FRAUDULENT ACTIVITY-UNAUTHORIZED
 TRADING

Arbitration Forum: NASD

Case Initiated: 03/20/1998

Case Number: [98-00948](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$316,385.28
 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY
 AND SEVERALLY;



ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER COSTS, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 OTHER MONETARY RELIEF, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY

Disposition: CLOSED-BY HEARING

Disposition Date: 01/18/1999

Relief Awarded: ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 ACTUAL/COMPENSATORY DAMAGES, CLOSED-DENIED IN FULL;
 OTHER COSTS, CLOSED-DENIED IN FULL;
 INTEREST, CLOSED-DENIED IN FULL;
 ATTORNEY'S FEES, CLOSED-DENIED IN FULL;
 OTHER MONETARY RELIEF, CLOSED-DENIED IN FULL

Disclosure 60 of 60

Reporting Source: Regulator

Type of Event: ARBITRATION

Allegations: ACCOUNT RELATED-NEGLIGENCE; FRAUDULENT ACTIVITY-BRCH OF FIDUCIARY DT

Arbitration Forum: NASD

Case Initiated: 11/19/1998

Case Number: [98-04233](#)

Disputed Product Type: UNKNOWN TYPE OF SECURITIES

Relief Sought: ACTUAL/COMPENSATORY DAMAGES, ASKED AMOUNT \$138,018.00 JOINTLY AND SEVERALLY;
 INTEREST, ASKED AMOUNT \$0.00 JOINTLY AND SEVERALLY;
 ATTORNEY'S FEES, ASKED AMOUNT \$20,000.00 JOINTLY AND SEVERALLY

Disposition: AWARD AGAINST PARTY



Disposition Date:

12/03/1999

Relief Awarded:

ACTUAL/COMPENSATORY DAMAGES, CLOSED-AWARDED, AWARD
AMOUNT \$61,000.00;
INTEREST, CLOSED-AWARDED;
ATTORNEY'S FEES, CLOSED-AWARDED, AWARD AMOUNT \$20,000.00



Civil Bond

This section provides details regarding a civil bond as reported by the firm to CRD. The event may include bonds that have been denied, paid, or revoked by a bonding company.

Disclosure 1 of 2

Reporting Source: Firm

Policy Holder: STIFEL, NICOLAUS & CO., INC.

Bonding Company Name: LLOYDE OF LONDON

Disposition: Payout

Disposition Date: 01/01/1993

Payout Details: \$298,483.58 ON JULY 19, 1993.

Summary: ALLEGED FRAUDULENT OR DISHONEST ACTS OF A FORMER INVESTMENT EXECUTIVE.

Disclosure 2 of 2

Reporting Source: Firm

Policy Holder: STIFEL, NICOLAUS & CO., INC.

Bonding Company Name: U.S.F. & G.

Disposition: Payout

Disposition Date: 11/04/1977

Payout Details: \$132,828.24 WAS PAID ON 11/4/1977.

Summary: OUR BONDING COMPANY PAID A CLAIM OF \$132,828.24 ARISING OUT OF FRAUDULENT OR DISHONEST ACTS OF DONALD R. JACKSON, OUR FORMER TREASURER.



About this BrokerCheck Report

BrokerCheck reports are part of a FINRA initiative to disclose information about FINRA-registered firms and individual brokers to help investors determine whether to conduct, or continue to conduct, business with these firms and brokers. The information contained within these reports is collected through the securities industry's registration and licensing process.

Who provides the information in BrokerCheck?

Information made available through BrokerCheck is obtained from the Central Registration Depository (CRD®) as reported through the industry registration and licensing process.

The forms used by brokerage firms, to report information as part of the firms registration and licensing process, Forms BD and BDW, are established by the Securities and Exchange Commission (SEC) and adopted by all state securities regulators and self-regulatory organizations (SROs). FINRA and the North American Securities Administrators Association (NASAA) establish the Forms U4 and U5, the forms that are used for the registration and licensing process for individual brokers. These forms are approved by the SEC. Regulators report disciplinary information for firms and individual brokers via Form U6.

How current is the information contained in BrokerCheck?

Brokerage firms and brokers are required to keep this information accurate and up-to-date (typically not later than 30 days after learning of an event). BrokerCheck data is updated when a firm, broker, or regulator submits new or revised information to CRD. Generally, updated information is available on BrokerCheck Monday through Friday.

What information is NOT disclosed through BrokerCheck?

Information that has not been reported to CRD or that is not required to be reported through the registration and licensing process, is not disclosed through BrokerCheck. Examples of events that are not required to be reported or are no longer reportable include: judgments and liens originally reported as outstanding that have been satisfied and bankruptcy proceedings filed more than 10 years ago. Conversely, certain customer complaint information that is not required to be reported may be disclosed provided certain criteria are met.

Additional information not disclosed through BrokerCheck includes Social Security Numbers, residential history information, and physical description information. On a case-by-case basis, FINRA reserves the right to exclude information that contains confidential customer information, offensive and potentially defamatory language or information that raises significant identity theft or privacy concerns that are not outweighed by investor protection concerns. FINRA Rule 8312 describes in detail what information is and is not disclosed through BrokerCheck.

Under FINRA's current public disclosure policy, in certain limited circumstances, most often pursuant to a court order, information is expunged from CRD. Further information about expungement from CRD is available in FINRA notices 99-09, 99-54, 01-65, and 04-16 at www.finra.org.

For further information regarding FINRA's BrokerCheck program, please visit FINRA's Web site at www.finra.org/brokercheck or call the FINRA BrokerCheck Hotline at (800) 289-9999. This hotline is open Monday through Friday from 8:00 a.m. to 8:00 p.m., Eastern Time (ET).

For more information about the following, select the associated link:

- About BrokerCheck Reports: http://www.finra.org/brokercheck_reports
- Glossary: http://www.finra.org/brokercheck_glossary
- Questions Frequently Asked about BrokerCheck Reports: http://www.finra.org/brokercheck_faq
- Terms and Conditions: <http://brokercheck.finra.org/terms.aspx>