

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Robert M. Cochran

Case No. 00-00558

Name of Respondents

Stifel, Nicolaus & Co., Inc.; and
Bryan Cave, LLP

REPRESENTATION OF PARTIES

Claimant Robert M. Cochran ("Cochran") was represented by Ben L. Krage, Esq., Krage & Janvey, L.L.P., located in Dallas, Texas.

Respondent Stifel, Nicolaus & Co., Inc. ("Stifel") was represented by Dennis M. Kelleher, Esq., James R. Carroll, Esq. and Stacie L. Fatka, Esq. of the firm of Skadden, Arps, Slate, Meagher & Flom LLP, located Boston, Massachusetts.

Respondent Bryan Cave, LLP ("Bryan Cave") was represented by John Gianoulakis, Esq. and Lisa Pake, Esq. of the firm of Kohn, Shands, Elbert, Gianoulakis & Giljum, LLP located in St. Louis, Missouri.

CASE INFORMATION

Statement of Claim filed on or about: February 8, 2000.

Cochran signed the Uniform Submission Agreement: February 29, 2000.

Statement of Answer filed by Stifel on or about: May 12, 2000.

Stifel signed the Uniform Submission Agreement: March 9, 2000.

Statement of Answer filed by Bryan Cave on or about: May 11, 2000.

Bryan Cave signed the Uniform Submission Agreement: May 6, 2000.

Stifel's Motion for Summary Judgment filed on or about: November 4, 2000.

Bryan Cave's Joinder in Respondent Stifel's Motion for Summary Judgment filed on or about:

November 6, 2000.

Cochran's Response to Respondents' Motion for Summary Judgment filed on or about:

December 1, 2000.

Stifel's Reply in Further Support of its Motion for Summary Judgment filed on or about:

December 19, 2000.

Bryan Cave's Reply to Claimant's Opposition to the Motion for Summary Judgment filed on or about: December 21, 2000.

CASE SUMMARY

Cochran asserted the following causes of action: breach of contract and breach of fiduciary duty. In addition, Cochran reserved the right to bring a fraud claim. The causes of action relate to allegations that Respondents violated a joint defense agreement, the attorney-client relationship and the fiduciary relationship between the parties by divulging confidential information to attorneys for the United States and FBI agents. This information resulted in Cochran's indictment on 21 criminal counts, including alleged mail fraud. Cochran was subsequently acquitted of 14 counts, the remaining 7 counts were reversed on appeal, and the effective judgment of acquittal became final.

Unless specifically admitted in its Answer, Stifel denied the allegations made in the Statement of Claim and asserted the following defenses:

1. Cochran's Claim fails to state a claim upon which relief can be granted;
2. Cochran's demand for attorneys' fees fails to state a claim upon which relief may be granted;
3. Cochran's demand for punitive damages fails to state a claim upon which relief may be granted;
4. This action is barred because Cochran has not been caused any damage by any conduct of Stifel;
5. This action is barred by the doctrine of collateral estoppel because the issue of whether there was a breach of the Agreements by Stifel and/or Bryan Cave was already conclusively litigated by Cochran in United States v. Cochran, Case No. CR-95-128-T (W.D. Okla.) on April 1-3, 1996. In its Order dated April 4, 1996, the District Court held that Cochran had failed to meet his burden of proving that there had been any breach of the Agreements;
6. This action is barred because Stifel has not breached a duty owed to Cochran;
7. The action is barred by the doctrines of waiver, estoppel and laches;
8. This action is barred by the doctrine of unclean hands;
9. This action is barred, in whole or in part, by the applicable statutes of limitation;
10. This action is barred due to illegality; and,
11. This action is barred because Cochran has failed to pay a prior NASD Award, dated October 8, 1996, rendered against him and in Stifel's favor, In Re Arbitration Between Stifel, Nicolaus & Co. v. Cochran, No. 95-05021 (NASD Oct. 8, 1996)(Nixon, Arb.).

Unless specifically admitted in its Answer, Bryan Cave denied the allegations made in the Statement of Claim and asserted the following defenses:

1. Cochran's claims are barred by a lack of causation;
2. Cochran's demand for attorneys' fees fails to state a claim upon which relief may be granted;
3. Cochran's demand for punitive damages fails to state a claim upon which relief may be granted;
4. The Claim is barred because Bryan Cave was acting at all times as a disclosed agent for Stifel, with Cochran's knowledge and consent, and as counsel for Stifel has no independent liability to Cochran;
5. The Claim is barred due to Cochran's failure to mitigate his damages;
6. The Claim is barred because the parties waived, abandoned and rescinded the contracts upon which Cochran seeks to recover by mutual agreement; and,
7. Count II of the Claim is barred by the applicable statutes of limitations.

RELIEF REQUESTED

Cochran requested compensatory damages of \$16,100,000.00 plus pre-judgment interest at the highest legal rate, punitive damages of up to twice the amount of the actual damages, reasonable attorneys' fees, costs and such other relief as justice requires.

Stifel requested that an order be entered dismissing the Statement of Claim with prejudice, awarding Stifel the costs and fees of defending the action and granting such other relief as may be deemed just and proper.

Bryan Cave requested that the claim be denied.

OTHER ISSUES CONSIDERED AND DECIDED

On March 29, 2001, the panel initially determined that Respondents' Motion for Summary Judgment was denied. However, the panel reconsidered the motion and on or about March 30, 2001, the panel determined that it would hear argument on the motion at the beginning of the hearing of April 3, 2001. After hearing argument, the panel determined that the Respondents' Motion for Summary Judgment was granted and the claims were denied.

On April 5, 2001, Cochran requested that the panel provide a reasoned decision. After review of the request and all responses, the panel determined that the motion was denied.

AWARD

After considering the pleadings and the arguments presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The Respondents' Motion for Summary Judgment is granted and the claims are

hereby dismissed with prejudice;

2. The parties shall bear their own costs of arbitration, including any attorneys' fees, except for those sums specifically enumerated in this award; and,
3. Any relief not specifically awarded is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 600.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the event giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$ 3,600.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$ 5,000.00

Adjournment Fees

Adjournments requested during these proceedings: None.

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$ 1,200.00	= \$ 1,200.00
Pre-hearing conference: September 13, 2000 1 session	
One (1) Hearing sessions x \$ 1,200.00	= \$ <u>1,200.00</u>
Hearing Date: April 3, 2001 1 session	
Total Forum Fees	= \$ 2,400.00

The Panel has assessed \$ 2,400.00 of the forum fees to Claimant Robert M. Cochran.

FEES SUMMARY

Claimant Robert M. Cochran is solely liable for:

Initial Filing Fee	= \$ 600.00
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<u>Forum Fees</u>	= \$ 2,400.00
Total Fees	= \$ 3,000.00
<u>Less payments</u>	= \$ 1,800.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,200.00

Respondent Stifel, Nicolaus & Co., Inc. is solely liable for:

Member Fees	= \$ 9,200.00
<u>Less payments</u>	= \$ 4,200.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 5,000.00

All balances are due and payable to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Joan W. Fox - Non-Public, Presiding Chair
Albert Shawe Watkins, Esq. - Public Arbitrator
Mark R. Lee - Public Arbitrator

Concurring Arbitrators' Signatures

Joan W. Fox
Non-Public Arbitrator, Presiding Chair

Signature Date

Albert Shawe Watkins, Esq.
Public Arbitrator

Signature Date

Mark R. Lee
Public Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)

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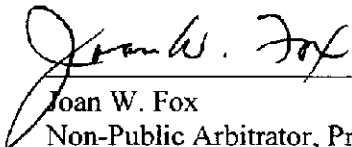
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6/5/01
Signature Date

Albert Shawe Watkins, Esq.
Public Arbitrator

Signature Date

Mark R. Lee
Public Arbitrator

Signature Date

6-8-01
Date of Service (For NASD-DR office use only)

NASD Dispute Resolution, Inc.

Arbitration No. 00-00558

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Public Arbitrator

Signature Date

Mark R. Lee

Mark R. Lee
Public Arbitrator

MAY 22, 2001

Signature Date

6-8-01

Date of Service (For NASD-DR office use only)