

**AWARD**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Name of Claimant

Leslie C. Lawrence

vs.

Case Number: 05-05315  
Hearing Site: Chicago, Illinois

Names of Respondents

Stifel, Nicolaus & Company, Inc.  
and Todd A. Rinderer

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**NATURE OF THE DISPUTE**

Customer vs. Member and Associated Person

**REPRESENTATION OF PARTIES**

Leslie C. Lawrence ("Claimant") was represented by Sean Keane, Esq., Simmons Cooper LLC, East Alton, Illinois.

Stifel, Nicolaus & Company, Inc. ("Stifel") and Todd A. Rinderer ("Rinderer"), hereinafter collectively referred to as "Respondents," were represented by M. Jane Matoesian, Esq., Greensfelder, Hemker & Gale, P.C., St. Louis, Missouri.

**CASE INFORMATION**

The Statement of Claim was filed on or about October 14, 2005. The Submission Agreement of Claimant, Leslie C. Lawrence, was signed on or about August 22, 2005. Claimant's Amended Statement of Claim was filed on or about July 5, 2006.

The Motion to Strike, Motion for a More Definite Statement of Claim, and Answer was filed jointly by Respondents on or about December 28, 2006. The Submission Agreement of Stifel was signed on or about December 22, 2006, by David H. Minnick. The Submission Agreement of Rinderer was signed on or about December 2, 2006. Respondents' Answer to the Amended Statement of Claim was filed on or about July 12, 2006.

Respondents filed a Motion to Sever on or about December 8, 2005. A Response in Opposition was filed on or about January 10, 2006.

Claimant's Objection to and Response to Respondents' Motion to Strike and Motion for a More Definite Statement was filed on or about April 26, 2006. Respondents' Reply to Claimant's Objection to and Response to Motion to Strike and for More Definite Statement was filed on or about May 5, 2006. Claimant's Objection to Respondents' Reply Brief was filed on or about May 10, 2006.

### **CASE SUMMARY**

Claimant asserted the following causes of action: breach of fiduciary duty; breach of contract; violation of the Illinois Consumer Fraud and Deceptive Business Practice Act; violation of the Illinois Securities Law of 1953; and negligence. The causes of action related to Claimant's allegations regarding Respondents' recommendations and Claimant's purchase of various unspecified equity-based investments, including a Pacific Life Variable Annuity. Claimant asserted that Respondent Rinderer did not allocate Claimant's account appropriately for Claimant's investment needs.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimant's Statement of Claim fails to state a claim for which relief may be granted; Claimant ratified the alleged conduct about which he complains, and therefore his claims are barred; and Claimant specifically authorized the alleged conduct about which he complains, and therefore, his claims are barred.

### **RELIEF REQUESTED**

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$ 304,062.00
Exemplary/Punitive Damages	Unspecified
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondents requested that the claims asserted against them be dismissed in their entirety, that they be awarded their costs and attorneys' fees, and that Respondent Rinderer's CRD record be expunged of all references to this matter.

### **OTHER ISSUES CONSIDERED & DECIDED**

In its Order entered on or about March 3, 2006, the Panel granted Respondents' Motion to Sever. The claims of John Selby, Samson H. Sparks, and Vicky L. Sparks were severed from this matter. The Panel retained jurisdiction solely over the claims of Leslie Lawrence in this matter.

In its Order entered on or about June 5, 2006, the Panel granted Respondents' Motion to Strike and Denied Respondents' Motion for More Definite Statement of Claim.

At the beginning of the hearing on December 4, 2006, Respondents moved for dismissal based upon the statute of limitations. The Panel denied the motion on the record.

After the parties' presentation of the evidence, Respondents moved for a directed verdict. The Panel denied the motion on the record.

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

### **AWARD**

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

- 1.) Claimant's claims, each and all, are hereby denied and dismissed with prejudice;
- 2.) The Panel recommends the expungement of all references to the above captioned arbitration from Respondent, Todd A. Rinderer's, registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Rinderer must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the Panel has made the following affirmative findings of fact:

The claim, allegation, or information is false.

- 3.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 4.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial Claim filing fee = \$ 375.00

#### **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 events giving rise to the dispute. In this matter, the member firm is Stifel, Nicolaus & Company, Inc.

Member surcharge = \$ 2,250.00  
Pre-hearing process fee = \$ 750.00  
Hearing process fee = \$ 4,000.00

#### **Forum Fees and Assessments**

The Panel has assessed forum fees for each hearing session conducted or each decision rendered on a discovery-related motion on the papers. A 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) Decision on discovery-related motions on the papers  
with one (1) arbitrator @ \$200.00 = \$ 200.00  
Respondents submitted one (1) discovery-related motion

Three (3) Pre-hearing sessions with Panel x \$1,200.00 = \$ 3,600.00  
Pre-hearing conferences: February 27, 2006 1 session  
March 3, 2006 1 session  
May 25, 2006 1 session

Six (6) Hearing sessions x \$1,125.00 = \$ 6,750.00  
Hearing Dates: December 4, 2006 2 sessions  
December 5, 2006 2 sessions  
December 6, 2006 2 sessions

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Total Forum Fees = \$ 10,550.00

The Panel has assessed \$10,550.00 of the forum fees to Leslie C. Lawrence.

### **FEE SUMMARY**

Claimant, Leslie C. Lawrence, is liable for:

Forum Fees	= \$ 10,550.00
Total Fees	= \$ 10,550.00
Less payments	= \$ 1,200.00
Balance Due NASD Dispute Resolution	= \$ 9,350.00

Claimants, Leslie C. Lawrence, John Selby, Samson H. Sparks, and Vicky L. Sparks are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Total Fees	= \$ 375.00
Less payments	= \$ 375.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Stifel, Nicolaus & Company, Inc., is liable for:

Member Fees	= \$ 7,000.00
Total Fees	= \$ 7,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

### **ARBITRATION PANEL**

Gary D. Krueger - Public Arbitrator, Presiding Chair  
Richard Elden Weber, II, Esq. - Public Arbitrator  
Hiram A. Evans, CPA, Esq. - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

/s/ Gary D. Krueger  
Gary D. Krueger  
Public Arbitrator, Presiding Chair

12/12/06  
Signature Date

/s/ Richard Elden Weber, II, Esq.  
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/s/ Hiram A. Evans, CPA, Esq.  
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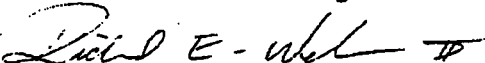
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