

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Mannie Neri

91-00082

Name of Respondents

Stifel, Nicolaus & Company, Inc.
Charles W. Schweizer
Sue Ellen Jefferis Valentine
Steven Jefferis

REPRESENTATION

For Claimant: James G. DiStefano, Esq.

For all Respondents: C. Wayne Primm, Esq. and Ellen E. Bonacorsi, Esq. of
Coburn, Croft & Putzell.

CASE INFORMATION

Statement of Claim filed: January 8, 1991.

Joint Statement of Answer of all Respondents filed: April 23, 1991.

Submission Agreements signed:

Mannie Neri ("Neri"): September 25, 1990.
Stifel, Nicolaus & Company, Inc. ("Stifel"): April 23, 1991.
Charles W. Schweizer ("Schweizer"): April 23, 1991.
Sue Ellen Jefferis Valentine ("Valentine"): May 1, 1991.
Steven Jefferis ("Jefferis"): April 29, 1991.

HEARING INFORMATION

Hearing Dates/Sessions: September 24, 1991/ 2 sessions.
September 25, 1991/ 1 session.

Hearing Location: Albany, NY--Holiday Inn Hotel.

CASE SUMMARY

Claimant, Neri, alleged that the Respondents, Stifel, Schweizer, Valentine, and Jefferis, induced him to invest his Keogh Plan in the Investment Portfolios, Inc. Mutual Fund (the "Fund"), and that he was advised by Valentine that no commissions would be charged on this purchase. Neri alleged that he was in fact charged a 12b-1 fee of 1.25% for each year that he held the Fund.

Respondents denied all allegations of wrongdoing, and contended that Neri had full responsibility for directing the investment of all amounts in his Keogh account. Respondents further contended that Neri made the decision to invest in the Fund, and that he did so after he fully informed himself of the charges involved by reading the prospectus and through his discussions with Valentine where she discussed the same charges. Schweizer and Jefferis also moved to dismiss the claims made against them since both had no direct involvement with the transactions giving rise to this action.

RELIEF REQUESTED

Neri requested actual damages of \$13,124.76, plus interest, punitive damages of \$2,000,000.00, plus costs and attorney's fees.

Respondents requested dismissal of all claims made against them, plus costs and attorneys' fees. In addition, Schweizer and Jefferis made a specific request for attorneys' fees and costs of \$5,000.00.

AWARD

After considering the pleadings, the testimony, the evidence presented at the hearing and the post-hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. At the conclusion of Neri's case, Respondents Schweizer and Jefferis renewed their motions to dismiss. These motions were granted. Therefore, Schweizer and Jefferis were dismissed, with prejudice, from this proceeding.
2. All claims against Respondents Valentine and Stifel be and hereby are dismissed in their entirety.
3. Neri be and hereby is liable and shall pay to Schweizer and Jefferis the total sum of Five Thousand Dollars and No Cents (\$5,000.00), with no interest. This amount shall represent the costs and fees Schweizer and Jefferis had to incur in defending this action.
4. Neri be and hereby is liable and shall pay to Valentine the sum of One Thousand Dollars and No Cents (\$1,000.00), with no interest. This amount shall represent the costs and fees Valentine had to incur defend this action.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:

3 sessions x \$1,000.00 per session = \$3,000.00

The NASD shall retain the \$1,250.00 previously deposited by Neri-- \$250.00 of which represents the requisite non-refundable claim filing fee and \$1,000.00 shall be applied toward the forum fees. In addition, Neri be and hereby is liable and shall pay to the NASD the sum of \$2,000.00 to represent the remainder of the forum fees due and owing.

Concurring Arbitrators' Signatures

/s/
Carl W. Engstrom, Esq. (Public Arbitrator)

/s/
Sheri Lynn Ackerman-Dwyer (Public Arbitrator)

/s/
Irving D. Fish, Jr. (Industry Arbitrator)

Date of Decision: October 08, 1991

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Concurring Arbitrators' Signatures


Carl W. Engstrom, Esq.

Date: 9/30/91

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Sheri Lynn Ackerman-Dwyer (Public Arbitrator)

Date: 10/3/91

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Irving D. Fish, Jr. (Industry Arbitrator)

Date: