



Our History

IN THE HEART OF ST. LOUIS SINCE 1890

STIFEL



SOWING THE SEEDS

Photo courtesy of Missouri History Museum, St. Louis.

IN 1890,

Benjamin Altheimer and Edward Rawlings forged a partnership for the purpose of “doing a general securities business,” sowing the seeds for what we know today as Stifel. Success was quick for the firm, despite the fact that the business was started during a tumultuous period when many of the country’s banks and businesses were failing.

Seven years after Altheimer and Rawlings formed their partnership, Herman Charles Stifel was brought in as Treasurer. He would chart the firm’s success for the first 40 years of the 20th century with his simple, honest belief of “safeguarding the money of others as if it were your own.”

That steadfast principle helped the firm and its clients successfully navigate early challenges and continues to guide us today.



Herman C. Stifel



Henry J. Nicolaus

Henry J. Nicolaus and his son, Louis J. Nicolaus, joined the company in 1910.

In 1917, the firm was named Stifel Investment Company, and in 1923, it was renamed Stifel, Nicolaus Investment Company.

1890 Benjamin Altheimer
and Edward Rawlings
form partnership

1897 Herman Stifel joins
firm as treasurer

1920s



1910 Henry J. Nicolaus and son, Louis J. Nicolaus, join company

1917 Firm named Stifel Investment Company



Arnold G. Stifel



Louis J. Nicolaus

many of St. Louis' leading companies, including A.E. Staley, Emerson Electric, Scullin Steel, and St. Louis Car. Other successes boosted the firm. For example, Stifel arranged a \$33 million refunding loan for The Republic of Bolivia in 1929, becoming the first North American firm outside

of New York to provide underwriting activities on behalf of a South American country.

Arnold G. Stifel, son of Herman C. Stifel, joined the firm in the early 1900s. Arnold Stifel brought high visibility to the firm through his strong political ties and friendships with prominent figures, such as Herbert Hoover. His belief in building long-term business relationships continues to characterize Stifel today. The younger Stifel again brought well-deserved publicity and business to the firm by participating in the first commercial airline flight from St. Louis to Chicago in 1928.

With the stock market nearing its peak, Stifel roared to success in the '20s. A staunch supporter of the city of its birth, the firm provided financing and innovative underwriting activities for

When Black Tuesday signaled an end to the Roaring '20s, Stifel stood strong in an industry that saw dozens of competitors fall victim to the difficulties of the Depression. Stifel had met the challenges of the time by responding with innovative financing projects and techniques.

A knack of picking winners also became apparent during the decade. For instance, Stifel was the driving force in gaining financing for a company called Marland Oil, in Ponca City, Oklahoma.

Marland later merged with Continental Oil — which ultimately became Conoco.



1923 Firm becomes Stifel, Nicolaus Investment Company

1928 Arnold G Stifel participates in first commercial flight from St. Louis to Chicago

1930 & 1940s

MIDWEST STOCK EXCHANGE
ORGANIZED 1889

AN ASSOCIATION OF MEMBERS, WHOSE
OBJECT IS TO ESTABLISH AND CONDUCT
A MARKET FOR LISTED SECURITIES WHERE
HIGH STANDARDS OF COMMERCIAL HONOR
AND INTEGRITY ARE MAINTAINED AND JUST
AND EQUITABLE PRINCIPLES OF TRADE AND
BUSINESS PREVAIL.

THIS CERTIFICATE OF MEMBERSHIP IS ISSUED TO

JOHN W. BUNN

OF
COMPANY, INCORPORATED

1931

Stifel opens first branch
in Chicago

Stifel, Nicolaus 50th Anniversary

Stifel, Nicolaus & Co., yesterday observed its fiftieth anniversary. The firm's headquarters, on the third floor of Boutin's Bank Building, received felicitations, including many floral tributes, from various parts of the country.

Established February 19, 1890, as Altholmer & Rawlings, the name was changed to the present style in 1915. Two of its founders, Herman O. Stifel and Henry Nicolaus, have since been succeeded by their sons, Arnold G. Stifel, who is president, and Louis J. Nicolaus who is vice president. L. M. Forster, J. D. Murphy, Tuthill Ketchum and Frank V. Bowen are vice presidents, the latter three at the Chicago branch office, and John Niemoeller is secretary-treasurer.

The Chicago office was opened in November of 1931, when many businesses generally was contracting instead of expanding.

Stifel, Nicolaus & Co.'s name has been prominent in a number of civic development projects here as well as in other parts of the United States. Together with associates, it purchased in 1909 \$3,000,000 St. Louis municipal bridge bonds and in March, 1915, \$2,750,000 of the same obligation, making possible the completion of the Municipal Free Bridge. In 1930, the firm formed the Greater St. Louis Corporation for the purpose of purchasing \$22,000,000 benefit judgments from the City of St. Louis in order to facilitate the public improvements involving the widening of the principal downtown streets in St. Louis, while in May, 1936, the company purchased the Jefferson National Expansion Memorial bonds.

In January, 1936, Stifel, Nicolaus & Co., Inc., headed the syndicate which successfully consummated the refunding program for Cook County (Chicago), and the Cook County Forest Preserve District, involving a total refunding and underwriting of about \$60,000,000.

Innovation indeed was evident in 1930, when trying times for St. Louis required even greater creative response. Stifel succeeded by proposing the formation of a financing company to purchase necessary properties needed for improvement projects in the city. The firm was praised for its new ideas and its civic spirit and leadership.

Perhaps the most poignant indicator of the firm's optimism and success during the economically depressed '30s was the opening of a branch office in Chicago, the firm's first office outside of St. Louis.

Change came suddenly when Herman Stifel's death marked the beginning of the '40s, and in January of 1941, Arnold Stifel resigned. Louis was appointed chairman. Though the events closed a significant chapter in the firm's history, the legacy left by the Stifels is a lasting one.



Soon the firm would celebrate its 50th anniversary, along with the formation of the Midwest Stock Exchange. With its large number of specialist "books" and membership on the Board of Directors, Stifel played an important role in the prosperity of the Midwest Stock Exchange, the forerunner to the Chicago Stock Exchange.

1940 Firm celebrates
50th anniversary



1950 & 1960s

1957 Stifel underwrites the
Mackinac Bridge project

Stifel, Nicolaus Becomes Member Of N. Y. Exchange

Stifel, Nicolaus and Company has been admitted to membership on the New York Stock Exchange, according to dispatches from New York late yesterday.

This corporation, which also has membership on the American Stock Exchange (associate), and the Midwest Stock Exchange, was established here in 1890.

Long active in municipal bonds, as well as general investments, it maintains an active trading department and deals in unlisted securities, having extensive private wires facilities.

Its New York correspondent house is Hayden, Stone and Company.

The New York Stock Exchange membership is in the name of John W. Bunn, vice president.

Louis J. Nicolaus, headquartered in the St. Louis office, is chairman of the board of the company. Its Chicago office is headed by Joseph D. Murphy, president.

E. William Darmstatter, vice president, and Fred S. Kelly, secretary and treasurer, are officers in the St. Louis quarters.

While maintaining an active retail brokerage for individual investors, Stifel also became a pioneer in municipal underwriting. Recognizing growth opportunities in the automobile industry and envisioning a profitable role for investment bankers in financing turnpikes and bridges (previously dominated by the government), Stifel's reputation grew substantially. Municipal projects included financing turnpikes in Pennsylvania, Connecticut, Massachusetts, Kansas, Kentucky, and Maine. The firm's innovative and impressive municipal projects also included the Mackinac Bridge in Michigan, which opened to traffic on November 1, 1957.

The '50s also were witness to a significant milestone: On October 3, 1958, Stifel was admitted to membership on the New York Stock Exchange.

The '60s included the 75th anniversary of the firm, which now was strengthening its regional presence by expanding into a number of new states. As air travel gained in popularity in the 1950s, engineers and investment bankers rekindled relationships, and Stifel became a forerunner in providing revenue bond financing for airport improvements. With its strong Chicago presence and tradition of service dating back to the 1930s, Stifel was selected to underwrite \$25 million in O'Hare Airport bonds in 1961.

Soon, it was time again for the firm to defy the difficulties of the industry. The late '60s were volatile times for securities firms, especially following the industry's "paper jam" in 1968. As technology failed to meet demands, half the industry dropped out or merged. Stifel again survived and prospered.



1958

Stifel admitted to membership on the New York Stock Exchange

1961

Stifel underwrites \$25 million in O'Hare Airport bonds



1970 & 1980s

1979

George H. (Bert) Walker III, who joined the firm in 1976, becomes president and chief executive officer

1981

Acquisition of Altorfer, Podesta and Woolard



George H. Walker III

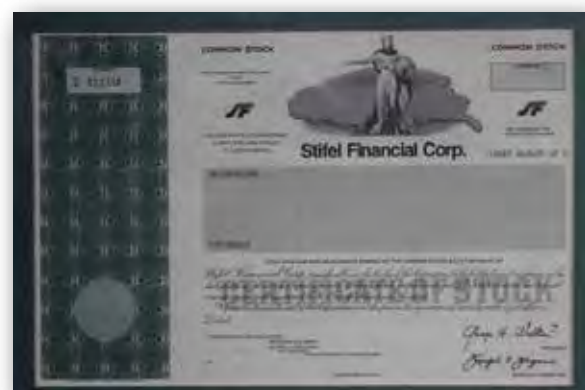
Between 1972 and 1982, another 50 percent of the industry dropped out. Stifel, however, was growing again. In the early '70s, the firm grew from 13 offices to 23 offices in a territory spanning from Mount Vernon, Ohio, on the east, Denver on the west, Milwaukee on the north, and Memphis on the south.

The firm's associates benefitted from the company's innovation too. In the '70s, Stifel instituted one of the first Employee Stock Ownership Plans. The firm earlier was a pioneer in employee benefits in 1954, when it established one of the industry's first profit sharing plans.

In 1976, George H. (Bert) Walker III joined the Stifel family to head up corporate finance. A man of charisma and integrity, Walker had a strong presence in the St. Louis community, having previously held the positions of senior vice president and director at G.H. Walker, Laird, which was the successor to G.H. Walker & Co., founded by his grandfather in 1900. In 1979, Walker was elected president and chief executive officer of Stifel, and he was appointed chairman in 1982.

Under Walker's leadership during the '80s, Stifel again more than doubled its number of offices and became a publicly owned corporation. The firm renamed its holding company Stifel Financial Corp. and, in July of 1983, offered its own stock to the public for the first time.

The offering came on the heels of several important acquisitions. The acquisition of Altorfer, Podesta and Woolard in 1981 broadened Stifel's presence in Chicago, which grew even stronger with the 1982 acquisition of Bacon Whipple. Established in 1926, Bacon Whipple was long regarded as one of the dominant regional firms headquartered in Chicago, and now Stifel was a major force in the Windy City. Also during Walker's tenure as chairman, Stifel acquired Hendrick Uργο, a Chicago private banking firm, in 1983. That same year, the firm underwent further restructuring at its corporate headquarters in St. Louis. Under Walker's leadership, Stifel became increasingly recognized as a growing force in the national underwriting business and in bringing companies public.



1982

Acquisition of Bacon Whipple

1983

- Acquisition of Hendrick Uργο
- Stifel goes public under holding company Stifel Financial Corp.



1985

- Acquisition of Scherck, Stein & Franc, Inc.
- Elliot H. Stein becomes chairman of Stifel Financial Corp.

In 1985, Stifel announced the largest merger ever involving two St. Louis brokerage firms when it acquired Scherck, Stein & Franc, Inc. Elliot H. Stein, chairman of Scherck, Stein & Franc, became chairman of Stifel Financial Corp. until 1988, when Walker resumed the position. In the closing years of the '80s, Stifel was strengthened with the acquisition of certain assets of Rowland, Simon & Co. L.P. With its acquisition of Rowland, Simon & Co., Stifel significantly increased its large market share in St. Louis and bolstered its presence in central and southern Illinois.

A longtime supporter of various civic and charitable organizations in the St. Louis region, Walker broadened his dedication to public service by entering the international scene in 2003, when he was nominated by President George W. Bush to serve as Ambassador to Hungary.



Elliot H. Stein

Gears For Future On Eve of 100th Birthday

By William D. Bowden

From its start as a "general securities business", the firm opened new vistas

On the eve of its centennial anniversary, **Stifel, Nicolaus & Co.** continues to broaden the scope of its operating network with constantly improving service for a growing number of clients. Among its latest moves is a transfer of its Chicago branch operations from the fifth floor to the 23rd floor at its 135 S. LaSalle Street quarters. The new facilities will be equipped with state-of-the-art equipment for fast, efficient service to clients. This further strengthens the firm's position as one of the leading regional firms in the Chicago market.

Also, in a major expansion move, Stifel, Nicolaus is acquiring Novartis, a division of Ciba-Geigy, a result, it is expected, will be the largest sales force in the St. Louis area and has more deeply entrenched its position in southern Illinois.

Stifel, Nicolaus which dates back to a partnership founded in 1890, entered the Chicago market in 1931 through a wholly-owned subsidiary with total capitalization of \$10,000. This grew into a multi-million dollar corporation before merging back into the St. Louis-based parent in 1958. That same year, the firm was admitted to New York Stock Exchange membership.

Further expansion of the Chicago operations was achieved with the acquisition in 1981 of Altorfer, Podesta & Woolard. And, the 1982 acquisition of Bacon, Whipple & Co. established Stifel as a major force in the Windy City's

"Stifel has built its reputation established by Stifel, Nicolaus—'safeguarding others as if it is your own'." Stifel, Nicolaus vice president branch manager O. Brow stated. "This continues to be the operating principle."

From its start as a "general securities business", the firm opened new vistas of operation of Herman C. Stifel, Nicolaus. After the stock market crash of 1929, the firm's special markets during the era of peace and prosperity. Profitable stock market opened the door to new sources, increased its resources, increased its reach, further extend its international community.

Among its many achievements during the decade of the 1980s, A.E. Staley Company, Maloney Electric (both now part of Stifel, Nicolaus), Steel, Hussman, part of I.C. Industries, Century Electric, Sash & Door, and Louis Car Co.

Management primarily commencing its birth, the firm's operations were not limited to the U.S." In 1981, Spencer Trask, ranged a \$33, for Bolivia (the on behalf of a that involved



Ronald J. Kruszewski

The 1990s began with Stifel celebrating its 100th anniversary. The final decade of the 20th century marked a new era of technology, modernization, and commitment to success for both clients and the firm.

With the emergence of the Internet, the '90s provided new opportunities for Stifel. In 1996, Stifel established its presence on the World Wide Web (www.stifel.com), providing clients with real-time account information as well as valuable tools and resources. And in 1998, the firm received recognition for its implementation of industry-leading computer technology, providing associates and clients the most immediate market data and the flexibility to use that information.

[Leading the Firm Into the 21st Century](#)

As technology was changing the face of business in the 1990s, Ronald J. Kruszewski, who joined the firm in 1997 as president and chief executive officer, stood poised to lead Stifel into the new millennium. Kruszewski held extensive experience in the investment banking and brokerage industries and had advised several financial institutions on strategic initiatives. His innovative spirit and fresh perspective helped bring about dramatic changes to the firm.

In 2001, Kruszewski accepted the chairman's gavel. With a new management team in place, Stifel's Private Client Group nearly doubled in size over a five-year period, in number of financial advisors as well as number of offices, allowing Stifel to become a well-known institution in a number of Midwestern states. This substantial growth can be attributed to Stifel's core business philosophy.

A Simple Strategy for Complex Times

Stifel's clear and focused "Of Choice" strategy helped it avoid the muddled vision that many other investment firms were experiencing in the late 1990s and clearly defined the firm to clients, associates, and shareholders. The objective of the "Of Choice" strategy is to become the Firm of Choice for employees, the Advisor of Choice for clients, and the Investment of Choice for shareholders. This message, which now serves as a mission statement and foundation for the firm's core beliefs, can be explained further:



To Our Associates – Current and future, our commitment is to provide an entrepreneurial environment that encourages unconfined, long-term thinking. We seek to reward hard-working team players that devote their energy and attention to client needs. At work, at home, and in the communities, we seek to be the Firm of Choice.

To Our Shareholders – Small and large, our commitment is to create value and maximize your return on investment through all market cycles. By achieving the status of Firm of Choice for our professionals and Advisor of Choice for our clients, we are able to deliver value to our shareholders as their Investment of Choice.

To Our Clients – Individual, institutional, corporate, and municipal, our commitment is to listen and consistently deliver innovative financial solutions. Putting the welfare of clients and community first, we strive to be the Advisor of Choice in the industry. Pursuit of excellence and a desire to exceed clients' expectations are the values that empower our Company to achieve this status.

1996 Stifel establishes presence on the internet

1997 Ronald J. Kruszewski joins firm as president and chief executive officer

An Organization Led by Clients

Another unique philosophy that helped ensure the future success of Stifel was a new and different type of organizational chart, one that placed clients at the top. At Stifel, it is firmly believed that it is the clients, and those individuals who most closely serve them, who determine the ultimate success of a firm. Therefore, following the firm's clients at the top of the organizational chart are the associates with the strongest relationships to them.

In the 1990s, as many investment firms were consolidating and becoming impersonal and bureaucratic, Stifel maintained its personal approach, offering each and every client dedicated, individual service, no matter what their account size or net worth. During the bear market of the early 2000s, Stifel managed to continue to grow through the addition of new offices and new associates, an accomplishment that would be envied by some of the largest firms on Wall Street that, during the same time period, were cutting staff and closing low-producing branch offices.

Because of the success Stifel experienced in the 1990s, associates of the firm were drawn, by a sense of pride and faith in the firm, to take on a substantial percentage of the firm's ownership. As Stifel continues to grow, the percentage of associates who are major shareholders of the firm has grown as well.



1998

Firm recognized for implementation of industry-leading technology



CONTINUED GROWTH AND COMMITMENT

2000 Acquisition of Hanifen, Imhoff Inc.

2001 Ronald J. Kruszewski becomes chairman of Stifel Financial Corp.

Thanks to a combination of organic growth and a number of significant acquisitions since 2005, Stifel has transformed itself from a regional brokerage firm into one of the nation's leading full-service wealth management and investment banking firms. Through recruiting new advisors as well as merging with strategic partners, Stifel continuously positions itself to take advantage of opportunities to reach new clients and markets.

Stifel's commitment to its "Of Choice" strategy has made it an increasingly attractive option for talented, driven financial advisors. These successful advisors recognize that Stifel's entrepreneurial culture offers less bureaucracy, along with the ability to serve their clients as they see fit, and they've played a major role in the firm's growth trajectory.

And while many firms have struggled to integrate and capitalize on acquisitions, Stifel has established a successful track record in this regard by seeking out strategically, culturally compatible partners that add shareholder value within a reasonable period of time.

Stifel's acquisitions have expanded the firm's size, scope, and resources, bringing the firm hundreds of financial advisors and making it an industry leader in equity research. And while Stifel has bolstered its quantity of research, it has never lost focus on quality. Stifel's investment in research has also provided the foundation for its growth in equity origination and advisory services.

As Stifel has grown as a company, it has recognized the need to become more relevant to its clients and the markets it serves. In exploring expansion opportunities, Stifel understands that size alone does not add value, but quality people and capabilities do.

2005 & Beyond

Beginning with a transformational acquisition of Legg Mason Capital Markets in December 2005, Stifel has continually positioned itself to take advantage of opportunities, as outlined on page 21.



OUR LEADERSHIP



Herman C. Stifel
Founder



Henry J. Nicolaus
Founder



Arnold G. Stifel
Chairman
1933-1941



Louis J. Nicolaus
Chairman
1941-1971



George A. Newton
Chairman
1972-1982



George H. Walker III
Chairman
1982-2001



Ronald J. Kruszewski
Chairman
2001-Present



Thomas W. Weisel
Co-Chairman
2010-Present

OUR SERVICES

Annuities | Variable, Immediate, Fixed Indexed, and Fixed

Asset Allocation

Cash Management | Check Writing | Debit Card

Electronic Money Transfer (eMoney)

Bill Payment Services | Stifel Mobile

Stifel Access (Online account access)

College Planning | 529 College Savings Plans

Education Savings Accounts

Common Stocks

Consulting Services (Fee-Based Programs)

Corporate Executive Services

Cashless Stock Option Exercise

Control and Restricted Stock Transactions

Rule 10b5-1 Plans

Equity Line of Credit

Estate Planning

Exchange Traded Funds and Notes

Financial Planning

Fixed Income Investments | Certificates of Deposit

Collateralized Mortgage Obligations (CMOs)

Corporate Bonds | Government and Agency Securities

Municipal Bonds

Insurance | Small Business Owner Needs

Disability Insurance (Individual and Group)

Life Insurance (Individual and Business Policies)

Long-Term Care Insurance

Investment Banking

IRAs | Traditional, Roth, and Rollovers

Managed Money

Mutual Funds

Options

Preferred Stocks

Public Finance

Research

Retirement Planning

Retirement Plans | 401(k) Plans | 403(b) Plans

Profit Sharing Plans | Money Purchase Plans | SEP IRAs

SIMPLE IRAs | Defined Benefit Plans

Syndicate Offerings

Tax Planning

Unit Investment Trusts

Stifel Bank & Trust | Mortgage Lending

Securities-Based Lending

Stifel Trust | Trust Management and Administration

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2005



– Acquired Legg Mason Capital Markets, more than doubling the Company's capital markets operations and broadening the Company's industry footprint.

2006



– Acquired the Miller Johnson Steichen Kinnard private client group.

2007



– Acquired Ryan Beck Holdings, Inc.
– Acquired First Service Financial Company and its subsidiary, First Service Bank, which was renamed Stifel Bank & Trust.

2008



– Acquired Butler Wick & Company, Inc.

2009



Acquired 56 branches from the UBS network.

2010



– Acquired Missouri Valley Partners
– Acquired Thomas Weisel Partners Group, Inc., furthering the mission of building the premier middle-market investment bank

2011



Acquired Stone & Youngberg LLC

2012



– Acquired Miller Buckfire

2013



– Merged with Keefe Bruyette & Woods (KBW)
– Acquired U.S. and European institutional fixed income sales and trading team from Knight Capital Group, Inc.
– Acquired Ziegler Lotsoff Capital Management, LLC
– Stifel Bank & Trust acquired Acacia Federal Savings Bank

2014



– Acquired De La Rosa & Co.
– Acquired Oriental Securities
– Acquired Legg Mason Investment Counsel & Trust Co., renamed 1919 Investment Counsel
– Acquired Merchant Capital, LLC

2015



– Acquired Sterne Agee
– Acquired Barclays Wealth and Investment Management, Americas

2016



– Acquired Eaton Partners
– Stifel Nicolaus Europe Limited acquired ISM Capital LLP

2017



– Acquired City Financial Corporation
– Announced agreement to acquire Ziegler Wealth Management

Today, Stifel is the nation's 7th largest full-service investment firm, in terms of number of advisors, providing securities brokerage, investment banking, trading, investment advisory, and related financial services to individual investors, professional money managers, businesses, and municipalities.

STIFEL

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