

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Connie Galpin

93-04320

Name of Respondents

Berthel Fisher & Company Financial Services Inc.
Craig Halfpop

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on October 19, 1993, Claimant Connie Galpin, through her counsel, Martin Petersen, Esq. of the firm Klinkenborg, Hansmann & Mansheim, Parkersburg, IA, alleged that Respondent Craig Halfpop, through the Respondent firm Berthel Fisher & Company Financial Services, Inc. recommended to the Claimant that she purchase investments such as Inland Land appreciation fund, a Delaware LP, Gemini Equipment XIII Partners, a Florida LP & VMS Strategic Land Fund II, a Delaware Corp., qualifying as a Real Estate Investment Trust, which were unsuitable for the Claimant and not in accordance with her investment objectives. The Claimant further alleged that the Respondents negligently and intentionally misrepresented to the Claimant the nature and risks of the Limited Partnerships and Real Estate Investment Trust Investments. The Claimant contended that she has suffered damages due to the wrongdoing of the Respondents, and that, therefore they should be held liable in this matter.

Respondents Berthel Fisher & Company Financial Services, Inc. and Craig Halfpop, through their counsel, Brian L. Campbell, Esq. of Bradshaw, Fowler, Proctor & Fairgrage, PC, Des Moines, IA, maintained that they deny all allegations of wrongdoing, that no fraudulent misstatements were made, and that no misrepresentations were made regarding the investments in question. The Respondents further maintained that Respondent Craig Halfpop reviewed the prospectus for each direct investment with the Claimant prior to selling the investment; and thus the Claimant was aware of any risks disclosed in each investment prospectus. The Respondents also maintained that the investments made by the Claimant were suitable, since she was sold a diversified portfolio which was intended to generate income for reinvestment. Respondents Berthel Fisher & Company Financial Services, Inc. and Craig Halfpop contended that they committed no wrongdoing, and that therefore the claims against them should be dismissed.

RELIEF REQUESTED

Claimant Connie Galpin requested \$4,000.00 in actual damages, plus interest at 7 % per year, less the market value of the investments at the time of the award, in addition to \$5,000.00 for costs and attorney's fees. The Claimant also requested an unspecified amount of punitive damages.

Respondents Berthel Fisher & Company Financial Services, Inc. and Craig Halfpop requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Alan M. Anderson, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on October 15, 1993, by the Respondent Craig Halfpop on December 20, 1993 and by the Respondent Berthel Fisher & Company Financial Services, Inc. on November 29, 1993.

And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondents Berthel Fisher & Company Financial Services, Inc. and Craig Halfpop are jointly and severally liable and shall rescind the Inland Land Appreciation Fund investment for Claimant Connie Galpin.
2. Respondents Berthel Fisher & Company Financial Services, Inc. and Craig Halfpop are jointly and severally liable and shall pay to the Claimant \$1,000.00 in actual damages.
3. Respondents Berthel Fisher & Company Financial Services, Inc. and Craig Halfpop are jointly and severally liable and shall pay to the Claimant simple interest at the rate of 6% per annum from August 22, 1989 until the date of payment of the Award less all sums received by the Claimant from Inland Land Appreciation Fund prior to the date of payment, and Claimant shall transfer title and ownership of her interest in Inland Land Appreciation Fund to the Respondents upon the Respondents' payment of the amount set forth above.

4. The Claimant's request for punitive damages is denied.
5. The parties shall bear their respective costs and attorney's fees.
6. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondents Berthel Fisher & Company Financial Services, Inc. and Craig Halpop are jointly and severally liable and shall pay \$125.00 to the Claimant as reimbursement of the filing fee.

AFFIRMATION

I, ALAN M. ANDERSON, ESQ., do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

DATE OF DECISION: August 31, 1994