

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Raoul A. Lim, (Claimant) vs. Saratoga 21st Ltd. d/b/a Purshe Kaplan Sterling Investments, John Peter Purcell, Peter John Sheehan, Peter Lorenzo Gill, Sheehan & Purcell Asset Management, Inc., Sheehan & Purcell Securities, Inc., and Saratoga Holding Company, LLC, (Respondents)

Case Number: 99-01658

Hearing Site: Albany, New York

REPRESENTATION OF PARTIES

Claimant, Raoul A. Lim ("Lim"), hereinafter referred to as "Claimant": Timothy J. O'Connor, Esq., Ainsworth, Sullivan, Tracy, Knauf, Warner & Ruslander, P.C., Albany, NY.

Respondents, Saratoga 21st Ltd. d/b/a Purshe Kaplan Sterling Investments ("Purshe"), John Peter Purcell ("Purcell"), Peter John Sheehan ("Sheehan"), and Peter Lorenzo Gill ("Gill"), hereinafter referred to as "Respondents": James M. Reilly, Esq., Herzog, Engstrom & Koplovitz, P.C., Albany New York.

Sheehan & Purcell Asset Management, Inc. ("S&P Asset"), Sheehan & Purcell Securities, Inc. ("S&P Securities"), and Saratoga Holding Company, LLC ("Saratoga") did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: April 7, 1999.

Claimant signed the Uniform Submission Agreement: March 23, 1999.

Statement of Answer filed by Respondents on or about: June 25, 1999.

Purshe signed the Uniform Submission Agreement: June 30, 1999.

Purcell signed the Uniform Submission Agreement: June 22, 1999.

Sheehan signed the Uniform Submission Agreement: June 30, 1999.

Gill signed the Uniform Submission Agreement: July 14, 1999.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract; breach of fiduciary duty; securities brokerage malpractice; conversion; fraudulent concealment; negligence; negligent misrepresentation; common law fraud; unsuitability; churning; controlling person liability; and, violation of the Investment Advisors Act of 1940.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: Respondents acted, at all relevant times, in good faith in accordance with appropriate industry standards and in compliance with industry regulations; the Statement of Claim fails to state a claim against the Respondents; Claimant ordered, approved, authorized, and/or ratified each of the transactions complained of and is estopped or otherwise precluded from recovery herein; and Claimant's damages, if any, are the result of intervening causes, including his own conduct.

RELIEF REQUESTED

Claimant requested compensatory damages in the total amount of \$208,943.00 together with an award of NASD arbitrators fees, NASD filing fees, NASD administrative fees, expert witness fees, attorneys' fees, costs and disbursements, and any other relief which the Panel deems just.

Respondents requested dismissal of all claims asserted against them, and such other relief as the Panel may deem just and proper, including the imposition of forum fees upon the Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

S&P Asset, S&P Securities, and Saratoga were not members of the NASD, Inc. or associated persons at the time in question and declined to voluntarily submit to the proceeding.

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

1. Respondents be and hereby are jointly and severally liable and shall pay to Claimant the sum of \$55,520.00 as compensatory damages, plus 9% interest accruing from May 26, 2000 until payment.
2. The Panel has determined that Claimant is to be reimbursed for the improper sale of 2 1/2 shares of Saratoga Route 29 Plaza Ltd. Since the amount of reimbursement is included in the award, Claimant is hereby directed to assign all his interest in Saratoga Route 29 Plaza Ltd. to Respondents.
3. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 300.00
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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 events giving rise to the dispute. In this matter, Purshe Kaplan Sterling Investments is a party.

Member surcharge	= \$ 1,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$ 2,500.00

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 arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$1,125.00	= \$ 1,125.00
Pre-hearing conference: November 30, 1999	1 session

Eight (8) Hearing sessions x \$1,125.00		= \$ 9,000.00
Hearing Dates:	April 11, 2000	2 sessions
	April 12, 2000	2 sessions
	May 24, 2000	2 sessions
	May 25, 2000	2 sessions
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Total Forum Fees		= \$10,125.00

The Panel has assessed all of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimant be and hereby is solely liable for:

<u>Initial Filing Fee</u>	= \$ 300.00
<u>Total Fees</u>	= \$ 300.00
<u>Less payments</u>	= \$ 1,425.00
<u>Refund Due Claimant</u>	= \$ 1,125.00

2. Purshe be and hereby is solely liable for:

<u>Member Fees</u>	= \$ 4,600.00
<u>Total Fees</u>	= \$ 4,600.00
<u>Less payments</u>	= \$ 4,600.00
<u>Balance Due NASD Regulation, Inc.</u>	= \$ 0.00

3. Respondents be and hereby are jointly and severally liable for:

<u>Forum Fees</u>	= \$10,125.00
<u>Total Fees</u>	= \$10,125.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Regulation, Inc.</u>	= \$10,125.00

All balances are due and payable to NASD Regulation, Inc.

Concurring Arbitrators' Signatures

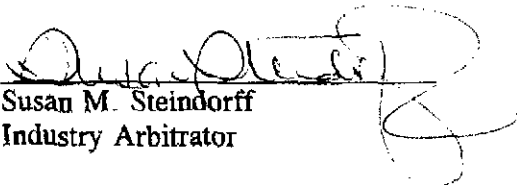
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

James T. Meyer, Esq.
Public Arbitrator, Presiding Chair


Signature Date

Noel B. Berman, Esq.
Public Arbitrator

Signature Date



Susan M. Steindorff
Industry Arbitrator



Signature Date

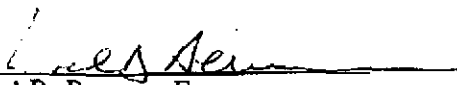
July 5, 2000
Date of Service (For NASD office use only)

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

James T. Meyer, Esq.
Public Arbitrator, Presiding Chair

Signature Date



Noel B. Berman, Esq.
Public Arbitrator

Signature Date

Susan M. Steindorff
Industry Arbitrator

Signature Date

July 5, 2000
Date of Service (For NASD office use only)