

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Thomas M. Walsh, (Claimant) vs. Willard B. Saperston and Saperston Financial, Inc.,
(Respondents)

Case Number: 99-02676

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, Thomas M. Walsh, hereinafter referred to as "Claimant": Richard A. Joel, Esq., Joel & Joel, LLP, Oradell, NJ.

Respondents, Willard B. Saperston ("Saperston") and Saperston Financial, Inc. ("SFI"), hereinafter collectively referred to as "Respondents": Patrick G. Finegan, Jr., Esq., a sole practitioner, Washington, DC.

CASE INFORMATION

Statement of Claim filed on or about: June 3, 1999.
Claimant signed the Uniform Submission Agreement.

Statement of Answer filed by Respondents on or about: August 31, 1999.
Saperston signed the Uniform Submission Agreement: September 1, 1999.
SFI signed the uniform Submission Agreement: September 1, 1999.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract; negligence; fraud; misrepresentation; and breach of fiduciary relationship.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: the Statement of Claim fails to plead fraud with the requisite particularity; Claimant has waived his right to any equitable relief by not pursuing the known party in possession of the assets in question; Claimant's claims are barred by laches and the "clean hands" equitable doctrine; Claimant always had a superior control over the assets in question than did Saperston and SFI; Claimant has no standing to bring an action on behalf of the alleged owner of certain securities; Claimant has failed to mitigate his damages; Claimant has failed to articulate any specific cause of action in the Statement of Claim; and the statute of limitations has run on Claimant's case.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$780,375.00.

Respondents requested that Claimant's case be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

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. Saperston and SFI be and hereby are jointly and severally liable for and shall pay to Claimant the sum of \$225,000.00 as compensatory damages, which includes reasonable attorneys' fees in accordance with the arbitration clause of the parties' written agreement.
2. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 375.00
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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, Saperston Financial, Inc. is a party.

Member surcharge	= \$ 2,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$ 3,500.00

Adjournment Fees

Adjournments requested during these proceedings:

May 23, 24 & 25, 2000, adjournment by all parties = WAIVED

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 a single arbitrator x \$450.00 = \$ 450.00
Pre-hearing conference: May 15, 2000 1 session

One (1) Pre-hearing session with Panel x \$1,200.00 = \$ 1,200.00
Pre-hearing conference: February 17, 2000 1 session

Seven (7) Hearing sessions x \$1,200.00 = \$ 8,400.00
Hearing Dates: February 5, 2001 2 sessions
February 6, 2001 2 sessions
July 10, 2001 2 sessions
July 11, 2001 1 session

Total Forum Fees = \$10,050.00

1. The Panel has assessed \$4,020.00 (40%) of the forum fees against Claimant.
2. The Panel has assessed \$6,030.00 (60%) of the forum fees jointly and severally against Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Claimant, requested tapes, \$120.00.

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$4,020.00
<u>Administrative Costs</u>	= \$ 120.00
Total Fees	= \$4,515.00
<u>Less payments</u>	= \$1,695.00
Balance Due NASD Dispute Resolution, Inc.	= \$2,820.00

2. SFI be and hereby is solely liable for:

<u>Member Fees</u>	= \$6,100.00
Total Fees	= \$6,100.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$6,100.00

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

<u>Forum Fees</u>	= \$6,030.00
Total Fees	= \$6,030.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$6,030.00

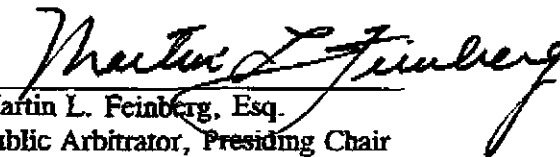
All balances are due and payable to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Martin L. Feinberg, Esq.	-	Public Arbitrator, Presiding Chair
Neil J. Carey	-	Public Arbitrator
A. George Saks, Esq.	-	Industry Arbitrator

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.



Martin L. Feinberg, Esq.
Public Arbitrator, Presiding Chair

8/6/01

Signature Date

Neil J. Carey
Public Arbitrator

Signature Date

A. George Saks, Esq.
Industry Arbitrator

Signature Date

August 10, 2001
Date of Service (For NASD office use only)

ARBITRATION PANEL

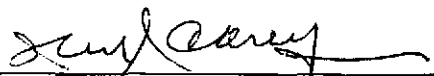
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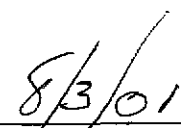
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Signature Date



Neil J. Carey
Public Arbitrator



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Industry Arbitrator

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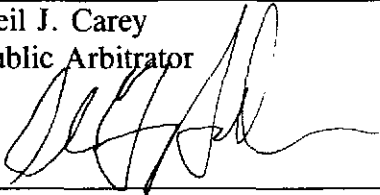
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Public Arbitrator, Presiding Chair

Signature Date

Neil J. Carey
Public Arbitrator



Signature Date

8/2/01

A. George Saks, Esq.
Industry Arbitrator

Signature Date

August 10, 2001

Date of Service (For NASD office use only)