

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Claimant

Athena Venture Partners, L.P.

Case Number: 09-04771

vs.

Respondents

Goldman Sachs and Company
Eric W. Gettleman
Scott T. Sheffer

Hearing Site: Philadelphia, Pennsylvania

Nature of the Dispute: Customer vs. Member and Associated Persons

REPRESENTATION OF PARTIES

For Claimant Athena Venture Partners, L.P.: David R. Moffitt, Esq., Saul Ewing LLP,
Wayne, Pennsylvania.

For Respondents Goldman Sachs and Company ("Goldman Sachs"), Eric W. Gettleman
("Gettleman"), and Scott T. Sheffer ("Sheffer"): Edward M. Posner, Esq., Drinker Biddle
& Reath LLP, Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on or about: August 12, 2009.
Amended Statement of Claim filed on or about: November 14, 2011.
Claimant signed the Submission Agreement: August 12, 2009.

Statement of Answer filed by Respondents on or about: October 16, 2009.
Amended Statement of Answer filed by Respondents on or about: February 13, 2012.
Goldman Sachs signed the Submission Agreement: October 13, 2009.
Gettleman signed the Submission Agreement: October 13, 2009.
Sheffer signed the Submission Agreement: October 14, 2009.

CASE SUMMARY

Claimant asserted the following causes of action: misrepresentation, fraud, violation of the Securities Exchange Act of 1934, failure to supervise, breach of fiduciary duty, and suitability. The causes of action relate to the investment in the Goldman Sachs Liquidity Partners 2007, L.P. ("Liquidity Partners" or "Fund") by the Claimant.

In the Amended Statement of Claim, Claimant asserted the following causes of action: misrepresentation, fraud, violation of the Securities Exchange Act of 1934, failure to supervise, breach of fiduciary, suitability, and conflict of interest.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and Amended Statement of Claim, and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim and Amended Statement of Claim, Claimant requested compensatory damages in the amount of \$2,411,156.00, punitive damages in the amount of \$2,411,156.00, interest in the amount of \$1,800.00, attorneys' fees, costs, and such further relief as may be deemed appropriate by the Panel.

At the close of the hearing, Claimant requested compensatory damages in the amount of \$1,366,180.66.

In their Statement of Answer and Amended Statement of Answer, Respondents requested dismissal of the Statement of Claim and Amended Statement of Claim, costs, expungement of the CRD records of Gettleman and Sheffer, and such other and further relief as the Panel deems just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

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, and the post-hearing submissions, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claim is denied in its entirety.
2. The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Eric W. Gettleman's (CRD #4027414) registration records maintained by the Central Registration Depository ("CRD"), with the understanding that, pursuant to Notice to Members 04-16, Respondent Eric W. Gettleman must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 12805 of the Code, the arbitration panel has made the following Rule 2080 affirmative findings of fact:

The claim, allegation, or information is clearly erroneous, and

The claim, allegation, or information is false

3. The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Scott T. Sheffer's (CRD #3109236) registration records maintained by the Central Registration Depository ("CRD"), with the understanding that, pursuant to Notice to Members 04-16, Respondent Scott T. Sheffer must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 12805 of the Code, the arbitration panel has made the following Rule 2080 affirmative findings of fact:

The claim, allegation, or information is clearly erroneous, and

The claim, allegation, or information is false

4. The arbitration panel has made the above Rule 2080 findings for Respondents Eric W. Gettleman and Scott T. Sheffer based on the following reasons:

Claimant states in its post-hearing brief that although the allegations in the Statement of claim are broader, the case presented at the hearing is essentially based on two claims": (1) that "Respondents violated federal securities laws and state law by misrepresenting the true nature of the [Fund] investment, through misleading sales presentations and materials", and (2) that "Goldman breached its duty to recommend to the Claimant an investment that was suitable in light of Claimant's particular investment objectives for the \$5million it committed to the [Fund].

The Fund was a suitable investment for the Claimant

The Claimant is the family investment partnership of Dr. Richard Caruso. Dr. Caruso, who controls the Claimant, is an accomplished businessman with many years of experience in entrepreneurial and financial type ventures. The general partner of the Claimant, Gary D. Dilella (the "GP"), is a business colleague and investment advisor to Dr. Caruso, and an experienced financial professional.

The Claimant is a sophisticated investment partnership whose principals are experienced investors, capable of understanding the risks associated generally with alternative investments, and specifically with the Fund. The Claimant established its non-discretionary account at Goldman Sachs to pursue higher-risk, higher-reward "alternative investments". The Claimant's choice of "capital appreciation" as its investment objective indicated its willingness to "assume a higher risk commensurate with [its] expected returns", and confirmed its understanding that there was no guarantee such returns would be attained. The Claimant's investment history at Goldman Sachs indicates the use of the account for such objective. The Claimant's investment in the Fund was a small portion of the Caruso family's investment assets.

Mr. Sheffer was the private wealth advisor in charge of the Claimant's account at Goldman Sachs at the time of Claimant's investment in the Fund. Mr. Sheffer testified that the investment by the Claimant in the Fund was suitable. The testimony of Mr. Weingart, an expert witness for the Respondents, supported Mr. Sheffer's determination of the suitability of the investment. Mr. Gettleman testified that, as a client portfolio manager, his job was primarily to explain alternative investments within the fixed income world to potential investors, the sales force, and others at Goldman; it was not his job to ascertain whether an investment was suitable for a particular investor. Mr. Sheffer and Mr. Gettleman each testified that the risks associated with the Fund, including the use of leverage, types of investments, and the possibility of loss of principle, were disclosed to the Claimant. The Panel found the testimony of each of the individual Respondents to be credible.

The Claimant represented in the Subscription Agreement that it was a sophisticated investor that (i) understood the high degree of risk involved in the Fund; (ii) had the ability to bear the complete loss of the investment, and (iii) had the expertise and sophistication to independently review the merits and risks associated with the Fund.

Misrepresentation Claims not Supported by the Evidence

The materials provided to the Claimant included an e-mail from Mr. Sheffer transmitting a summary description of the Fund (the "Bluebook"). Claimant alleged that the Bluebook was misleading because it failed to disclose, among other things, the use of leverage by the Fund, the types of investments to be made by the Fund, and the high degree of risk to Claimant's investment principal. However, we find that the Bluebook does include disclosures with respect to these matters, and is not materially misleading. Furthermore, the Bluebook advised potential investors that the Fund had not yet been launched, that the materials were for informational purposes for a fund that may be launched in the future and did not constitute an offering, that the offering could only be made through an offering memorandum, and that the only information or representation, warranty, statement or assurance that could be relied upon would be that contained in the offering memorandum.

Claimant's allegations with respect to misrepresentations during presentations by, and conversations with, Respondents were not proven. Furthermore, the Claimant represented in the Subscription Agreement that it has received, read, and fully understood the Private Placement Memorandum ("PPM"), and that it has relied solely upon the PPM, its own advisors, and its own investigations in purchasing an investment in the Fund. The Subscription Agreement was executed by the Claimant's GP, who testified that he knew these representations were in the Subscription Agreement when he executed it, and that Goldman was entitled to rely upon them.

The Claimant's allegation that it did not receive the PPM from Goldman was not proven. As discussed above, the subscription Agreement, signed by the GP, contains the Claimant's representation that it received the PPM. The testimony given by principals of the Claimant supporting the allegation was not convincing.

The PPM includes approximately forty pages of disclosure regarding various risks associated with investment in the Fund, including those that Claimant alleges were not disclosed to it, such as the high degree of risk of investment in the Fund (including the loss of investors' principal), the use of leverage by the Fund, and types of securities and instruments (including "synthetic" products) in which the Fund could invest. The PPM also advises that any statement or assurance not contained in the PPM may not be relied upon.

The Panel also found the individual Respondents' records to be clean and Claimant had not opposed their requests for expungement.

5. Any and all relief not specifically addressed here in, including punitive damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

FINRA Dispute Resolution assessed a filing fee* for each claim:

Initial Claim Filing Fee = \$1,800.00

**The filing fee is made up of a non-refundable and a refundable portion.*

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 persons at the time of the events giving rise to the dispute. Accordingly, as a party, Goldman Sachs and Company is assessed the following:

Member Surcharge	= \$2,800.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$5,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

December 14-17, 2010 adjournment by the parties	WAIVED
March 5-9, 2012 adjournment by Claimant	= \$1,200.00

Hearing Session Fees and Assessments

The Panel has assessed hearing session fees for each session conducted. A 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 @ \$450.00/session	= \$ 450.00
Pre-hearing conference: December 14, 2010	1 session

Two (2) Pre-hearing sessions with the Panel @ \$1,200.00/session	= \$2,400.00
Pre-hearing conferences: February 10, 2010	1 session
February 21, 2012	1 session

Seventeen (17) Hearing sessions @ \$1,200.00/session = \$20,400.00

Hearing Dates:	November 2, 2011	2 sessions
	November 3, 2011	2 sessions
	November 4, 2011	1 session
	October 8, 2012	2 sessions
	October 9, 2012	2 sessions
	October 10, 2012	2 sessions
	October 11, 2012	2 sessions
	October 12, 2012	2 sessions
	October 15, 2012	2 sessions

Total Hearing Session Fees = \$23,250.00

1. The Panel has assessed \$11,625.00 of the hearing session fees to Claimant.
2. The Panel has assessed \$11,625.00 of the hearing session fees to Goldman Sachs and Company.

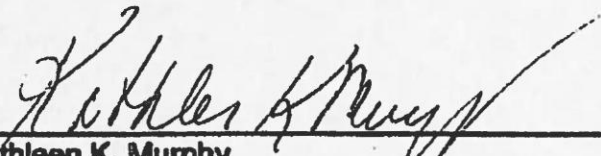
All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

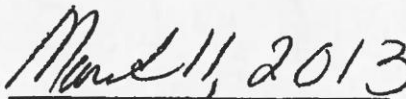
Kathleen K. Murphy	-	Public Arbitrator, Presiding Chairperson
Demetrio S. Timban, Jr.	-	Public Arbitrator
Edward T. Borer	-	Non-Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument which is my award.

Concurring Arbitrators' Signatures



Kathleen K. Murphy
Public Arbitrator, Presiding Chairperson



Signature Date

Demetrio S. Timban, Jr.
Public Arbitrator

Signature Date

Edward T. Borer
Non-Public Arbitrator

Signature Date

March 13, 2013

Date of Service (For FINRA Dispute Resolution office use only)

ARBITRATION PANEL

Kathleen K. Murphy	-	Public Arbitrator, Presiding Chairperson
Demetrio S. Timban, Jr.	-	Public Arbitrator
Edward T. Borer	-	Non-Public Arbitrator

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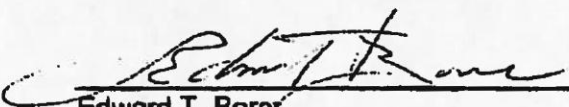
Concurring Arbitrators' Signatures

Kathleen K. Murphy
Public Arbitrator, Presiding Chairperson

Signature Date

Demetrio S. Timban, Jr.
Public Arbitrator

Signature Date



Edward T. Borer
Non-Public Arbitrator

3/9/13

Signature Date

March 13, 2013

Date of Service (For FINRA Dispute Resolution office use only)