

SUPREME COURT OF THE STATE OF NEW YORK - NEW YORK COUNTY

PRESENT: Hon. Peter H. Moulton  
Administrative Order

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FINE ART FINANCE, LLC, a Delaware limited liability company,

Plaintiff,

- v -

INDEX NO. 162819/15

PULLMAN & COMLEY, LLC, a Connecticut limited liability company,

Defendant.

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Administrative Order:

By letter dated March 24, 2016, defendant Pullman & Comley, LLC (P&C) requests a transfer of this action to the Commercial Division. Defense counsel advises that plaintiff Fine Art Finance, LLC (Fine Art) does not oppose the request.

The complaint alleges that P&C committed legal malpractice in connection with its representation of Fine Art in a 2011 bankruptcy proceeding filed by an art gallery that allegedly owed Fine Art \$3,075,000 in "arranger fees" and other fees for arranging a \$5 million loan in 2004 from a third party. The loan was allegedly secured by various works of fine art and furniture pledged by the art gallery as collateral, and this collateral also allegedly secured the fees owed to Fine Art. In the bankruptcy proceeding, P&C allegedly committed malpractice by approving a proof of claim on behalf of Fine Art in the amount of \$3,075,000 even though it did not correctly identify Fine Art as a creditor or properly describe and document Fine Art's alleged claim against the bankrupt art gallery. On objection by the bankrupt estate, Fine Art's proof of claim was disallowed.

Actions in which the principal claim involves legal malpractice arising out of representation in commercial matters can be heard in the Commercial Division, provided the \$500,000 monetary threshold for New York County is met or equitable or declaratory relief is sought (Uniform Rule 202.70 [a], [b] [8]). There is no doubt that this action involves legal malpractice arising out of representation in a commercial matter and meets the monetary threshold for New York County.

The request for a transfer to the Commercial Division is granted. The General Clerk's Office is directed to randomly assign this case from I.A.S. Part 63 (Coin, J.) to a Justice of the Commercial Division.

Dated: April 4, 2016

ENTER:  , A.J.

Check one:  FINAL DISPOSITION  NON-FINAL DISPOSITION