

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant

William Jeffrey

and

Case Number: 05-02928
Hearing Site: Troy, Michigan

Respondents

Steven T. Gordon, Walter Burzynski,
and Russell Henry

NATURE OF DISPUTE

Associated Person v. Associated Persons

REPRESENTATION OF PARTIES

William Jeffrey ("Claimant") was represented by Donald R. Bachand, III, Esq., and Elizabeth Parker, Esq., Garratt & Bachand, P.C., Bloomfield Hills, Michigan.

Steven T. Gordon ("Gordon"), Walter Burzynski ("Burzynski"), and Russell Henry ("Henry"), hereinafter collectively known as "Respondents," were represented by John A. Hubbard, Esq., and Gavin J. Fleming, Esq., Beals Hubbard, PLC, Farmington Hills, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about June 6, 2005. The Submission Agreement of Claimant was signed on or about June 15, 2005.

The Statement of Answer was filed jointly by Respondents on or about August 17, 2005. The Submission Agreement of Gordon was signed on or about September 1, 2003. The Submission Agreement of Burzynski was signed on or about August 23, 2005. The Submission Agreement of Henry was signed on or about August 20, 2005.

Respondents jointly filed a Motion to Dismiss Claimant's Complaint on or about December 16, 2005. Claimant filed a Response to Respondents' Motion to Dismiss on or about January 16, 2006. Respondents filed a Reply Brief in Support of Their Motion to Dismiss on or about January 24, 2006. Claimant filed a Response to Respondents' Reply Brief on or about January 30, 2006.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract by Respondents; breach of fiduciary duties by Gordon and Burzynski; and tortious interference with contract or business relationship by Gordon. The causes of action related to Claimant's allegations that Respondents failed to continue to pay Claimant the agreed upon percentage of commissions and refused to equally share costs, expenses and revenue, in the parties' business, Infinity Financial Group, Inc.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimant fails to state a claim upon which relief can be granted; Claimant's claims are barred, in whole or in part, by estoppel, bad faith and failure to mitigate damages; and any alleged damages sustained by Claimant were or may have been caused by the actions or inactions of third parties for which the Respondents are not responsible.

RELIEF REQUESTED

In his Statement of Claim, Claimant requested an award in against Respondents, jointly and severally, for whatever sum the panel found Claimant to be entitled, plus interest, costs and attorneys' fees and any other relief the panel deemed appropriate. At the hearing, Claimant presented evidence of damages in the amount of approximately \$270,782.00 for the panel's consideration.

Respondents requested that the claims asserted against them be dismissed with prejudice and that they be awarded their costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

In its Order entered on February 13, 2006, the panel denied, without prejudice, Respondents' Motion to Dismiss.

Pursuant to the parties' Stipulation, Claimant's claims against Burzynski were dismissed with prejudice and without costs and Claimant's claims against Gordon relating only to Infinity Insurance Group were dismissed with prejudice and without costs on or about May 1, 2006.

The panel determined that the transcript shall serve as the official record.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Respondent, Steven T. Gordon is solely liable for and shall pay to Claimant, William Jeffrey, the sum of \$97,000.00 in damages;
- 2.) Claimant's claims, each and all, against Russell Henry are denied and dismissed with prejudice;
- 3.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 4.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$ 250.00

Forum Fees and Assessments

The Panel has assessed forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), 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: April 25, 2006 1 session

Two (2) Pre-hearing sessions with Panel x \$1,000.00 = \$ 2,000.00
Pre-hearing conferences: November 2, 2005 1 session
February 13, 2006 1 session

Six (6) Hearing sessions x \$1,000.00 = \$ 6,000.00
Hearing Dates: May 3, 2006 2 sessions
May 4, 2006 2 sessions
May 5, 2006 2 sessions

Total Forum Fees = \$ 8,450.00

The Arbitration Panel has assessed \$4,225.00 of the forum fees to William Jeffrey.

The Arbitration Panel has assessed \$4,225.00 of the forum fees to Steven T. Gordon.

Fee Summary

Claimant, William Jeffrey, is liable for:

Initial Filing Fee	= \$ 250.00
Forum Fees	= \$ 4,225.00
Total Fees	= \$ 4,475.00
Less payments	= \$ 1,250.00
Balance Due NASD Dispute Resolution	= \$ 3,225.00

Respondent, Steven T. Gordon is liable for:

Forum Fees	= \$ 4,225.00
Total Fees	= \$ 4,225.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 4,225.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Jeffrey M. Bain, Esq. - Public, Presiding Chair
Michael Patterson, Esq. - Public Arbitrator
James Richter - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Jeffrey M. Bain, Esq.
Jeffrey M. Bain, Esq.
Public Arbitrator, Presiding Chair

May 9, 2006
Signature Date

/s/ Michael Patterson, Esq.
Michael Patterson, Esq.
Public Arbitrator

May 8, 2006
Signature Date

James Richter
Non-Public Arbitrator

Signature Date

May 9, 2006
Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 05-2928
Award Page 4 of 4

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Public Arbitrator, Presiding Chair

Michael Patterson, Esq.
Public Arbitrator

James Richter
Non-Public Arbitrator

Signature Date

5-8-06
Signature Date

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 06-2928
Award Page 4 of 4

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Concurring Arbitrators:

Jeffrey M. Bain, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Michael Patterson, Esq.
Public Arbitrator

Signature Date


James Richter
Non-Public Arbitrator

5-16-06
Signature Date

Date of Service (For NASD office use only)