

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:  
AIG Financial Advisors, Inc., Claimant v. Gary P. Duffy, Respondent

Case Number: 05-06144

Hearing Site: Phoenix, Arizona

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Nature of the Dispute: Member v. Associated Person

**REPRESENTATION OF PARTIES**

For Claimant:

John K. Fahey, Esq.  
AIG Financial Advisors,  
Inc.  
Phoenix, Arizona

For Respondent:

Gary P. Duffy  
Pro Se  
Phoenix, Arizona

**CASE INFORMATION**

Statement of Claim filed: December 2, 2005

Claimant's Uniform Submission Agreement signed: November 29, 2005

Statement of Answer filed by Respondent: None filed

Respondent's Uniform Submission Agreement signed: None submitted

**CASE SUMMARY**

Claimant alleged breach of Independent Contractor Agreement and breach of a promissory note agreement.

Respondent denied the allegations of wrongdoing set forth in Claimant's Statement of Claim.

### **RELIEF REQUESTED**

Claimant requested \$40,000.00 in compensatory damages, interest and costs, including attorney's fees.

Respondent requested dismissal of the Claimant's Statement of Claim in its entirety.

### **OTHER ISSUES CONSIDERED AND DECIDED**

Respondent Gary P. Duffy did not file with the NASD Dispute Resolution a properly executed submission agreement but is required to submit to arbitration pursuant to the Code and having appeared and testified at the hearing, is bound by the determination of the Arbitrator on all issues submitted.

The parties 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, testimony, and evidence presented at the hearing, the Arbitrator decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondent is liable to and shall pay Claimant the sum of \$31,598.00 in compensatory damages.
- 2) Respondent is liable to and shall pay Claimant the sum of \$3,160.00 in attorney's fees, pursuant to the terms of the Promissory Note.
- 3) Except as noted above, the parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

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

Initial claim filing fee	= \$ 1,000.00
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#### **Member Fees**

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm AIG Financial Advisors, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 875.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$1,000.00
<b>Total Member Fees</b>	<b>= \$2,625.00</b>

#### **Forum Fees and Assessments**

The Arbitrator assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. A session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

(1) Decision on discovery-related motions on the papers with (1) one arbitrator @ \$200.00	= \$ 200.00
Claimant submitted one discovery-related motion	

(1) Pre-hearing conference session with a single arbitrator @ \$ 450.00/session	= \$ 450.00
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Pre-hearing conference: April 19, 2006	1 session
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(1) Hearing session @ \$450.00/session	= \$ 450.00
Hearing: August 8, 2006	1 session

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<b>Total Forum Fees</b>	<b>= \$1,100.00</b>
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1. The Arbitrator assessed \$425.00 of the forum fees to Claimant.
2. The Arbitrator assessed \$675.00 of the forum fees to Respondent.

**Summary**

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 2,625.00
Forum Fees	= \$ 425.00
<u>Total Fees</u>	<u>= \$ 4,050.00</u>
<u>Less payments</u>	<u>= \$(4,075.00)</u>
<b>Refund Due Claimant</b>	<b>= \$( 25.00)</b>

2. Respondent is charged with the following fees and costs:

Forum Fees	= \$ 675.00
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 675.00</b>

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

**ARBITRATION PANEL**

**Ronald K. Sprague**

- **Non-Public Arbitrator, Presiding Chair**

**Arbitrator's Signature**

  
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**Ronald K. Sprague**  
**Chair, Non-Public Arbitrator**

8-11-06  
**Signature Date**

8/11/06  
**Date of Service**