

**Award**  
**FINRA Office of Dispute Resolution**

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In the Matter of the Arbitration Between:

Claimant  
Raymond James & Associates, Inc.

Case Number: 15-00341

vs.

Respondents  
Michael Edward Camferdam  
Denise B. Camferdam

Hearing Site: Birmingham, Alabama

Counter-Claimant  
Michael Edward Camferdam

vs.

Counter-Respondent  
Raymond James & Associates, Inc.

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Nature of the Disputes: Member vs. Associated Person and Customer  
Associated Person vs Member

This case was decided by a majority public panel.

**REPRESENTATION OF PARTIES**

Claimant/Counter-Respondent Raymond James & Associates, Inc. ("Claimant"): Niel L. Prosser, Esq., The Prosser Law Firm, PLC, Memphis, Tennessee.

Respondent/Counter-Claimant Michael Edward Camferdam ("Respondent"): James J. Eccleston, Esq. and Kimberly L. Chavers, Esq., Eccleston Law, LLC, Chicago, Illinois.

Denise B. Camferdam did not enter an appearance in this matter.

**CASE INFORMATION**

Statement of Claim filed on or about: February 4, 2015.

Statement of Answer to the Counterclaim filed on or about: May 5, 2015.

Claimant signed the Submission Agreement: February 4, 2015.

Statement of Answer and Counterclaim filed by Respondent on or about: April 9, 2015.

Respondent signed the Submission Agreement: April 1, 2015.

### CASE SUMMARY

Claimant alleged that Respondent breached the terms of the Loan Agreement and Bonus Agreement that Respondent executed on March 26, 2012, and that Respondent failed to pay the remaining balance under the Loan Agreement that became due and payable upon the termination of Respondent's employment with Claimant. Claimant also alleged unjust enrichment. Claimant seeks a declaration that a joint account in the name of Respondent and his wife, Denise B. Camferdam, being the "Michael E Camferdam & Denise B Camferdam JT/WROS" ("Joint Account"), which is held with Claimant, be fully applied toward satisfying the debt at issue.

Unless specifically admitted in the Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted various legal and affirmative defenses.

In Respondent's Counterclaim, he alleges the following causes of action: defamation in his Form U5; negligence; breach of contract; wrongful termination in violation of public policy; violation of Florida wage law; unjust enrichment; and tortious interference with a contract or business relationship.

Unless specifically admitted in the Statement of Answer, Claimant denied the allegations made in the Counterclaim and asserted various affirmative and additional defenses.

### RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Damages on claims of breach of contract and/or unjust enrichment in an amount equal to \$253,270.47, plus interest owing at the pre-default rate of up to and through April 3, 2012, and interest at the default rate of ten percent (10%) from that date until the Loan Agreement is paid in full;
2. Reasonable attorneys' fees, expense and costs of collection;
3. A finding that the monies in the Joint Account were contributed by Respondent and that the assets therein can be applied toward the award; and
4. Such additional and further relief as may be deemed appropriate.

In the Statement of Answer and Counterclaim, Respondent requested:

1. Compensatory damages in an amount not less than \$1,352,000.00, representing lost income (ongoing commissions, trailers and fees), lost bonus opportunity as well as reputational damages;
2. Attorneys' fees and costs pursuant to F.S.A. § 448.08;
3. Punitive damages;
4. A declaration that the promissory note and/or any corresponding instrument(s) at issue be declared invalid;
5. Expungement of both the involuntary termination and the current defamatory language on Respondent's Form U5 requiring that it be replaced with accurate language, as determined by the Panel; and
6. Any such other and further relief as is just and equitable.

In the Statement of Answer to the Counterclaim, Claimant requested:

1. The Counterclaim be dismissed in its entirety;
2. The full relief sought in the Statement of Claim;
3. Reasonable costs of defending this action, including attorneys' fees, pursuant to its contact(s) with Respondent;
4. All costs of this action be taxed against Respondent; and
5. Such other, additional or different relief as the Panel may determine.

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

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

Denise Camferdam is not a member or associated person of FINRA and did not voluntarily submit to arbitration. Therefore, the Panel made no determination with respect to Claimant's claims against Denise Camferdam.

During the evidentiary hearing, Respondent moved to disqualify Claimant's expert witness. Claimant opposed the motion. After due deliberation, the Panel denied Respondent's motion.

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. Respondent is liable for and shall pay to Claimant the sum of \$251,414.00 in compensatory damages, plus interest at the rate of 10% per annum on the amount of \$251,414.00 from February 12, 2015 until the amount of \$251,414.00 is paid in full.
2. Respondent is liable for and shall pay to Claimant the sum of \$101,800.00 in costs and expenses.
3. Respondent is liable for and shall pay to Claimant the sum of \$373,879.00 in attorneys' fees, pursuant to the Loan Agreement.
4. Claimant's request that the funds in the Joint Account be applied towards the amounts Respondent owes in this award is granted.
5. The Counterclaim is denied in its entirety.
6. Respondent's request for expungement of his Form U5 is denied.
7. Any and all claims for relief not specifically addressed herein, including Respondent's requests for punitive damages and attorneys' fees, are denied.

## FEES

Pursuant to the Code, the following fees are assessed:

### Filing Fees

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

Initial Claim Filing Fee	=\$ 2,125.00
Counterclaim Filing Fee	=\$ 2,000.00

*\*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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Claimant is assessed the following:

Member Surcharge	=\$ 1,900.00
Member Process Fee	=\$ 6,175.00

### Postponement Fees

Postponements granted during these proceedings for which fees were assessed:

May 2 – 6, 2016, postponement by Respondent	=\$ 1,400.00
January 23 – 28, 2017, postponement by Respondent	=\$ 1,400.00

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Total Adjournment Fees	=\$ 2,800.00
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The Panel has assessed \$2,800.00 of the postponement fees to Respondent.

### Last Minute Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

January 20, 2017, requested by Respondent	=\$ 200.00
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Total Last Minute Cancellation Fees	=\$ 200.00
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The Panel has assessed \$200.00 of the last minute cancellation fees to Respondent.

### 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 arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) pre-hearing sessions with a single arbitrator @ \$ 450.00/session	=\$ 900.00
Pre-hearing conferences: March 1, 2016	1 session

	November 20, 2017	1 session	
Four (4) pre-hearing sessions with the Panel @ \$ 1,400.00/session			=\$ 5,600.00
Pre-hearing conferences:	July 6, 2015	1 session	
	April 4, 2016	1 session	
	May 6, 2016	1 session	
	January 27, 2017	1 session	
Twenty-six (26) hearing sessions @ \$ 1,400.00/session			=\$36,400.00
Hearing Dates:	March 27, 2017	2 sessions	
	March 28, 2017	2 sessions	
	March 29, 2017	2 sessions	
	March 30, 2017	2 sessions	
	March 31, 2017	2 sessions	
	April 1, 2017	3 sessions	
	November 28, 2017	2 sessions	
	November 29, 2017	2 sessions	
	November 30, 2017	3 sessions	
	December 1, 2017	2 sessions	
	December 2, 2017	2 sessions	
	December 3, 2017	2 sessions	
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Total Hearing Session Fees			=\$42,900.00

1. The Panel has assessed \$22,150.00 of the hearing session fees to Claimant.
2. The Panel has assessed \$20,750.00 of the hearing session fees to Respondent.

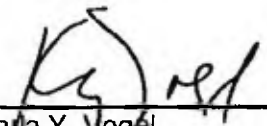
All balances are payable to FINRA Office of Dispute Resolution and are due upon receipt.

**ARBITRATION PANEL**

Karla Y. Vogel	-	Public Arbitrator, Presiding Chairperson
Clarence H. Hampton	-	Public Arbitrator
Eva Lee Johnson	-	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**

  
\_\_\_\_\_  
Karla Y. Vogel  
Public Arbitrator, Presiding Chairperson

12-15-2017  
Signature Date

\_\_\_\_\_  
Clarence H. Hampton  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Eva Lee Johnson  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

December 15, 2017  
Date of Service (For FINRA Office of Dispute Resolution office use only)

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Eva Lee Johnson  
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