

AMERICAN ARBITRATION ASSOCIATION
Commercial Arbitration Tribunal

In the Matter of the Arbitration Between:

WESTERN RESERVE LIFE ASSURANCE CO. OF OHIO

(Claimant)

AND

KENNETH PELLYK

(Respondent)

CASE NUMBER: 33 195 Y 00418 09

FINAL AWARD OF THE ARBITRATOR

I, THE UNDERSIGNED ARBITRATOR, having been designated by the Parties in accordance with the Dispute Resolution Clause (paragraph 7.2) of the Producer Agreement dated April 16, 2008 entered into by and between the above named parties, Western Reserve Life Assurance Co. of Ohio and Kenneth Pellyk and having been duly sworn, finds that after timely and appropriate notice and service of all Orders and Requests on Respondent Kenneth Pellyk at his last known address and e-mail address that oral hearings have been waived in accordance with the Commercial Rules of the American Arbitration Association. Upon waiver of oral hearings, the parties were ordered to provide submissions to the undersigned for review and deliberation. After requests were timely and appropriately served on the Respondent by mail and e-mail at his last known address and upon his failure to respond, the undersigned fully reviewed and considered all of the documents, evidence and written submissions provided by the Parties. Therefore, based upon the record herein provided to the undersigned, the undersigned does hereby, AWARD as follows:

EXHIBIT "A"

1. The Claimant, Western Reserve Life Assurance Co. of Ohio, shall have and recover from the Respondent, Kenneth Pellyk, the sum of \$207,019.20 as damages for breach of contract.

2. Any claim for attorneys' fees is hereby denied based upon paragraph 7.2 of the Producer Agreement dated April 16, 2008. Additionally, there being no agreement of the Parties to the Arbitrator determining entitlement or amount of attorneys' fees, any claim is hereby denied.

3. The administrative filing and case service fees of the AAA, totaling \$10,500.00, shall be borne as follows: \$8,687.50 by Western Reserve Life Assurance Co. of Ohio, \$500.00 by Robert Burchard, \$1,312.50 by Kenneth Pellyk. The other administrative fees of the AAA, totaling \$600.00, shall be borne as follows: \$600.00 by Robert Burchard. The fees and expenses of the arbitrator(s), totaling \$49,309.60, shall be borne as follows: \$21,234.96 by Western Reserve Life Assurance Co. of Ohio; \$11,115.14 by Robert Burchard; \$6,163.70 by Kenneth Pellyk; \$5,885.40 by Steven Rasky; and \$4,910.40 by Karen Denny. Therefore, Kenneth Pellyk shall reimburse Western Reserve Life Assurance Co. of Ohio the sum of \$7,476.20, representing that portion of said fees and expenses in excess of the apportioned costs previously incurred by Western Reserve Life Assurance Co. of Ohio.

4. The Claimant shall recover legal interest at the statutory rate set by Florida Statute Section 55.03 from the date of this award until paid.

5. The above sums are to be paid on or before ten (10) days from the date of this Final Award. This Final Award is in full settlement of all claims submitted to this Arbitration. Any and all claims not expressly granted herein are hereby, denied.

I, Michael H. Lax, P.A. do hereby upon my oath as Arbitrator that I am the individual described in and who executed this instrument which is my Award.

DONE AND ORDERED this 24~~th~~ day of October, 2013.


Michael H. Lax, Esq., Arbitrator