

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant

George W. Kauffman

Case Number: 19-02828

vs.

Respondents

American Portfolios Financial Services
Robert Joseph Bartolotta
Torrey James Giancursio
Four Bridges Financial Group
Novem Financial Group Inc.

Hearing Site: Buffalo, New York

Awards are rendered by independent arbitrators who are chosen by the parties to issue final, binding decisions. FINRA makes available an arbitration forum—pursuant to rules approved by the SEC—but has no part in deciding the award.

Nature of the Dispute: Associated Person vs. Member, Associated Persons, and Non-Members

The evidentiary hearing was conducted by videoconferencing.

REPRESENTATION OF PARTIES

Claimant George W. Kauffman (“Claimant”) appeared pro se.

For Respondent American Portfolios Financial Services (“American Portfolios”): Richard J. Babnick, Jr., Esq., Sichenzia Ross Ference, LLP, New York, New York.

For Respondent Robert Joseph Bartolotta (“Bartolotta”): Gordon S. Dickens, Esq., and John Nutter, Esq., Woods Oviatt Gilman LLP, Rochester, New York.

Respondent Torrey James Giancursio (“Giancursio”) appeared pro se.

Respondent Four Bridges Financial Group (“Four Bridges”) did not enter an appearance in this matter.

Respondent Novem Financial Group Inc. (“Novem”) did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: September 19, 2019.
Response to the Statements of Answer filed by Claimant on or about: November 26, 2019.
Claimant signed the Submission Agreement: October 1, 2019.

Statement of Answer filed by Respondent American Portfolios on or about: November 26, 2019.
American Portfolios signed the Submission Agreement: January 4, 2021.

Statement of Answer filed by Respondent Bartolotta on or about: November 19, 2019.
Bartolotta signed the Submission Agreement: November 19, 2019.

Statement of Answer filed by Respondent Giancursio on or about: November 26, 2019.
Giancursio signed the Submission Agreement: November 27, 2019.

Respondent Four Bridges did not file a Statement of Answer or sign the Submission Agreement.

Respondent Novem did not file a Statement of Answer or sign the Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: lack of training and accountability; lack of proper supervision; inadequate compensation and commissions; harassment; and defamation.

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

Unless specifically admitted in the Statement of Answer, Respondent Bartolotta denied the allegations made in the Statement of Claim.

Unless specifically admitted in the Statement of Answer, Respondent Giancursio denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested compensatory damages in the amount of \$5,472,585.80; punitive damages in the amount of \$5,000,000.00; attorneys' fees in the amount of \$30,000.00; costs; and interest.

In the Statement of Answer, American Portfolios requested that the Panel dismiss the Statement of Claim, with prejudice, and issue such other and further relief as the Panel deems just, equitable, and proper.

In the Statement of Answer, Respondent Bartolotta requested that the Statement of Claim be denied.

In the Statement of Answer, Respondent Giancursio requested that the Statement of Claim be denied.

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondents Four Bridges and Novem are not members or associated persons of FINRA and did not voluntarily submit to arbitration. Therefore, the Panel made no determination with respect to Claimant’s claims against Respondents Four Bridges and Novem.

AWARD

After considering the pleadings, and 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. Claimant’s claims are denied in their entirety.
2. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages and attorneys’ fees, are denied.

FEES

Pursuant to the Code of Arbitration Procedure (“Code”), the following fees are assessed:

Filing Fees

FINRA Dispute Resolution Services assessed a filing fee* for each claim:

Initial Claim Filing Fee = \$ 2,250.00

**The filing fee is made up of a non-refundable and a refundable portion.*

FINRA Dispute Resolution Services previously deferred Claimant’s filing fee of \$ 2,250.00. Upon conclusion of the matter, the Panel determined to waive the \$750.00 non-refundable portion of the filing fee.

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as a party, Respondent American Portfolio Financial Services is assessed the following:

Member Surcharge = \$ 4,025.00
Member Process Fee = \$ 7,000.00

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

| | | |
|--|------------|----------|
| Three (3) pre-hearing sessions with the Panel @ \$1,500.00/session | = \$ | 4,500.00 |
| Pre-hearing Conferences: March 2, 2020 | 1 session | |
| August 18, 2020 | 1 session | |
| October 29, 2020 | 1 session | |
| Three (3) hearing sessions @ \$1,500.00/session | = \$ | 4,500.00 |
| Hearing Dates: December 8, 2020 | 2 sessions | |
| December 9, 2020 | 1 session | |
| <hr/> | | |
| Total Hearing Session Fees | = \$ | 9,000.00 |

The Panel has assessed \$3,375.00 of the hearing session fees to Claimant.

The Panel has assessed \$2,250.00 of the hearing session fees jointly and severally to Respondents American Portfolios Financial Services, Joseph Bartolotta, and Torrey James Giancursio.

The Panel has assessed \$1,125.00 of the hearing session fees to Respondent American Portfolios Financial Services.

The Panel has assessed \$1,125.00 of the hearing session fees to Respondent Robert Joseph Bartolotta.

The Panel has assessed \$1,125.00 of the hearing session fees to Respondent Torrey James Giancursio.

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

ARBITRATION PANEL

| | | |
|---------------------------|---|--|
| Barry Goldman | - | Public Arbitrator, Presiding Chairperson |
| Ronald F Thompson | - | Public Arbitrator |
| James Daniel Schultz, Jr. | - | Non-Public Arbitrator |

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Concurring Arbitrators' Signatures

Barry Goldman

Barry Goldman
Public Arbitrator, Presiding Chairperson

01/04/2021

Signature Date

Ronald F Thompson

Ronald F Thompson
Public Arbitrator

01/04/2021

Signature Date

James Daniel Schultz, Jr.

James Daniel Schultz, Jr.
Non-Public Arbitrator

01/04/2021

Signature Date

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January 07, 2021

Date of Service (For FINRA Dispute Resolution Services use only)