

IN THE CIRCUIT COURT OF LAFAYETTE COUNTY, MISSISSIPPI

JONES, FUNDERBURG, SESSUMS  
PETERSON & LEE, LLC

PLAINTIFFS

VS.

CIVIL CAUSE # L07-135

RICHARD SCRUGGS, Individually;  
DON BARRETT, Individually; SCRUGGS  
LAW FIRM, P.A.; BARRETT LAW OFFICE,  
P.A.; NUTT & McALISTER, PLLC;  
and LOVELACE LAW FIRM, P.A.

DEFENDANTS

**ORDER SUSTAINING DEFENDANTS'  
MOTION TO SUBMIT THIS CAUSE  
TO BINDING ARBITRATION**

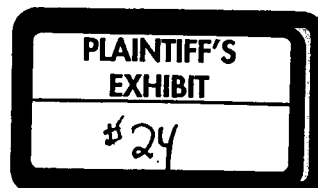
This matter is before the Court upon the Motion of Defendants to submit this matter to Binding Arbitration and the Court, upon being advised in the premises, having considered the file, the briefs of Counsel and hearing the argument of Counsel and after giving mature consideration to same, does now hereby find, order, determine and adjudicate as follows:

**FACTS**

All of the parties are attorneys or law firms.

All the parties are intelligent, scholarly and knowledgeable attorneys, accustomed to trying, or advising clients in complex issues.

On December 14<sup>th</sup>, 2005 the parties entered into a Joint Venture, (hereinafter "Venture") in contemplation that the Venture would bring a number of lawsuits on behalf of individuals and businesses who were wrongfully denied insurance coverage for property damage arising out of



Hurricane Katrina.

Each member of the Venture was assigned its "role" in the Joint Venture Agreement.

The Venture settled a number of their clients' claims and is entitled to in excess of Twenty Six Million Dollars for attorney fees and costs. A dispute as to the division of the fees between the Venturers has arisen.

The agreement contained a provision for the resolution of disputes in the following language:

"Any dispute arising under or relating to the terms of this agreement shall (Emphasis added) be resolved by *mandatory binding arbitration*, conducted in accordance with the guidelines of the American Arbitration Association."

Neither of the parties were to be considered as the drafter of the Agreement.

### CONCLUSION

The Court has considered a recently filed additional brief and documents submitted by Plaintiff and it is evident that Plaintiff requested the matter be resolved by binding arbitration on several occasions. On each occasion requested the Defendants gave reasonable explanations for declining to arbitrate the matter. The Plaintiff never requested relief by this Court or any other Court, but chose to disregard the clear language and intent of the Venture Agreement and filed the action *sub judice*. That the actions of the Plaintiff is contrary to the clear meaning of the contract between the parties.

The Agreement of December 14, 2005 is plain, simple, complete on its face, is not vague nor ambiguous and is an enforceable promise between the parties regardless of the consequences.

The parties are all sophisticated lawyers accustomed to reading, interpreting, and drafting contracts.

THEREFORE, the Motion of Defendants to stay all proceedings and to compel Binding Arbitration should be sustained.

**ORDER**

For the reasons set forth above, all matters in this cause, including all claims of Plaintiffs are hereby STAYED and Plaintiffs are hereby compelled to submit all such claims to BINDING ARBITRATION pursuant to the rules and guidelines of the American Arbitration Association all as set forth in the Agreement of December 14, 2005.

SO ORDERED AND ADJUDGED ON THIS THE 31<sup>st</sup> DAY OF OCTOBER, 2007.

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HENRY L. LACKEY-CIRCUIT JUDGE