

*S*

SHORT FORM ORDER

SUPREME COURT - STATE OF NEW YORK

Present:

**HON. STEPHEN A. BUCARIA**

Justice

---

TRIAL/IAS, PART 2  
NASSAU COUNTY

LLOYD GOLDSTEIN,

INDEX No. 154/09

Plaintiff,

MOTION DATE: March 5, 2010  
Motion Sequence # 001

-against-

LAURENCE LYNCH, NATIONAL  
ADMINISTRATORS, INC., GREATER  
METRO CORPORATION and FIRST  
NATIONAL ADMINISTRATORS, INC.,

Defendants,

-and-

FIRST NATIONAL ADMINISTRATORS OF  
NEW JERSEY, INC.,

Additional Defendant.

---

The following papers read on this motion:

Notice of Motion..... X  
Affirmation in Opposition..... X  
Reply Affirmation ..... X

Motion by plaintiff to compel discovery is granted to the extent indicated below.

On January 1, 1999, plaintiff Lloyd Goldstein entered into an agreement with defendant Lawrence Lynch to sell to Lynch his stock in defendant National Administrators, Inc. On January 20, 1999, plaintiff entered into a "deferred compensation and consulting agreement" with National Administrators whereby plaintiff was to be paid \$17,000 per month in addition to certain "variable fees" based on the number of insureds being serviced by the company. Defendant Lynch personally guaranteed National's payment obligations under the agreement. Plaintiff entered into similar consulting agreements with defendant Greater Metro Corporation and defendant First National Administrators which were also guaranteed by Lynch.

Plaintiff alleges that National has failed to make payment of the variable fees as required by the terms of the consulting agreement. In the first cause of action, plaintiff seeks an accounting of amounts due from National. In the second cause of action, plaintiff asserts a claim against National for breach of contract based upon its failure to make payment and a claim against Lynch on his guaranty. In the third cause of action, plaintiff asserts a claim against National and Lynch for conversion based upon their depriving him of the compensation provided under the agreement. In the fourth cause of action, plaintiff seeks an accounting of amounts due from Greater Metro. The fifth cause of action is asserted against Greater Metro for breach of contract and against Lynch on the guaranty. The sixth cause of action is asserted against Greater Metro and Lynch for conversion. In the seventh cause of action, plaintiff seeks an accounting of amounts due from First National. In the eighth cause of action, plaintiff asserts a claim against First National for breach of contract and a claim against Lynch on his guaranty. In the ninth cause of action, plaintiff asserts claims against First National and Lynch for conversion.

Plaintiff moves pursuant to CPLR 3124 to compel defendants to allow plaintiff to "access and clone" their data base, also referred to as the "MIP Program." The data base contains information as to the number of insureds and insurance carriers serviced by defendants as well as commissions received from the insurance companies. Defendants oppose granting access to their data base on the ground that they have already produced documents containing the requested information and the data base contains information which is not relevant to plaintiff's claim, such as the names of insureds and their social security numbers. Plaintiff argues that the documents provided by defendants are unreliable because they are inconsistent with other documents upon which payments to plaintiff were calculated.

Under the discovery statutes, competing interests must always be balanced; the need

for discovery must be weighed against any special burden to be borne by the opposing party as well as privacy concerns of persons not before the court (*Kavanagh v Ogden Allied Maintenance*, 92 NY2d 953 [1998]). Plaintiff's motion to compel is granted only to the extent that within 30 days of service of a copy of this order, defendants shall produce a schedule showing the number of insureds serviced, under all insurance policies, broken down by year commencing with 1999 and continuing through the present. Defendants shall also produce the raw data supporting the schedule, with the names and social security numbers of the insureds deleted. Defendants shall also state the names of all software programs which are necessary for the data to be retrieved and examined (See generally The Sedona Conference Cooperation Proclamation).

So ordered.

Dated 14 April '10

Stephen A. Scaria  
I.S.C.  
**ENTERED**

APR 16 2010

NASSAU COUNTY  
COUNTY CLERK'S OFFICE