

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Kevin Richard Wilson

Case Number: 20-03084

vs.

Respondent
Laidlaw and Company (UK) Ltd.

Hearing Site: New York, 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.

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Kevin Richard Wilson: John D. Stewart, Esq., Baritz & Colman LLP, New York, New York.

For Respondent Laidlaw and Company (UK) Ltd.: Alex Shtaynberger, Laidlaw & Company (UK) Ltd, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: September 9, 2020.

Kevin Richard Wilson signed the Submission Agreement: September 9, 2020.

Statement of Answer filed by Respondent on or about: October 29, 2020.

Laidlaw and Company (UK) Ltd. signed the Submission Agreement: October 29, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant asserted a claim seeking expungement of customer dispute information from registration records maintained by the Central Registration Depository (“CRD”).

In the Statement of Answer, Respondent took no position on Claimant’s expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested: expungement of Occurrence Numbers 2007852, 1988886, and 2084537; and compensatory damages in the amount of \$1.00.

In the Statement of Answer, Respondent requested that Claimant's claim for \$1.00 in compensatory damages be denied.

At the hearing, Claimant withdrew the request for \$1.00 in damages.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges having read the pleadings and other materials filed by the parties.

On March 15, 2021, Claimant advised that the customers in Occurrence Numbers 2007852, 1988886, and 2084537 were served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Arbitrator conducted a recorded hearing by videoconference on April 6, 2021, so the parties could present oral argument and evidence on Claimant's request for expungement.

Respondent did not participate in the expungement hearing and did not oppose the request for expungement.

The customers did not participate in the expungement hearing. The Arbitrator found that the customers had notice of the expungement request and hearing.

The Arbitrator reviewed Claimant's BrokerCheck® Report. The Arbitrator noted that a prior arbitration panel or court did not previously rule on expungement of the same occurrences in the CRD.

The Arbitrator also reviewed the settlement documentation related to Occurrence Numbers 2007852, 1988886, and 2084537, considered the amount of payment made to any party to the settlements, and considered other relevant terms and conditions of the settlements. The Arbitrator noted that the settlements were not conditioned on any party to the settlements not opposing the expungement request and that Claimant did not contribute to the settlement amounts.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's testimony and the settlement agreements.

AWARD

After considering the pleadings, the testimony and evidence presented at the expungement hearing, and any post-hearing submissions, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. The Arbitrator recommends the expungement of all references to Occurrence Number 2007852 from registration records maintained by the CRD for Claimant Kevin Richard Wilson

(CRD Number 3262701) with the understanding that, pursuant to Notice to Members 04-16, Claimant Kevin Richard Wilson must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 13805 of the Code of Arbitration Procedure ("Code"), the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is false.

The Arbitrator has made the above Rule 2080 finding based on the following reasons:

Claimant testified that the customer, an oncologist, was interested in private placement investments. The customer identified his risk tolerance as "high risk" on the account application. Because the customer was interested in private placement investments, he had to meet net income and net worth requirements. The risk involved in private placement investments was thoroughly explained to the customer and he had to attest in writing that he understood the risk. Investments were made in biomedical companies and a technology company. The Claimant testified credibly as to the merits of four of the companies that were recommended to the customer: Relmada Therapeutics, Biosig, Protea, and Cool Tech. The Claimant's due diligence included meeting with the executives of the companies, site visits, and meeting with other shareholders. When the value of the investments declined, the customer claimed unsuitability.

2. The Arbitrator recommends the expungement of all references to Occurrence Number 1988886 from registration records maintained by the CRD for Claimant Kevin Richard Wilson (CRD Number 3262701) with the understanding that, pursuant to Notice to Members 04-16, Claimant Kevin Richard Wilson must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 13805 of the Code of Arbitration Procedure ("Code"), the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is false.

The Arbitrator has made the above Rule 2080 finding based on the following reasons:

Claimant testified that the customer is a C.P.A., a former Internal Revenue Service auditor, and a financial planner holding a Series 7 license. The customer had 40 years of experience as a financial planner. The customer opened his account to pursue private placement investments and he had to meet net income and net worth requirements. The customer indicated that his risk tolerance was "high risk" on his account application. The

risk involved in private placement investments was thoroughly explained to the customer and he had to attest in writing that he understood the risk. The Claimant testified credibly as to the merits of four companies that were recommended to the customer: Spherix, Relmada Therapeutics, Actinium Pharmaceuticals, and Protea. The Claimant's due diligence included meeting with the executives of the companies, site visits, and meeting with other shareholders. When the value of the investments declined, the customer claimed unsuitability.

3. The Arbitrator recommends the expungement of all references to Occurrence Number 2084537 from registration records maintained by the CRD for Claimant Kevin Richard Wilson (CRD Number 3262701) with the understanding that, pursuant to Notice to Members 04-16, Claimant Kevin Richard Wilson must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 13805 of the Code of Arbitration Procedure ("Code"), the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is false.

The Arbitrator has made the above Rule 2080 finding based on the following reasons:

This complaint involved a joint account. One customer is a thoracic surgeon and the other customer is partner in a law firm. The customers were interested in opening an account to pursue private placement investments. They had to meet net income and net worth requirements. The customers identified their risk tolerance on the account application as "high risk." The risk involved in private placement investments was thoroughly explained to them and they had to attest in writing that they understood the risk. The Claimant testified as to the merits of four companies that were recommended to the customers: Relmada Therapeutics, Boston Therapeutics, Alliqua, and Cool Tech. The Claimant's due diligence included meeting with executives of the companies, site visits, and meeting with other shareholders. When the value of their investments declined, the customers claimed unsuitability.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial Claim Filing Fee	= \$	50.00
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**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 that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as a party, Respondent Laidlaw and Company (UK) Ltd. is assessed the following:

Member Surcharge =\$ 150.00

Hearing Session Fees and Assessments

The Arbitrator has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the Arbitrator, including a pre-hearing conference with the Arbitrator, which lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) pre-hearing session with a single Arbitrator @ \$50.00/session =\$ 50.00
Pre-Hearing Conference: January 15, 2021 1 session

One (1) hearing session on expungement request @ \$50.00/session =\$ 50.00
Hearing: April 6, 2021 1 session

Total Hearing Session Fees =\$ 100.00

The Arbitrator has assessed the total hearing session fees to Claimant.

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

ARBITRATOR

Howard D. Jacob

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Sole 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.

Arbitrator's Signature

Howard D. Jacob

Howard D. Jacob
Sole Public Arbitrator

04/15/2021

Signature Date

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.

April 16, 2021

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