

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Todd A. Cirella

Case Number: 20-03215

vs.

Respondents
Laidlaw & Company (UK) Ltd.
Sands Brothers & Co., 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 Todd A. Cirella: Thomas P. McEvoy, Esq., and Michael H. Ference, Esq.,
Sichenzia Ross Ference LLP, New York, New York.

For Respondent Laidlaw & Company (UK) Ltd.: Charles Smulevitz, Laidlaw & Company (UK)
Ltd., New York, New York.

Respondent Sands Brothers & Co., Ltd. did not enter an appearance.

CASE INFORMATION

Amended Statement of Claim filed on or about September 21, 2020
Todd A. Cirella signed the Submission Agreement: September 11, 2020

Statement of Answer to the Amended Statement of Claim filed by Respondent Laidlaw &
Company (UK) Ltd. on or about: November 9, 2020
Laidlaw & Company (UK) Ltd. signed the Submission Agreement: November 9, 2020.

Sands Brothers & Co., Ltd. did not file a Statement of Answer or sign a Submission Agreement.

CASE SUMMARY

In the Amended 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 to the Amended Statement of Claim, Respondent Laidlaw & Company (UK) Ltd., did not contest Claimant’s request for expungement.

RELIEF REQUESTED

In the Amended Statement of Claim, Claimant requested expungement of Occurrence Numbers 1599447, 347054, 738829 and 1568436; and compensatory damages in the amount of \$1.00.

In the Statement of Answer, Respondent Laidlaw & Company (UK) Ltd. requested that any request for monetary compensation 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.

Respondent Sands Brothers & Co., Ltd., did not file a Statement of Answer or properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

The original Statement of Claim was filed on September 11, 2020. An Amended Statement of Claim was filed on September 21, 2020. The Statement of Claim filed on September 11, 2020 was not served on the Respondents and therefore was not considered by the Arbitrator.

On February 3, 2022, Claimant advised that the customers in Occurrence Numbers 1599447, 347054, 738829 and 1568436 (“Customers”) 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 February 7, 2022, so the parties could present oral argument and evidence on Claimant’s request for expungement.

Respondent Laidlaw & Company (UK) Ltd. did not participate in the expungement hearing and did not oppose the request for expungement.

Respondent Sands Brothers & Co., Ltd. also did not participate in the expungement.

The Customers also 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 1599447 and 1568436, 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.

The Arbitrator did not review the settlement documentation related to Occurrence Numbers 347054 and 738829. The Arbitrator noted that Respondent Sands Brothers & Co., Ltd is a terminated firm and due to the age of the complaints, the settlement documents could not be produced. The Arbitrator considered the amount of payment made to any party to the settlements and noted that the date of the settlements preceded the effective date of the rule against conditioned settlements. The Arbitrator also noted that Claimant did not contribute to the settlement amounts.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: the pleadings, Claimant's testimony, the documentary evidence, Claimant's BrokerCheck® Report, the testimony of a witness formally employed by Sands Brothers & Co., Ltd. with personal knowledge of Occurrence Numbers 1599447 and 347054, and the affirmation of former counsel to Sands Brothers & Co., Ltd. with personal knowledge of Occurrence Numbers 738829 and 1568436.

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 1599447 from registration records maintained by the CRD for Claimant Todd A. Cirella (CRD Number 2396336) with the understanding that, pursuant to Notice to Members 04-16, Claimant Todd A. Cirella 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, the Arbitrator has made the following Rule 2080 affirmative findings of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds; and the claim, allegation, or information is false.

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

Claimant was a member of the team that prepared the intake paperwork in opening the new account. Claimant was not involved in any way with this initial step and was

dismissed from the arbitration. He did not participate in any further service to the Customer, was not a party to the settlement, and did not contribute to the settlement.

Claimant's witness, who was formally employed by Sands Brothers & Co., Ltd., testified on personal knowledge that upon receipt of the claim he determined that it lacked merit and the matter was resolved by Respondent Laidlaw & Company (UK) Ltd. making a business decision to settle the case. As there was no basis for a claim against Claimant, he was dismissed from the case. Claimant did not participate in the selection of counsel or the mediation and made no contribution to the settlement. The Arbitrator found that the claim asserted by the Customer had no basis against Claimant.

2. The Arbitrator recommends the expungement of all references to Occurrence Number 347054 from registration records maintained by the CRD for Claimant Todd A. Cirella (CRD Number 2396336) with the understanding that, pursuant to Notice to Members 04-16, Claimant Todd A. Cirella 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, the Arbitrator has made the following Rule 2080 affirmative findings of fact:

The claim, allegation, or information is false.

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

Claimant was a member of the team that prepared the intake paperwork in opening the new account and worked with the Customer in preparing the intake information. Subsequent to that, Claimant was not involved in any way following this initial step and was dismissed from the arbitration. Claimant did not participate in any way with any further service of the Customer, was not a party to the settlement, and did not contribute to the settlement

By affirmation of former counsel for Sands Brothers & Co., Ltd., stated on personal knowledge in affidavit received into evidence, the falsity of the Customer's complaint is evidenced by their decision not to pursue their claims. As stated in the affidavit, the claims against Claimant were dismissed from the arbitration with prejudice. Additionally, Sands Brothers & Co., Ltd. former counsel affirmed that a business decision was made to settle the Customer's claims against it for a nominal sum.

3. The Arbitrator recommends the expungement of all references to Occurrence Number 738829 from registration records maintained by the CRD for Claimant Todd A. Cirella (CRD Number 2396336) with the understanding that, pursuant to Notice to Members 04-16, Claimant Todd A. Cirella 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, 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 was a member of the team that prepared the intake paperwork in opening the new accounts and worked with the Customers in preparing the intake information. Subsequent to that, Claimant was not involved in any way following this initial step and was dismissed from the arbitration. Claimant did not participate in any way with any further service of the Customers, was not a party to the settlement, and did not contribute to the settlement.

By affirmation of former counsel for Sands Brothers & Co., Ltd., stated on personal knowledge in affidavit received into evidence, the falsity of the Customers' complaint is evidenced by their decision not to pursue their claims. As stated in the affidavit, the claims against Claimant were dismissed from the arbitration with prejudice.

4. The Arbitrator recommends the expungement of all references to Occurrence Number 1568436 from registration records maintained by the CRD for Claimant Todd A. Cirella (CRD Number 2396336) with the understanding that, pursuant to Notice to Members 04-16, Claimant Todd A. Cirella 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, the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds; and the claim, allegation, or information is false.

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

Claimant was a member of the team that prepared the intake paperwork in opening the new accounts and worked with the Customers in preparing the intake information. Subsequent to that, Claimant was not involved in any way following this initial step and was dismissed from the federal lawsuit. Claimant was present, as were other members of the team, in a conference call concerning private equity transactions attended by the Customers but had no advisory relationship with them. He did not participate in any way

with any further service of the Customers, was not a party to the settlement, and did not contribute to the settlement.

Claimant's witness, who was formally employed by Sands Brothers & Co., Ltd., testified on personal knowledge that upon receipt of the claim, an action was commenced in Federal Court, Eastern District of Michigan. He determined that the claim lacked merit and the matter was resolved in mediation. As there was no basis for a claim against Claimant, he was dismissed from the case. Claimant did not participate in the selection of counsel or the mediation and made no contribution to the settlement.

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

**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 parties, Respondents are each assessed the following:

Member Surcharge = \$ 150.00

Postponement Fees

Postponements granted during these proceedings for which fees were assessed or waived:

July 30, 2021, postponement requested by Claimant = \$ 50.00

Total Postponement Fees = \$ 50.00

The Arbitrator has assessed the total postponement fees to Claimant.

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 Arbitrators, 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 21, 2021 1 session

= \$ 50.00

One (1) hearing session on expungement request @ \$50.00/session
Hearing: February 7, 2022 1 session

Total Hearing Session Fees = \$ 100.00

The Arbitrator has assessed the total hearing session to Claimant.

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

ARBITRATOR

Gerald M. Levine

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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

Gerald M. Levine

Gerald M. Levine
Sole Public Arbitrator

03/02/2022

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.

March 02, 2022

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