

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Pamela Frost

Case Number: 19-01199

vs.

Respondents
Kevin R. Wilson
Laidlaw & Company (UK) Ltd.

Hearing Site: Wichita, Kansas

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: Customer vs. Associated Person and Member

This case was decided by an all-public panel.

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Pamela Frost (“Claimant”): Daniel D’Costa, Esq., Syosset, New York.

For Respondent Laidlaw & Company (Uk) Ltd. (“Laidlaw”): Richard J. Babnick, Jr., Esq., Sichenzia Ross Ference LLP, New York, New York, as of on or about November 17, 2021.

Respondent Kevin R. Wilson (“Wilson”) appeared pro se. Laidlaw and Wilson (collectively, “Respondents”) were represented jointly until on or about November 22, 2021, after which Wilson appeared pro se.

CASE INFORMATION

Statement of Claim filed on or about: April 30, 2019.

Amended Statement of Claim filed on or about: October 25, 2019.

Claimant signed the Submission Agreement: April 30, 2019.

Statement of Answer filed by Laidlaw on or about: July 3, 2019.

Statement of Answer filed by Wilson on or about: July 16, 2019.

Statement of Answer to Amended Statement of Claim filed by Respondents on or about: November 15, 2019.

Laidlaw signed the Submission Agreement: July 1, 2019.

Wilson signed the Submission Agreement: October 10, 2019.

CASE SUMMARY

In the Statement of Claim, as amended, Claimant asserted the following causes of action: unauthorized transactions (fraudulent activity) and failure to supervise. The causes of action relate to Claimant's allegations that Wilson purchased and later sold Medovex without her permission.

Unless specifically admitted in the Statement of Answer, as amended, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

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

RELIEF REQUESTED

In the Statement of Claim, as amended, Claimant requested compensation for account losses in the amount of approximately \$90,405.00 or that amount of compensatory damages the Panel deems to be appropriate; interest, at the statutory rate, as provided by law; reimbursement for the reasonable costs associated with the filing of this claim, including costs of representation; travel and expert witnesses; punitive damages, in an amount the Panel determines but not such that the total damages sought exceeds \$100,000.00.

In the Statement of Answer, as amended, Respondents requested that the Panel deny Claimant's Statement of Claim and Statement of Claim, as amended, with prejudice, as to each and every claim; and award Respondents reasonable attorneys' fees, costs, and forum fees.

In the Statement of Answer, Wilson requested that the Panel enter an award dismissing the claims against him in their entirety, with prejudice; expunging of all references to this matter from Central Registration Depository ("CRD") registration records; imposing all forum fees in their entirety upon Claimant; and granting such other and further relief as the Panel deems just and appropriate.

At the evidentiary hearing, Wilson withdrew his request for expungement.

OTHER ISSUES CONSIDERED AND DECIDED

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

During the Initial Pre-Hearing Conference on October 14, 2019, Laidlaw requested that two additional arbitrators be appointed pursuant to Rule 12401 of the Code of Arbitration Procedure ("Code") based on the possibility the relief requested in Claimant's Statement of Claim could exceed \$100,000.00. Claimant agreed to Laidlaw's request. In an Order dated the same date, the Chairperson ordered that two additional arbitrators be appointed.

In an Order dated October 15, 2019, the Arbitrator granted leave for Claimant to amend the Statement of Claim with respect to the damages request only.

On November 23, 2021, Claimant filed a Motion for Virtual Final Hearing via Zoom ("Motion for Virtual Hearing"). On December 1, 2021, Laidlaw opposed the Motion for Virtual Hearing. On the same date, Claimant filed a Reply in Support of the Motion for Virtual Hearing. In an Order dated December 7, 2021, the Panel granted the Motion for Virtual Hearing.

At the hearing, Wilson stated that he was not seeking expungement. Accordingly, the Panel made no determination as to Wilson's request for expungement.

The Award in this matter may be executed in counterpart copies.

AWARD

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

1. Respondents are jointly and severally liable for and shall pay to Claimant the sum of \$60,205.06 in compensatory damages.
2. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages, treble damages, and attorneys' fees, are denied.

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	= \$ 1,425.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Laidlaw is assessed the following:

Member Surcharge	= \$ 1,700.00
Member Process Fee	= \$ 3,250.00

Late Pre-Hearing Cancellation Fees

Fees apply when a pre-hearing conference is cancelled within three business days of the scheduled conference:

August 20, 2019, cancellation requested by Laidlaw	= \$ 100.00
January 27, 2020, cancellation requested by Claimant	WAIVED

Total Late Pre-Hearing Cancellation Fees	= \$
	100.00

The Panel has assessed the total late pre-hearing cancellation fees to Laidlaw.

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

One (1) pre-hearing session with a single Arbitrator @ \$450.00/session	= \$	450.00
Pre-Hearing Conference: October 14, 2019	1 session	
Two (2) pre-hearing sessions with the Panel @ \$1,125.00/session	= \$	2,250.00
Pre-Hearing Conferences: February 5, 2020	1 session	
January 11, 2021	1 session	
	= \$	3,375.00
Three (3) hearing sessions @ \$1,125.00/session		
Hearings: January 11, 2022	2 sessions	
January 12, 2022	1 session	
Total Hearing Session Fees	= \$	6,075.00

The Panel has assessed \$2,542.50 of the hearing session fees to Claimant.

The Panel has assessed \$3,532.50 of the hearing session fees, jointly and severally, to Respondents.

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

ARBITRATION PANEL

Ilene T. Gormly	-	Public Arbitrator, Presiding Chairperson
Kelley L. Cornelius	-	Public Arbitrator
Lawrence R. Maxwell, Jr.	-	Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

Concurring Arbitrators' Signatures

Ilene T. Gormly

Ilene T. Gormly
Public Arbitrator, Presiding Chairperson

01/26/2022

Signature Date

Kelley L. Cornelius

Kelley L. Cornelius
Public Arbitrator

01/26/2022

Signature Date

Lawrence R. Maxwell, Jr.

Lawrence R. Maxwell, Jr.
Public Arbitrator

01/26/2022

Signature Date

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January 26, 2022

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