

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Hanala Sagal

Case Number: 19-02274

vs.

Respondent
Oppenheimer & Co., Inc.

Hearing Site: Los Angeles, California

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. Member

This case was decided by an all-public panel.

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Hanala Sagal (“Claimant”): Richard B. Fosher, Esq. and Bruce D. Oakes, Esq., Oakes & Fosher, LLC, St. Louis, Missouri.

For Respondent Oppenheimer & Co., Inc. (“Respondent”): Elizabeth H. Lindh, Esq., Keesal, Young & Logan, Long Beach, California.

CASE INFORMATION

Statement of Claim filed on or about: August 12, 2019.
Claimant signed the Submission Agreement: August 12, 2019.

Statement of Answer filed by Respondent on or about: November 7, 2019.
Respondent signed the Submission Agreement: November 7, 2019.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: breach of fiduciary duty; common law fraud; negligence; negligent misrepresentation; omission; breach of contract; restitution; violation of California’s Securities Act; and negligent supervision. The causes of action relate to various securities including unspecified energy stock, unspecified junk bonds, Breitburn Energy Partners, LLP, and unspecified closed end funds.

In the Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Approximately \$750,000.00 in compensatory damages;
2. Punitive damages;
3. Pre-judgment interest;
4. Attorneys' fees;
5. Costs;
6. Filing and forum fees; and
7. Such other and further relief which this Panel deems just and proper under the circumstances.

In the Statement of Answer, Respondent requested:

1. Dismissal of Claimant's Statement of Claim in its entirety;
2. Costs, including fees and expenses; and
3. Such other and further relief as the Panel deems just and equitable.

At the hearing, Claimant requested \$1,517,551.07 in compensatory damages.

OTHER ISSUES CONSIDERED AND DECIDED

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

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. Respondent is liable for and shall pay to Claimant the sum of \$355,865.00 in compensatory damages.
2. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages and attorneys' fees, are denied.

FEES

Pursuant to the Code of Arbitration Procedure ("Code"), the following fees are assessed:

Filing Fees

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

Initial Claim Filing Fee = \$ 1,725.00

**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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Respondent is assessed the following:

Member Surcharge = \$ 2,475.00
Member Process Fee = \$ 5,075.00

Postponement Fees

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

September 25, 2021, postponement requested by the parties = \$ 1,300.00

Total Postponement Fees = \$ 1,300.00

The Panel has assessed \$650.00 of the postponement fees to Claimant.

The Panel has assessed \$650.00 of the postponement fees to Respondent.

Last-Minute Cancellation Fees

Fees apply when a hearing on the merits is cancelled within ten calendar days before the start of a scheduled hearing session:

September 25, 2021, cancellation requested by the parties = \$ 1,800.00

Total Last-Minute Cancellation Fees = \$ 1,800.00

The Panel has assessed \$900.00 of the last-minute cancellation fees to Claimant.

The Panel has assessed \$900.00 of the last-minute cancellation fees to Respondent.

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 Arbitrators, including a pre-hearing conference with the Arbitrators, 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 22, 2020 1 session

Eleven (11) hearing sessions @ \$1,300.00/session = \$ 14,300.00
Hearings: August 24, 2021 2 sessions
August 25, 2021 2 sessions
August 26, 2021 2 sessions
August 27, 2021 2 sessions
September 27, 2021 2 sessions

ARBITRATION PANEL

Thomas R. Watkins	-	Public Arbitrator, Presiding Chairperson
Nancy G. Harris	-	Public Arbitrator
Robert C. Albini	-	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

Thomas R. Watkins

Thomas R. Watkins
Public Arbitrator, Presiding Chairperson

10/05/2021

Signature Date

Nancy G. Harris

Nancy G. Harris
Public Arbitrator

10/05/2021

Signature Date

Robert C. Albini

Robert C. Albini
Public Arbitrator

10/05/2021

Signature Date

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October 05, 2021

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