

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Daniel Lawrence Katz

Case Number: 19-03818

vs.

Respondent
Oppenheimer & Co., Inc.

Hearing Site: Jersey City, New Jersey

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 Daniel Lawrence Katz: David I. Hantman, Esq., Bressler, Amery & Ross, P.C., New York, New York.

For Respondent Oppenheimer & Co., Inc.: Nicola A. Murphy, Esq., Oppenheimer & Co., Inc., New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: December 26, 2019.

Amended Statement of Claim filed on or about: May 7, 2020.

Daniel Lawrence Katz signed the Submission Agreement: December 26, 2019.

Statement of Answer filed by Respondent on or about: May 15, 2020.

Oppenheimer & Co., Inc. signed the Submission Agreement: June 11, 2020.

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, Respondent did not oppose Claimant’s expungement request.

RELIEF REQUESTED

In the Amended Statement of Claim, Claimant requested: expungement of Occurrence Number 1970911; and such further and other relief as may be just and proper.

In the Statement of Answer, Respondent requested that all costs and fees associated with the claim be assessed solely to Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

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

On January 5, 2021, Claimant advised that the customers in Occurrence Number 1970911 were served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Panel conducted a recorded hearing by videoconference on February 1, 2021 so the parties could present oral argument and evidence on Daniel Lawrence Katz's request for expungement.

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

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

The Panel reviewed Claimant's BrokerCheck® Report. The Panel noted that a prior arbitration panel or court has not previously ruled on expungement of the same occurrence in the Central Registration Depository ("CRD").

The Panel also reviewed the settlement documents, considered the amount of payments made to any party to the settlement, and considered other relevant terms and conditions of the settlement. The Panel noted that the settlement was not conditioned on any party to the settlement not opposing the request for expungement and that Claimant did not contribute to the settlement amount.

In recommending expungement, the Panel relied upon the following documentary or other evidence: Claimant's BrokerCheck® Report, the pleadings, Claimant's testimony, and the exhibits.

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. The Panel recommends the expungement of all references to Occurrence Number 1970911 from registration records maintained by the CRD for Claimant Daniel Lawrence Katz (CRD

Number 4830089) with the understanding that, pursuant to Notice to Members 04-16, Claimant Daniel Lawrence Katz 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 Panel has made the following Rule 2080 affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous; and the claim, allegation, or information is false.

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

The customers were sophisticated investors who traded Puerto Rico bonds for more than 20 years, the investments were suitable for the accounts, the bonds were a small percentage of the total bond investments, the trades were all made and approved by the customers, and the losses were a result of the collapse of the overall market for Puerto Rico bonds. The accounts were established in the 1980s long before Claimant entered the business. Claimant was in a practice group and his involvement with the account was ministerial and did not involve research or recommending bonds, except in one instance where he recommended a bond at the request of another broker who was on vacation. The Claimant was not consulted by Respondent about the settlement, was not aware that the case was settled until after it occurred and did not contribute to the settlement amount.

2. Any and all claims for relief not specifically addressed herein 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 = \$ 1,575.00

**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 event giving rise to the dispute. Accordingly, as a party, Respondent Oppenheimer & Co., Inc is assessed the following:

Member Surcharge = \$ 1,900.00
Member Process Fee = \$ 3,750.00

Hearing Session Fees and Assessments

The Arbitrators have 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 the Panel @ \$1,125.00/session	= \$	1,125.00
Pre-hearing Conference: July 22, 2020	1 session	
One (1) hearing session on expungement request @ \$1,125.00/session	= \$	1,125.00
Hearing Date: February 1, 2021	1 session	
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Total Hearing Session Fees	= \$	2,250.00

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

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

ARBITRATION PANEL

Michael H. DuBoff	-	Public Arbitrator, Presiding Chairperson
Robert E. Anderson	-	Public Arbitrator
Richard Morse	-	Non-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

Michael H DuBoff

Michael H. DuBoff
Public Arbitrator, Presiding Chairperson

02/02/2021

Signature Date

Robert E. Anderson

Robert E. Anderson
Public Arbitrator

02/02/2021

Signature Date

Richard Morse

Richard Morse
Non-Public Arbitrator

02/02/2021

Signature Date

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February 03, 2021

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