

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Anibal Drelichman

Case Number: 21-00702

vs.

Respondents
Citigroup Global Markets, Inc.
Oppenheimer & Co., Inc.

Hearing Site: Washington, D.C.

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. Members

REPRESENTATION OF PARTIES

For Claimant Anibal Drelichman: Erika Binnix, Esq. and Dochter Kennedy, JD, MBA, AdvisorLaw, LLC, Westminster, Colorado.

For Respondent Citigroup Global Markets, Inc. (“Citigroup”): Adam Kauff, Esq., Kauff, Laton, Miller LLP, New York, New York.

For Respondent Oppenheimer & Co., Inc. (“Oppenheimer”): Nicola Anne Murphy, Esq., Oppenheimer & Co., Inc., New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: March 16, 2021.

Anibal Drelichman signed the Submission Agreement: March 16, 2021.

Statement of Answer filed by Respondent Citigroup on or about: May 5, 2021.

Respondent Citigroup signed the Submission Agreement: May 10, 2021.

Statement of Answer filed by Respondent Oppenheimer on or about: May 5, 2021.

Respondent Oppenheimer signed the Submission Agreement: May 5, 2021.

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 its Statement of Answer, Respondent Citigroup did not oppose Claimant's expungement request and denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

In its Statement of Answer, Respondent Oppenheimer did not oppose Claimant's expungement request and denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Numbers 1434198, 1681792 and 1681643 and any and all other relief that the Arbitrator deems just and equitable.

In its Statement of Answer, Respondent Citigroup did not delineate a specific relief request.

In its Statement of Answer, Respondent Oppenheimer did not delineate a specific relief request.

OTHER ISSUES CONSIDERED AND DECIDED

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

On March 31, 2021, the parties filed with FINRA Dispute Resolution Services a stipulation to request that the undersigned Arbitrator, who appeared on the parties' ranking lists, be appointed as the sole arbitrator, instead of the three-arbitrator panel prescribed under the Code of Arbitration Procedure (the "Code"). Accordingly, the Arbitrator was appointed to decide this matter.

On August 30, 2021, Claimant filed an Affidavit confirming that the customers in Occurrence Numbers 1434198 ("Customer A") and 1681792 ("Customer B") were served with the Statement of Claim and notice of the date and time of the expungement hearing. The customer in Occurrence Number 1681643 ("Customer C") was unable to be served because she is deceased.

The Arbitrator conducted a recorded, telephonic hearing on October 20, 2021, so the parties could present oral argument and evidence on Claimant's request for expungement.

Respondents participated in the expungement hearing and, as stated in the Statement of Answer, did not oppose the request for expungement.

Customers A and B did not participate in the expungement hearing. The Arbitrator found that Customers A and B 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 occurrence in the CRD.

The Arbitrator noted the following with respect to Occurrence Numbers 1434198 and 1681643:

A September 15, 2021, letter relating to the settlements of Occurrence Numbers 1434198 and 1681643 states that counsel for Claimant requested copies of settlement agreements or other responsive documents from Respondent Citigroup who confirmed that no responsive agreements were located. Claimant did not have copies of settlements for those occurrences. Based on Claimant's testimony, and information in paragraphs 19 and 42 of the Statement of Claim, it appears that Claimant did not contribute to the settlements with Respondent Citigroup and the two customers in question. This is consistent with information in the BrokerCheck®, which shows individual contributions of \$0.00 for the respective settlements.

The Arbitrator noted that the dispute related to Occurrence Number 1681792 was not settled and, therefore, there was no settlement document to review.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: the pleadings; Claimant's testimony; the testimony of Claimant's ex-business partner at the time of the disputes at issue; Claimant's BrokerCheck® Report; and Exhibits 01, 02, 03 and 04 submitted by Claimant.

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 Numbers 1434198, 1681792 and 1681643 from registration records maintained by the CRD for Claimant Anibal Drelichman (CRD Number 2916477) with the understanding that, pursuant to Notice to Members 04-16, Claimant 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 findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

The claim, allegation, or information is false.

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

In his Statement of Claim, Claimant sought expungement of customer dispute information from the CRD, consisting of occurrence numbers 1434198, 1681792 and 1681643. Respondents Oppenheimer and Citigroup did not oppose the request and denied any wrongdoing in connection with the occurrences. Prior to the hearing, the Arbitrator read the pleadings and other documents filed by the parties. On or about August 25, 2021, Customers A and B were served copies of the Statement of Claim, notice of the date and

time of the expungement hearing and their right to participate therein. Customer C was unable to be served because she is deceased.

The Arbitrator conducted a recorded telephonic hearing on October 20, 2021, in which the parties could present evidence and oral argument regarding the request for expungement. Customers A and B did not participate in the hearing or file any evidence. The Arbitrator reviewed Claimant's BrokerCheck® report and found that a prior arbitration panel or a court had not previously ruled on the expungement of the same occurrences.

The Arbitrator heard testimony of a retired broker ("Broker"), who was a partner of Claimant for approximately fifteen (15) years. The Broker was in a position to closely observe Claimant's interaction with Customers A, B and C. The Broker's testimony was credible and established that allegations of unsuitable investments, churning or unauthorized trades against Claimant were not supported by credible evidence. Claimant's testimony with respect to his interaction with the customers was credible and, when supported by the documentary evidence in the file, it showed conclusively that the allegations by Customers B and C were false.

Similarly, the allegations of violations of the Michigan Securities Act, fraud, breach of contract, breach of fiduciary duty, negligence and misrepresentation were false. Customer C had utilized Claimant's services from 2005 to about 2012 without making any complaints or claims against him. Throughout the entire period, she authorized all trades in her portfolio. During the financial crisis of 2008, Customer C was afraid of sustaining large losses and wished to liquidate her investments. Claimant advised her to wait for the market to recover. Customer C took Claimant's advice and her portfolio recovered and became profitable.

With respect to Occurrence Number 1434198, Customer A's allegations were factually unsupported. He erroneously alleged that Claimant had failed to execute trade requests, however, the requests in question were not official orders because they were emailed. One verbal stop loss order which he placed with the Claimant was dutifully executed. Respondent Citibank settled the claim of Customer A for nuisance value without consulting the Claimant. The Arbitrator finds that Customer A's allegations were false.

The Arbitrator notes that the Award document in FINRA Case No. 13-02460 (Occurrence Number 1681792) finding liability against Respondent Oppenheimer for \$235,000.00 does not make reference to wrongdoing by Claimant. In addition, the settlement of Occurrence Number 1681643 involving Respondent Citigroup for nuisance value was entered without the input of the Claimant.

In consideration of the foregoing, the Arbitrator concludes that expungement of occurrences 1434198, 1681792 and 1681643 are appropriate and satisfy the requirements of Rule 2080.

2. Any and all claims for relief not specifically addressed herein 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:

Expungement 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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as parties, Respondents Citigroup and Oppenheimer are each assessed the following:

Member Surcharge = \$ 1,900.00

Member Process Fee = \$ 3,750.00

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 @ \$1,125.00/session = \$ 1,125.00
Pre-Hearing Conference: July 9, 2021 1 session

One (1) hearing session on expungement request @ \$1,125.00/session = \$ 1,125.00
Hearing: October 20, 2021 1 session

Total Hearing Session Fees = \$ 2,250.00

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

Michael James Malone

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Sole 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.

Arbitrator's Signature

Michael James Malone

Michael James Malone
Sole Public Arbitrator

11/03/2021

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.

November 03, 2021

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