Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Chukwuemeka Okafor

vs.

Respondent
UBS Financial Services Inc.

Case Number: 20-03553

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


CASE INFORMATION

Statement of Claim filed on or about: October 19, 2020.

Statement of Answer filed by Respondent on or about: January 11, 2021.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: breach of contract and warranties; promissory estoppel; violation of the California Securities Act; violation of the California Consumer Legal Remedies Act; state fraud statutes; negligence and gross negligence; misrepresentation and negligent misrepresentation; breach of fiduciary duty; unjust enrichment; and failure to supervise. The causes of action relate to Claimant’s alleged losses in
Claimant’s investment accounts, which utilized an options trading strategy product offered by Respondent called the Yield Enhancement Strategy (“YES”).

Unless specifically admitted 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. Damages in an amount between $500,000.00 and $1,000,000.00, including all direct and/or consequential damages and statutory and/or punitive damages; plus interest and costs as provided by statute, in an amount which Claimant reserves the right to amend at any time including during hearings held on these matters, as follows:
   a. all sums lost in Claimant accounts on any or all transactions made or not made; plus, additionally or alternatively;
   b. all lost opportunities incurred as a result of acts and/or omissions, including the opportunity cost of Claimant being forced to liquidate investments; plus, additionally or alternatively;
   c. consequential damages, including the tax consequences of Respondent’s actions;
   d. statutory damages as provided by applicable law; plus, additionally or alternatively;
   e. punitive damages in an amount that the Panel shall deem appropriate; plus;
   f. pre-award and pre-judgment interest at the highest rate allowed by law; plus, additionally or alternatively;
   g. all costs of these proceedings and for recovery of damages incurred, including legal fees, including while on appeal, if any, and for collection; plus, additionally or alternatively;
   h. any and all other relief available to Claimant, in law or equity or otherwise, which may be granted to them by this Panel.

In the Statement of Answer, Respondent requested:

1. Claimant’s Statement of Claim be dismissed in its entirety and with prejudice;
2. This matter be expunged from the Central Registration Depository (“CRD”) records of Unnamed Party Eric Andrew Wittenberg, and any and all associated persons who may be affected by this claim; and
3. Such other and further relief as the Panel deems just and proper.

**OTHER ISSUES CONSIDERED AND DECIDED**

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

On July 13, 2022, the parties jointly stipulated to proceed with the evidentiary hearing via videoconference.

**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. Claimant’s claims are denied in their entirety.

2. Unnamed Party Eric Andrew Wittenberg’s (CRD Number 1552330) request for expungement of the above-captioned arbitration (Occurrence Number 2096914) from registration records maintained by the CRD is denied.

3. 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
- 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 that employed the associated person at the time of the event 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:

- January 3-7, 2022, postponement requested by Claimant = $1,300.00

Total Postponement Fees = $1,300.00

The Panel has assessed the total postponement fees to Claimant.

**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:

- Two (2) pre-hearing sessions with the Panel @ $1,300.00/session = $2,600.00
- Pre-Hearing Conferences: February 1, 2021 1 session
  December 20, 2021 1 session
- Fourteen (14) hearing sessions @ $1,300.00/session = $18,200.00
Hearings:

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Total Hearing Session Fees  = $20,800.00

The Panel has assessed $11,050.00 of the hearing session fees to Claimant.

The Panel has assessed $9,750.00 of the hearing session fees to Respondent.

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

**Joyce L. Hurley**
Joyce L. Hurley  
Public Arbitrator, Presiding Chairperson  
08/09/2022  
Signature Date

**Joseph C. Watson**
Joseph C. Watson  
Public Arbitrator  
08/10/2022  
Signature Date

**Aaron Nathan Shechet**
Aaron Nathan Shechet  
Public Arbitrator  
08/10/2022  
Signature Date

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August 10, 2022  
Date of Service (For FINRA Dispute Resolution Services use only)