

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Claimants
James Borelli
Kelly Borelli

Case Number: 14-01436

vs.

Respondent
Jon Gregory Sanchez

Hearing Site: Reno, Nevada

Nature of the Dispute: Customers vs. Associated Person

REPRESENTATION OF PARTIES

For Claimants James Borelli and Kelly Borelli, hereinafter collectively referred to as "Claimants": Jonathan E. Neuman, Esq., Law Offices of Jonathan E. Neuman, Esq., Fresh Meadows, New York.

For Respondent Jon Gregory Sanchez, hereinafter referred to as "Respondent": Steven F. Bus, Esq., Law Offices of Steven F. Bus, Ltd., Reno, Nevada.

CASE INFORMATION

Statement of Claim filed on or about: May 5, 2014.

Claimants signed the Submission Agreement: April 10, 2014.

Statement of Answer filed by Respondent on or about: August 1, 2014.

Respondent signed the Submission Agreement: June 24, 2014.

CASE SUMMARY

Claimants asserted the following causes of action: fraud; negligent misrepresentation; breach of fiduciary duty and breach of the covenant of good faith and fair dealing; and negligent supervision, breach of conduct and Section 20 violations. The causes of action relate to unspecified exchange-traded funds.

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

RELIEF REQUESTED

In the Statement of Claim, Claimants requested:

1. Compensatory/economic damages of \$100,000.00 or an amount as shall be established at the hearing; and
2. Reimbursement of all filing and hearing fees as well as costs relating to expert witness fees, transcripts and analysis.

In his Statement of Answer, Respondent requested:

1. Denial of the claim in its entirety; and
2. All costs and legal fees.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges that he has read the pleadings and other materials filed by the parties.

AWARD

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

1. Respondent is liable for and shall pay to Claimants compensatory damages in the amount of \$40,000.00.
2. Respondent is liable for and shall pay to Claimants simple interest on the amount of \$40,000.00 at the rate of 2.00% per annum from May 5, 2014 until the Award is paid in full.
3. Any and all relief not specifically addressed herein, including attorneys' fees, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial Claim Filing Fee = \$ 975.00

**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 Respondent's former firm, QA3 Financial Corp. is assessed the following:

Member Surcharge = \$ 1,100.00

Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 1,700.00

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(s), including a pre-hearing conference with the arbitrator(s), that 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 28, 2014 1 session	

Two (2) Hearing sessions @ \$450.00/session	= \$ 900.00
Hearing Date: July 13, 2015 2 sessions	

Total Hearing Session Fees	= \$1,350.00
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1. The Arbitrator has assessed \$675.00 of the hearing session fees jointly and severally to Claimants.
2. The Arbitrator has assessed \$675.00 of the hearing session fees to Respondent.

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

ARBITRATOR

Paul E. Dahlman

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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



Paul E. Dahlman
Sole Public Arbitrator

AUGUST 5-2015

Signature Date

August 5, 2015

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