

**Award**  
**FINRA Dispute Resolution Services**

---

In the Matter of the Arbitration Between:

Claimant  
Fibonacci Capital, LLC

Case Number: 21-00369

vs.

Respondents  
Sanctuary Securities, Inc.  
Andrew Lewis

Hearing Site: New York, New York

---

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 and Associated Person

This case was decided by a majority-public panel.

The evidentiary hearing was conducted by videoconference.

**REPRESENTATION OF PARTIES**

For Claimant Fibonacci Capital, LLC: Frank T.M. Catalina, Esq., Rolnick Kramer Sadighi LLP, New York, New York.

For Respondents Sanctuary Securities, Inc. and Andrew Lewis: Kathleen A. DeLaney, Esq., DeLaney & Delaney, LLC, Indianapolis, Indiana.

**CASE INFORMATION**

Statement of Claim filed on or about: February 11, 2021.  
Fibonacci Capital, LLC signed the Submission Agreement: February 10, 2021.

Joint Statement of Answer filed by Respondents on or about: April 19, 2021  
Sanctuary Securities, Inc. signed the Submission Agreement: May 11, 2021.  
Andrew Lewis signed the Submission Agreement: May 17, 2021.

**CASE SUMMARY**

In the Statement of Claim, Claimant asserted the following causes of action: fraud and negligent misrepresentation. The causes of action relate to purchase of Ginnie Mae mortgage-backed securities.

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

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant requested compensatory damages in an amount not less than \$1,000,000.00; interest accruing from the date of the loss; attorneys' fees and costs; and such other relief as the Panel deems appropriate.

In the Statement of Answer, Respondents requested that Claimant's claims be denied.

At the hearing, Claimant requested \$763,322.12 in compensatory damages plus statutory interest, and rescission of the transaction at issue.

### **OTHER ISSUES CONSIDERED AND DECIDED**

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

At the conclusion of Claimant's case-in-chief, Respondents made a Motion to Dismiss and Claimant opposed the motion. After due deliberation, the Panel denied the Motion to Dismiss.

The Panel has provided an explanation of the decision in this award. The explanation is for the information of the parties only and is not precedential in nature.

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. Respondents are jointly and severally liable for and shall pay to Claimant the sum of \$40,788.65 in compensatory damages.
2. Respondents are jointly and severally liable for and shall pay to Claimant interest on the above-stated sum at the rate of 9% per annum from October 23, 2020 through and including the date of payment of the Award.
3. Any and all claims for relief not specifically addressed herein, including any requests for attorneys' fees, are denied.

### **ARBITRATORS' EXPLANATION OF DECISION**

The compensatory damages awarded are attributable to the excessive markup on the transaction.

## 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	=\$ 2,000.00
--------------------------	--------------

*\*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 events giving rise to the dispute. Accordingly, as a party, Respondent Sanctuary Securities, Inc. is assessed the following:

Member Surcharge	=\$ 3,025.00
Member Process Fee	=\$ 6,175.00

### 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 the Panel @ \$1,1400.00/session	=\$ 1,400.00
Pre-Hearing Conference: May 28, 2021	1 session
Four (4) hearing sessions @ \$1,400.00/session	=\$ 5,600.00
Hearings: December 1, 2021	2 sessions
December 2, 2021	2 sessions
<hr/>	
Total Hearing Session Fees	=\$ 7,000.00

The Panel has assessed \$3,500.00 of the hearing session fees to Claimant.

The Panel has assessed \$3,500.00 of the hearing session fees jointly and severally to Respondents.

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

**ARBITRATION PANEL**

Judith C. Zerden	-	Public Arbitrator, Presiding Chairperson
Julian F. Santos	-	Public Arbitrator
Larry A. Kimmel	-	Non-Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

**Concurring Arbitrators' Signatures**

***Judith C. Zerden***

\_\_\_\_\_  
Judith C. Zerden  
Public Arbitrator, Presiding Chairperson

***12/22/2021***

\_\_\_\_\_  
Signature Date

***Julian F. Santos***

\_\_\_\_\_  
Julian F. Santos  
Public Arbitrator

***12/21/2021***

\_\_\_\_\_  
Signature Date

***Larry A. Kimmel***

\_\_\_\_\_  
Larry A. Kimmel  
Non-Public Arbitrator

***12/22/2021***

\_\_\_\_\_  
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.

December 28, 2021

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