



## AMERICAN ARBITRATION ASSOCIATION

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In the Matter of the Arbitration between

Case Number: 01-19-0000-7717

Ericka Morgan

-vs-

1Debit, Inc. and The Bancorp Bank

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### AWARD OF ARBITRATOR

I, Jeremy M. Goodman (the “Arbitrator”), having been designated in accordance with the arbitration agreement entered into by the above-named parties, and having been duly sworn, and oral hearings having been waived in accordance with the Rules, and having fully reviewed and considered the written documents submitted to me by the parties, each represented by counsel, do hereby, AWARD, as follows:

The Claimant Ericka Morgan (the “Claimant”) alleges that 1Debit, Inc., and The Bancorp Bank (collectively, the “Respondents”) violated four separate provisions the Electronic Funds Transfer Act and its implementing regulation, Regulation E, found at 12 C.F.R. § 205 (“Reg. E.”). Specifically, the Claimant alleges that: (1) the Respondents did not properly limit the Claimant’s liability for six allegedly erroneous transactions; (2) the Respondents did not timely respond to the Claimant’s dispute regarding the six allegedly erroneous transactions; (3) the Respondents did not provide an acceptable written explanation to the Claimant regarding the results of the Respondents’ investigation; and (4) the Respondents improperly required the Claimant to sign an affidavit in connection with her dispute of the six allegedly erroneous transactions.

The Claimant seeks actual damages of \$551.63, statutory damages of \$4,000.00, and attorneys’ fees and costs of \$3,937.50. The Respondents dispute each of the Claimant’s allegations and do not seek any damages or attorneys’ fees and costs.

Each of the Parties submitted arguments and evidence in support of their respective positions. These included briefs and extensive exhibits. The Parties each disagreed with the relevance and meaning of their opponents’ submissions. The hearing was closed, but was then reopened at the request of the Respondents, and over the objection of the Claimant, to allow Respondents to correct the record of erroneous arguments and evidence submitted by the Respondents.

Following the reopening of the hearing, the Arbitrator and the Parties participated in a status conference where the Parties agreed that the record had been sufficiently supplemented, that there were no further proofs to offer or witnesses to be heard, and that the record was complete. Additionally, the Claimant agreed to waive her claims for additional fees and costs in connection with the reopening to expedite the Arbitrator’s decision, and advised that Claimant would not be submitting an updated declaration or seeking additional attorneys’ fees and costs.

Ultimately, the Arbitrator carefully considered the entirety of each of the Parties’ submissions, and they each formed a part of the Arbitrator’s analysis. However, this case comes down to credibility. The Respondents alleged many facts that might have ordinarily resulted in a finding for the Respondents on at least several of the Claimant’s allegations. Unfortunately, though, the Respondents’ erroneous arguments and evidence drastically diminished the

Respondents' credibility. Ultimately, the Respondents lack of credibility left the Arbitrator unconvinced, even on a more likely than not basis, that the Respondent allegations were accurate.

Therefore, the Arbitrator finds in favor of the Claimant that the (1) the Respondents did not properly limit the Claimant's liability for six allegedly erroneous transactions; (2) the Respondents did not timely respond to the Claimant's dispute regarding the six allegedly erroneous transactions; (3) the Respondents did not provide an acceptable written explanation to the Claimant regarding the results of the Respondents' investigation; and (4) the Respondents improperly required the Claimant to sign an affidavit in connection with her dispute of the six allegedly erroneous transactions.

Therefore, the Arbitrator awards the Claimant actual damages of \$551.63, statutory damages of \$4,000.00, and attorneys' fees and costs of \$3,937.50.

The administrative fees of the American Arbitration Association (AAA) totaling \$1,900.00 shall be borne as incurred, and the compensation of the arbitrator totaling \$1,500.00 shall be borne as incurred.

The above sums are to be paid on or before thirty (30) days from the date of this Award.

This Award is in full settlement of all claims submitted to this Arbitration. All claims not expressly granted herein are hereby denied.

09/04/19

Date

  
Jeremy M. Goodman, Arbitrator