

**AMERICAN ARBITRATION ASSOCIATION**  
**Consumer Arbitration Rules**

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In the Matter of Arbitration Between:

Re: #01-25-0000-0840

██████████ Guerrero, Claimant

vs.

Venmo, PayPal, Inc. and The Bancorp Bank Bancorp Bank, Respondent

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**ARBITRAL AWARD**

I, ██████████, having been designated in accordance with the arbitration agreement entered into by the parties, make the following award pursuant to AAA Consumer Arbitration Rule R-44, after considering the written proofs submitted by the parties. Accordingly, I AWARD as follows:

1. Claimant Ashley Guerrero had a Venmo account, which Respondents operate. The Venmo account was established on December 8, 2022.
2. On or about October 9, 2024, Claimant made a direct deposit of \$644.07 to her Venmo account from a recently liked CitiBank account.
3. On October 11, 2024, Claimant moved \$1,015.00 from her Venmo account to her linked Citibank account.
4. Respondents claimed to view this as suspicious because Claimant's previous withdrawals never exceed \$900.00. This claim was never substantiated.
5. On or about October 11, 2024, Respondents terminated and placed restrictions on Claimant's Venmo account to protect Venmo and the security and integrity of the network that uses the Venmo services (apparently all without saying this to Claimant because Respondents consider this to be "confidential").
6. Respondents' October 12, 2024 email to Claimant read:

Hi Ashley,

We've noticed some unusual activity linked to your Venmo account which may be in violation of our user agreement. To help us protect your account, your account has been suspended until we hear back from you. You may have also received a separate email providing more information about the suspension of your account. To resolve this issue, please submit a picture of your photo identification via our Document Upload Form,

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linked below. For your privacy and security, please do not reply back to this email with your documents.

**What is a valid photo identification?**

- Acceptable forms of ID include a driver's license, state ID card, US passport, US Visa, or green card. The name on your photo ID should match the name registered to your Venmo account. Expired documents are not accepted.

**How do I upload the documentation?**

- You can find our Document Upload Form here: [https://help.venmo.com/hc/enus/requests/new?ticket\\_form\\_id=XXXXXXXXXX](https://help.venmo.com/hc/enus/requests/new?ticket_form_id=XXXXXXXXXX).

Unfortunately, until your information is reviewed you won't be able to send or receive money and may not be able to withdraw money from your Venmo account.

Once you've provided your information, we'll review and respond about the status of your account, usually within 7 business days.

We appreciate your help with this matter.

Venmo Team

7. Claimant provided the requested photo ID the same day.
8. Respondents later responded to Claimant on October 12, 2024:

Hello ██████████

Thank you for sending us your ID.

While we encourage the use of Venmo, we must ensure all users abide by our User Agreement. After reviewing your inquiries and account activity, we have found that your actions and activity have been in violation of this agreement.

As a result, your account has been permanently deactivated and we regret to inform you that we can no longer offer you the Venmo service. We do not make these decisions lightly, and when we do, it is to help improve the safety of the Venmo community. Note that creation of a new account will not change this decision.

The funds in your account will be held for up to 180 days for loss prevention purposes.

We will contact you at the email address on file with your Venmo account should these funds be available for transfer in the future.

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If you have questions regarding this decision, please note that we do not divulge our decision-making criteria in order to protect the systems that monitor activity on Venmo.

Regards,  
Ellio C. | Account Specialist | Venmo

9. Respondents did not indicate there was a “mismatch” between the name on the Venmo account and the CitiBank account. Although it was not clearly stated during the arbitral proceedings, the Venmo account was registered in the name of ██████████ Guerrero and the CitiBank account was registered in the name of ██████████.
10. Never having asked any questions about this, Respondents did not know Claimant married ██████████ in Bristol, Connecticut on October 30, 2023 according to the certificate of marriage provided to the arbitrator.
11. In Claimant’s emails at the time, she claimed to be a single mother (which was either not true or she had previously divorced her husband). The October 14, 2024 email from Claimant to Venmo read:

Hello Ellio, if you could please help me recover my funds. I am a single mother who has a baby and all the money in my Venmo account was frozen due to suspicious [sic] activity . I was just trying to pay my rent with my balance. Transfer it to my Citi bank card and write a check to my landlord. Venmo doesn’t offer checks so that’s how I’ve been doing it now for 5 months. I apologize, I didn’t know there were certain amount of money restricts [sic]. I| will struggle and fall so behind if I have to wait 180 days. Is there anything you can do to help me . Please I have a child who is dependent on me. My parents are deceased and | have no help from anyone. I work really hard to keep food and roof over our heads. | understand your company has rules and somehow I abided [sic] the agreement. I am the only one who uses the account and the 1,015 transfer was myself to pay my rent. Can Please can you reconsider helping me sooner.
12. Claimant contacted Respondents and submitted a notice of error relating to the declined electronic fund transfers and the restrictions placed on the account
13. Respondent responded as follows to Claimant:

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You have a new message from Venmo regarding request **#84319312**. To respond, simply reply to this email.

Hello ██████████

Thank you for contacting us.

After reviewing your account, we have determined that it is not eligible for reactivation due to several concerns regarding your activity. We informed you about this decision on **10/12/24**. Your account has been permanently deactivated and we regret to inform you that we can no longer offer you the Venmo service. We do not make these decisions lightly, and when we do it is to help improve the safety of the Venmo community.

The funds in your account will be held for up to 180 days for loss prevention purposes. We will contact you at the email address on file with your Venmo account should these funds be available for transfer in the future.

Please be aware that any future contact or inquiries will not be answered and that this matter will be considered closed upon your receipt of this email.

14. The arbitrator is amazed Respondents refused to answer future inquiries.
15. Claimant submitted a complaint to the Consumer Financial Protection Bureau.
16. Respondents indicated to the Consumer Financial Protection Bureau they froze Claimant's Venmo account for making larger than usual transactions.

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17. This was not a candid explanation to the Consumer Financial Protection Bureau because Respondents really froze the Venmo account because there was a name mis-match between the Venmo account and the linked Citibank account.
18. Respondents provided a great deal of transactional history to the arbitrator (Black's declaration Exhibit 2), but none of this information provides amounts for the Venmo transactions described.
19. This case was filed on January 8, 2025. Respondents released Claimant's funds on February 1, 2025 (some 113 days after the Venmo account was frozen). Therefore, there are no actual damages. While Respondents claim the filing of the arbitration was not the cause for Claimant's funds being unfrozen, the arbitrator is skeptical about Respondents' claim.
20. Respondents shall pay Claimant \$1,000 in statutory damages for failing to comply with the Electronic Funds Transfer Act under 15 U.S.C. §1693(m).
21. No attorneys fees will be awarded because there was no evidence submitted to support such a request by the December 10, 2025 deadline.

The administrative fees and expenses of the American Arbitration Association totaling \$2,000.00 shall be borne as incurred, and the compensation and expenses of the arbitrator(s) totaling \$2,610.00 shall be borne as incurred.

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

Dated at Hartford, Connecticut this 5<sup>th</sup> day of January, 2026.

[REDACTED]  
Chartered Arbitrator