

**The American Arbitration Association  
Interim Award of Arbitrator**

**██████ Schuler  
Claimant**

**Case Number 01-24-0007-1191**

**-vs-**

**Green Dot Bank  
Respondent**

I, ██████, the undersigned Arbitrator, having been designated in accordance with the arbitration agreement entered into by the parties and in accordance with the Consumer Rules of the American Arbitration Association (AAA), having been duly sworn and having fully considered the written submissions of the parties, each represented by Counsel, with an oral hearing having been waived, do hereby AWARD as follows:

1. It is undisputed that Claimant purchased a pre-paid debit card issued by Respondent through a Dollar Tree store for a fee of \$1.95 on June 27, 2024, at 6:31 p.m. and "loaded" it in the amount of \$135.00 at 6:42 p.m. that same day. According to Claimant's Declaration, he immediately registered the account and attempted to utilize it in to purchase gasoline. His use of the card was denied so he attempted to log in to his account but found that he was locked out. The next day, he contacted Respondent. He was informed that he had been the victim of a fraud or scam. Without recounting the entire history of Claimant's further dealings with Respondent, he did not receive either a return or use of his \$135.00.
2. Respondent maintains that Claimant did not register the card, but rather permitted some third party named Huang to register the card. Inexplicably, according to Respondent's "Customer Registration Record," the card was supposedly registered by Huang at 4:42 p.m. on June 27, 2024. Thus, according to Respondent's records, the card was compromised approximately 2 hours before it was sold to Claimant. Unbeknownst to Claimant, the scam had already begun before he purchased and loaded the card.
3. Respondent asserts that the only explanation for the unfortunate disappearance of the Claimant's funds is that Claimant allowed some third party to register the card.



The Arbitrator finds that to be at odds with the acknowledged fact that the card was registered BEFORE it was sold to Claimant by Dollar General. The logical explanation is that through some failure of the system by which Respondent issues its cards, the unique information needed to register the card was already in the hands of some third party.

4. Respondent asserts that the protections of the Electronic Funds Transfer Act (EFTA), 15 U.S.C. 1693 do not apply to Claimant because he was not the registered owner. The EFTA does not declare that its provisions protect "registered owners" but instead protects Consumers, and Claimant is one of those Consumers. As such, Claimant does not have the burden of proof in this case; Respondent does. Respondent has not carried that burden to prove that the transfers in question were authorized by the Claimant. The Respondent did not introduce evidence that it had verified the charges with whatever merchant was involved (PayPal "BABAENT").
5. There is no evidence that Respondent attempted to contact PayPal "BABAENT".
6. The Arbitrator finds that Respondent has failed to show that the electronic funds transfer was authorized by the Claimant, the "Consumer" protected by the EFTA.
7. The Arbitrator finds that Respondent failed to verify the legitimacy of the charges. The Respondent failed to properly investigate the dispute, claiming that Claimant was not the registered owner entitled to such investigation. Respondent also failed to explain the results of its investigation, having failed to adequately perform one because it opted to treat Claimant as an improper "Consumer."
8. The Claimant's Claim is not frivolous or brought in bad faith.

Based upon the foregoing, the Arbitrator AWARDS as follows:

- a) Claimant is awarded \$136.95 in actual damages.
- b) Claimant is awarded treble damages of \$410.85.
- c) Claimant is awarded statutory damages in the amount of \$1,000.00.
- d) Claimant is awarded attorney's fees in a reasonable amount after submission of a properly itemized statement by his attorney, which will be assessed by the Arbitrator for determination. Claimant shall submit said itemization of attorney's fees within 5 business days of entry of this Award. Respondent shall have 5 business days thereafter to respond to such itemization and request. Both the request for



attorney's fees and the response shall be limited to 5 pages, double spaced,  
exclusive of exhibits.

This Interim Award will remain in full force and effect until issuance of a Final Award by the  
Arbitrator.

September 16, 2025

  
Arbitrator, 