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In the Matter of the Arbitration between:

Case Number: 01-18-0001-3794

Alisha Bland (“Claimant”)

-vs-

1 Debit Inc. and The Bancorp Bank (“Respondent”)

AWARD OF ARBITRATOR

I, Lawrence W. Kern, THE UNDERSIGNED 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:

1. This matter came before the arbitrator pursuant to a mandatory arbitration clause in a Chime Debit Card Account between the Claimant, Alisha Bland, and Respondent, 1 Debit Inc. and The Bancorp Bank. The Claimant used a debit card from the Respondent, 1 Debit Inc. to access funds in the account. Claimant, Alisha Bland filed a cause of action against both Respondents and no attempt was made to sever liability between Respondents for violation of Regulation E. (12 CFR 205).
2. The parties stipulated to desk arbitration upon submission of documents. All submissions of documents were received from both parties and the hearing was closed on October the 8th, 2018.
3. Claimant timely reported several unauthorized transactions in reference to her Chime Debit Card Account. Pursuant to the contract, the Claimant first reported orally the transactions in question.
4. The burden shifts to the Respondents to investigate the assertion of unauthorized transactions and report to Claimant. Respondents conducted an investigation of the assertion of the unauthorized transactions. Respondents found that the transactions were authorized. Respondents met their burden and found that the charges were not unauthorized.
5. If the financial institution finds that there was no error, it must provide the consumer with a denial of the unauthorized transactions and an explanation of the findings. See 12 CFR 204 (d) (1).

6. Consumer reported a number of unauthorized transactions totaling \$545.05. The Respondents sent a denial of the unauthorized transactions in two formats, an e-mail and orally. These communications were succinct as to the denial and stated that the Claimant could use a link or contact to get further information as to the denial. Neither communication contained an explanation as to the denial of the unauthorized charges. The Respondents did find that the transactions were authorized.


The arbitrator herein finds that the communications from the Respondents to the Claimant did not comply with the requirements of 12 CFR 205 (d)(1). An explanation was not provided to the Claimant in the communication denying the unauthorized transactions.

The arbitrator herein finds that the Claimant, Alisha Bland is entitled to an AWARD against Respondents, 1 Debit Inc. and The Bancorp Bank, jointly and severally, in the statutory amount of \$100.00, and an AWARD of attorney fees in the amount of \$2,887.50.

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.

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

10/19/2018
Date


Lawrence W. Kern, Arbitrator