

2. Affidavit/Declaration of Fraud Requirement

12 C.F.R. 205.11(b)(2) provides that “a financial institution may require the consumer to give written confirmation of an error within 10 business days of an oral notice”. However, this does not give Respondent the right to require Claimant to sign an Affidavit/Declaration, as they did in this case. I find Respondent’s use of the Affidavit to be a violation of the Act.

3. Explanation of Findings

Under 12 C.F.R. 205.11(d)(1), a financial institution is obligated to provide “a written explanation of the institution’s findings and shall note the consumer’s right to request the documents that the institution relied on in making its determination”. In its determination letter, Respondent informed Claimant that “We have concluded that this is a valid authorized transaction and it will remain on your account” without further explanation. Rather than providing Claimant with a written explanation of its findings, Respondent offered nothing more than a conclusory statement that failed to inform Claimant of any basis for denying the claim. I find in favor of Claimant.

4. Response Time – Investigative Documents

Pursuant to 12 C.F.R. 205.11(d)(1), a financial institution is obligated to “promptly provide” copies of any documents that it relied on in making its determination. Claimant’s counsel sent Respondent a request for the documents relied upon in the investigation and denial decision. Respondent failed to respond. I find the request for investigative documents sufficient under 12 C.F.R. 205.11(d)(1)(iii), as requests for investigative documents are not subject to the same requirements of Notices of Error. Respondent did not fulfill its statutory obligation to promptly provide copies of the documents upon Claimant’s counsel’s written request. I find in favor of the Claimant.

Respondent alleges that Claimant’s arbitration demand is frivolous and is brought in bad faith and for purposes of harassment. Based on the evidence submitted I find that it is not. Respondent failed to timely provide copies of Claimant’s Card EFT report to Claimant’s counsel, as requested before Claimant filed the Opening Brief.

IT IS ORDERED:

1. Claimant, CRYSTAL SATTERWHITE, is hereby awarded damages in the amount of \$136.15.
2. Claimant, CRYSTAL SATTERWHITE, is awarded statutory damages in the amount of \$1,000.00, pursuant to 15 U.S.C. 1693 (m).
3. Claimant’s attorney fees are hereby awarded in the amount of \$3,000.00, pursuant to 15 U.S.C. 1693 (m).
4. Respondent, GREEN DOT BANK’S claims presented herein are DENIED.

5. All damages and fees awarded to Claimant shall be borne by Respondent and paid within thirty (30) days.
6. The administrative fees of the AAA totaling \$1,000.00, and the compensation of the arbitrator totaling \$750.00, shall be borne as incurred.

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

November 26, 2019

Robert L. Cowles

Date

Robert L. Cowles, Arbitrator