

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Steven B. Ward

Case Number: 21-02191

vs.

Respondent
Robinhood Financial, LLC

Hearing Site: Boca Raton, Florida

Awards are rendered by independent arbitrators who are chosen by the parties to issue final, binding decisions. FINRA makes available an arbitration forum—pursuant to rules approved by the SEC—but has no part in deciding the award.

Nature of the Dispute: Customer vs. Member

This matter proceeded pursuant to Rule 12800 of the Code of Arbitration Procedure (“Code”).

REPRESENTATION OF PARTIES

Claimant Steven B. Ward appeared pro se.

For Respondent Robinhood Financial, LLC: Peter S. Fruin, Esq., Maynard Cooper & Gale, PC, Birmingham, Alabama.

CASE INFORMATION

Statement of Claim filed on or about: August 25, 2021.
Steven B. Ward signed the Submission Agreement: August 25, 2021.

Amended Statement of Claim filed by Claimant on or about: September 13, 2021.

Statement of Answer to Claimant’s Amended Statement of Claim filed by Respondent on or about: October 14, 2021.
Robinhood Financial, LLC signed the Submission Agreement: October 13, 2021.

Response to Respondent’s Statement of Answer to Amended Statement of Claim filed by Claimant on or about: October 14, 2021.

Amended Statement of Answer to Claimant’s Amended Statement of Claim filed by Respondent on or about: October 25, 2021.

Response to Respondent’s Amended Statement of Answer to Claimant’s Amended Statement of Claim filed by Claimant on or about: October 25, 2021.

CASE SUMMARY

In the Statement of Claim, Claimant asserted that Respondent prevented him from transferring money from his individual investor brokerage account to his business checking account.

In the Amended Statement of Claim, and in lieu of the cause of action asserted in the initial Statement of Claim, Claimant asserted that Respondent's "form" settlement agreement violated the Consumer Review Fairness Act.

Unless specifically admitted in the Statement of Answer to the Amended Statement of Claim, Respondent denied the allegations made in the Statement of Claim, asserted various affirmative defenses and stated that the claim is moot because Respondent wired the funds in dispute to Claimant's business account.

In the Response to Respondent's Statement of Answer to the Amended Statement of Claim, Claimant reiterated that his cause of action relates to Respondent's request that Claimant sign a settlement agreement that violates the Consumer Review Fairness Act.

In the Amended Statement of Answer to Claimant's Amended Statement of Claim, Respondent reiterated that the claim is moot and asserted that the settlement agreement was an offer of good will to reimburse Claimant for the non-refundable portion of Claimant's initial claim filing fee paid to FINRA Dispute Resolution, was designed to save the parties the hassle and cost of litigation and did not violate the Consumer Review Fairness Act.

In the Response to Respondent's Amended Statement of Answer to Claimant's Amended Statement of Claim, Claimant asserted that Respondent is barred under the Consumer Review Fairness Act from offering a "form agreement" with gag clauses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested actual damages in the amount of \$45,000.00, punitive damages in an unspecified amount, declaratory judgment that Respondent failed to perform, and specific performance for the return of Claimant's property.

In the Amended Statement of Claim, Claimant did not delineate a relief request.

In the Statement of Answer to the Amended Statement of Claim, Respondent requested: that Claimant's claims in the Amended Statement of Claim, be denied in their entirety; costs; and such other and further relief as the Arbitrator deems just and equitable.

In his Response to Respondent's Statement of Answer to the Amended Statement of Claim, Claimant did not specifically delineate a relief request.

In the Amended Statement of Answer to Claimant's Amended Statement of Claim, Respondent reiterated its request that: Claimant's claims in the Amended Statement of Claim be denied in their entirety; costs; and such other and further relief as the Arbitrator deems just and equitable.

In the Response to Respondent's Amended Statement of Answer to Claimant's Amended Statement of Claim, Claimant clarified that his damage request is limited to \$600.00 for the initial

claim filing fee paid by Claimant to FINRA Dispute Resolution Services, and exemplary damages not to exceed \$42,530.00 for Respondent's knowing violation of the Consumer Review Fairness Act as well as its inaccurate account of the actual facts of this matter.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges having read the pleadings and other materials filed by the parties.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and any post-hearing submissions, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims are denied in their entirety.
2. FINRA Dispute Resolution Services shall retain the \$600.00 filing fee that Claimant deposited previously.
3. Respondent is liable for and shall reimburse Claimant the sum of \$300.00 representing one-half of the initial claim filing fee previously paid to FINRA Dispute Resolution Services.
4. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages, treble damages, and attorneys' fees, are denied.

FEES

Pursuant to the Code:

1. Respondent has paid to FINRA Dispute Resolution Services the \$750.00 Member Surcharge and \$1,750.00 Member Process Fee previously invoiced.

All balances are payable to FINRA Dispute Resolution Services and are due upon receipt.

ARBITRATOR

Barry David Thorpe

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Sole Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

Arbitrator's Signature

Barry David Thorpe

Barry David Thorpe
Sole Public Arbitrator

02/04/2022

Signature Date

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February 04, 2022

Date of Service (For FINRA Dispute Resolution Services use only)