

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF
MASSACHUSETTS

William Marks v. Wells Fargo Advisors, LLC, et al.

Marks · No. 25-12506-BEM · Decided February 18, 2026

SUMMARY

The United States District Court for the District of Massachusetts denied William Marks’s petition to vacate or modify an arbitration award concerning his Electronic Funds Transfer Act claim and granted Wells Fargo’s cross-motion to confirm the award. The court held that the arbitrator acted within the scope of the arbitration agreement and did not manifestly disregard the law or violate a clearly established public policy by concluding that the EFTA did not apply to an account held in a revocable living trust. The court also found no basis to modify the award.

CASE DETAILS

COURT	United States District Court for the District of Massachusetts
WRITING FOR THE COURT	Brian E. Murphy
JURISDICTION	United States District Court for the District of Massachusetts
DECIDED	February 18, 2026
DOCKET	25-12506-BEM
DISPOSITION	other
PROCEDURAL POSTURE	Petition under the Federal Arbitration Act to vacate or modify an arbitration award, with respondents' cross-motion to confirm the award.
STANDARD OF REVIEW	Judicial review of an arbitration award is extremely narrow and highly deferential. Under FAA §§ 10 and 11, an award may be vacated or modified only on the specified statutory grounds, and a court may not reconsider the merits merely because the arbitrator made a factual or legal error. A party seeking vacatur bears a heavy and extraordinarily high burden.
PRECEDENTIAL VALUE	unpublished district court memorandum and order; nonprecedential
PARTIES	William Marks v. Wells Fargo Advisors, LLC, Wells Fargo Bank, N.A.

TOPICS

arbitration

consumer protection

statutory interpretation

civil procedure

contracts

PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether the arbitrator exceeded the scope of the arbitration agreement by deciding whether the EFTA applied to Marks's account.
2. Whether the arbitrator manifestly disregarded the law by concluding that the EFTA did not apply to an account held in a revocable living trust.
3. Whether confirmation of the award would violate an explicit, well-defined, and dominant public policy favoring consumer protection under the EFTA.
4. Whether the arbitration award should be modified under FAA § 11(b).
5. Whether the award should be confirmed under FAA § 9.

HOLDINGS

1. The arbitrator did not exceed his authority by deciding whether the EFTA applied to Marks's account because that statutory question was a dispute relating to the account and fell within the agreement's broad arbitration clause covering statutory claims.
2. The arbitrator did not manifestly disregard the law because the record showed consideration of the relevant authority and, at minimum, a plausible interpretation of the EFTA's express exclusion for bona fide trust accounts.
3. The award did not violate public policy because Marks identified no explicit, well-defined, and dominant public policy that prohibited applying the EFTA's trust-account exception according to its terms.
4. The award should not be modified because Marks identified no independent basis for modification and the court found no basis to vacate the award.
5. The court denied Marks's petition to vacate or modify and confirmed the arbitration award under FAA § 9.

KEY QUOTATIONS

“Judicial review of an arbitrator’s ruling “is extremely narrow and exceedingly deferential, and is indeed among the narrowest known in the law.”” (II)

“As “long as the arbitrator is even arguably construing or applying the contract and acting within the scope of his authority, that a court is convinced he committed serious error does not suffice to overturn his decision.”” (III.A.1)

“Manifest disregard of the law occurs “where it is clear from the record that the arbitrator recognized the applicable law—and then ignored it.”” (III.A.2)

“Because Marks has failed to demonstrate his entitlement to relief under section 10(a)(4) of the FAA, his petition to vacate the arbitration award must be denied, and Wells Fargo’s timely cross-motion to confirm the arbitration award must, correspondingly, be granted.” (III.B)

FACTUAL BACKGROUND

Marks established a revocable living trust that held his assets, including a Wells Fargo account combining brokerage and linked debit/checking services. Between 2021 and 2023, unauthorized electronic fund transfers allegedly caused Marks to lose more than \$575,000 after his PayPal account was hacked. Wells Fargo concluded that the transfers were authorized and that Marks was liable under the EFTA. In arbitration, the arbitrator ruled that the EFTA did not protect an account held within a natural person's revocable living trust and dismissed Marks's EFTA claim before issuing a final award dismissing all claims against Wells Fargo.

PROCEDURAL HISTORY

Marks initiated arbitration against Wells Fargo and PayPal concerning unauthorized electronic fund transfers and an alleged violation of the Electronic Funds Transfer Act. The arbitrator ruled that the EFTA did not apply to Marks's account, later issued a final award dismissing Marks's claims against Wells Fargo, and confirmed Marks's settlement with PayPal. Marks petitioned the district court to vacate or modify the award; Wells Fargo opposed and moved to confirm it. The court denied the petition and granted the motion to confirm.

DISPOSITION

other

CASES CITED

- Raymond James Financial Services, Inc. v. Fenyk, 780 F.3d 59, 63 (1st Cir. 2015)
- Teamsters Local Union No. 42 v. Supervalu, Inc., 212 F.3d 59, 61 (1st Cir. 2000)
- First Options of Chicago, Inc. v. Kaplan, 514 U.S. 938, 942 (1995)
- Hart Surgical, Inc. v. Ultracision, Inc., 244 F.3d 231, 235 (1st Cir. 2001)
- University of Notre Dame (USA) in England v. TJAC Waterloo, LLC, 49 F.4th 13, 21-22 (1st Cir. 2022)
- U.S. ex rel. Gadbois v. PharMerica Corp., 809 F.3d 1, 5 (1st Cir. 2015)
- Mathews v. Diaz, 426 U.S. 67, 75 & n.8 (1976)
- Durant v. Alerion Yachts, LLC, 2025 WL 1361700, at *3-*4 (D. Mass. May 9, 2025)
- Kruse v. Sands Bros. & Co., Ltd., 226 F. Supp. 2d 484, 487 (S.D.N.Y. 2002)
- Hoolahan v. IBC Advanced Alloys Corp., 947 F.3d 101, 111, 116 (1st Cir. 2020)
- Cytoc Corp. v. DEKA Products Ltd. Partnership, 439 F.3d 27, 32 (1st Cir. 2006)
- McCarthy v. Citigroup Global Markets, Inc., 463 F.3d 87, 91 (1st Cir. 2006)
- Hall Street Associates, L.L.C. v. Mattel, Inc., 552 U.S. 576 (2008)
- Mountain Valley Property, Inc. v. Applied Risk Services, Inc., 863 F.3d 90, 93-95 (1st Cir. 2017)
- Ortiz-Espinosa v. BBVA Securities of Puerto Rico, Inc., 852 F.3d 36, 46 (1st Cir. 2017)

- *Advest, Inc. v. McCarthy*, 914 F.2d 6, 9 (1st Cir. 1990)
- *Ebbe v. Concorde Investment Services, LLC*, 392 F. Supp. 3d 228, 236 (D. Mass. 2019), *aff'd*, 953 F.3d 172 (1st Cir. 2020)
- *United Paperworkers International Union v. Misco, Inc.*, 484 U.S. 29, 37-38, 43 (1987)
- *Major League Baseball Players Association v. Garvey*, 532 U.S. 504, 509 (2001)
- *UMass Memorial Medical Center, Inc. v. United Food & Commercial Workers Union*, 527 F.3d 1, 5 (1st Cir. 2008)
- *Unión Internacional UAW, Local 2415 v. Bacardí Corp.*, 8 F.4th 44, 51 (1st Cir. 2021)
- *Mercy Hospital, Inc. v. Massachusetts Nurses Association*, 429 F.3d 338, 343 (1st Cir. 2005)
- *Prudential-Bache Securities, Inc. v. Tanner*, 72 F.3d 234, 241 (1st Cir. 1995)
- *Eastern Associated Coal Corp. v. United Mine Workers of America, District 17*, 531 U.S. 57, 62-63, 66 (2000)
- *Boston Medical Center v. SEIU, Local 285*, 260 F.3d 16, 25 (1st Cir. 2001)
- *Curtis v. Propel Property Tax Funding, LLC*, 915 F.3d 234, 239 (4th Cir. 2019)
- *Lattimer-Stevens Co. v. United Steelworkers*, 913 F.2d 1166, 1169 (6th Cir. 1990)
- *Bluegreen Vacations Unlimited, Inc. v. T. Park Central LLC*, 2025 WL 315400, at *2 (S.D.N.Y. Jan. 28, 2025)
- *Major League Baseball Players Association v. Arroyo*, 2024 WL 3539575, at *3 (S.D.N.Y. July 24, 2024)
- *Rocket Jewelry Box, Inc. v. Noble Gift Packaging, Inc.*, 157 F.3d 174, 176 (2d Cir. 1998)
- *Poland Spring Corp. v. United Food & Commercial Workers International Union, Local 1445*, 314 F.3d 29, 33 (1st Cir. 2002)
- *Badgerow v. Walters*, 596 U.S. 1 (2022)