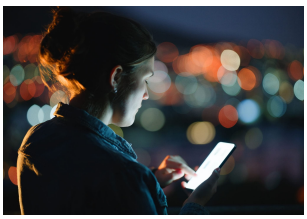

New Claims Against Crypto Exchange Head to Arbitration Based on Terms of Use

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In March 2026, a federal judge in the Southern District of Florida issued a decisive ruling about the power of arbitration clauses. In a consolidated set of class actions against the defendants, a cryptocurrency exchange, the court ordered all claims to proceed in private arbitration, even though the plaintiffs never used the defendants' cryptocurrency website.

By way of background, the plaintiffs alleged that hackers infiltrated their cryptocurrency accounts, stole cryptocurrency, and then routed those assets through the defendants' cryptocurrency exchange. According to the complaints, the defendants failed to properly enforce Know Your Customer (KYC) and Anti‑Money Laundering (AML) controls — allowing bad actors to launder stolen funds while defendants collected transaction fees. The defendants sought to compel arbitration based on the arbitration clause in the website's terms of use, but the plaintiffs claimed, among other things, that they had not opened any accounts with the defendants' cryptocurrency exchange, were not account holders, and never agreed to the terms of use. The court disagreed based on its prior holding construing the terms of use in a nearly identical case.

In that related case, another class action complaint filed against the same defendants, the plaintiff alleged that hackers accessed his digital assets through a cryptocurrency account with one exchange and routed the assets through another exchange with which he did not have an account. In connection with a motion to compel arbitration, the court considered the terms of use language, which provided that that "any dispute, claim, or controversy . . . arising in connection with or relating in any way to these Terms or to your relationship with [the company] . . . (whether based in contract, tort, statute, fraud, misrepresentation, or any other legal theory, and whether the claims arise during or after the termination of these Terms) will be determined by mandatory final and binding individual (not class) arbitration." The terms of use included a delegation

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provision stating that "the arbitrator shall have the exclusive power to rule on his or her own jurisdiction, including without limitation any objections with respect to the existence, scope or validity of the Agreement to Arbitrate, or to the arbitrability of any claim or counterclaim . . . ." These clauses were fatal to the plaintiff's claim.

Therefore, the court found that it had jurisdiction to decide the question of arbitrability and held that a party may compel arbitration against a non-signatory to a contract where the contract forms the basis of the claims and the claims are within the scope of the arbitration clause. Ultimately, the court determined that the plaintiff's claims "had a significant relationship to the Terms of Use" because whether the defendants had an obligation to act depended on interpreting those terms. As such, the court rejected the plaintiff's arguments that arbitration was improper because he never had an account nor agreed to the terms of use, and the claims were rooted in a regulatory scheme, not the terms of use.

Those prior rulings proved fatal in the new cryptocurrency exchange case. There, the court relied on its prior holding and similarly held that claims against the exchange must be brought in arbitration — even though the plaintiffs never used the defendants' cryptocurrency website — because the claims arose in connection with, or related to, the terms of use. The court was unpersuaded by the plaintiffs' attempt to distinguish their case by removing the unjust enrichment claim and adding allegations that they are not relying on any contracts or agreements with the defendants. These modifications, the court noted, did not change the "true thrust" of the case, and the arbitration clause explicitly covers claims based on statute, tort, fraud, or any legal theory.

The plaintiffs also raised three contract-based arguments challenging the arbitration agreement itself. However, the court held that because the plaintiffs did not specifically challenge the delegation provision, it lacked jurisdiction to consider those arguments, and they must instead be presented to the arbitrator. The court, therefore, ordered that all claims must proceed to individual arbitration.

This case offers a lesson for businesses and consumers alike. For businesses, aggressive and binding arbitration clauses can be

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powerful shields against class actions, even for third-party claims. On the other hand, consumers should beware that they can find themselves bound to an arbitration clause even if they did not opt in to the terms of use.

For more information about this decision, please contact the authors or any attorney with FBT Gibbons' Class Actions team.

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