

# Selendy Gay Defeats Motion to Compel Arbitration for Binance Crypto-Investors

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In a victory on behalf of a putative class of investors who traded on Binance, one of the world’s largest crypto-asset exchanges, Selendy Gay defeated a motion to compel arbitration for investors who purchased digital tokens during a significant portion of the class period.

Judge Andrew L. Carter, Jr. of the U.S. District Court for the Southern District of New York denied the defendants’ motion to the extent that claims accrued between April 1, 2017 and February 20, 2019 – before the 2019 Terms of Use, which included an arbitration agreement, were enacted. The Court reserved judgment as to whether later transactions prior to the date of the complaint are subject to arbitration.

The judge noted that, “while federal policy generally favors arbitration, the obligation to arbitrate nevertheless remains a *creature of contract*.” He determined that plaintiffs who signed the 2017 Terms of Use did not have constructive notice of the arbitration agreement added in 2019 and, therefore, did not manifest their assent to the arbitration provision.

The class action, which alleges that Binance offered and sold billions of dollars of unregistered digital tokens to investors in violation of federal and state securities laws, was originally filed by Selendy Gay in the Southern District of New York in the spring of 2020. In March 2024, the team secured a [unanimous reversal](#) of the district court’s decision to dismiss the case, allowing the class action to move forward.

The Selendy Gay team is led by Partners Jordan Goldstein and David Coon, Special Counsel Corey Stoughton, and Associates Jeff Zalesin, Dominic Budetti, Isaac Kirschner, and Hannah Miles.

## Attorneys

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