



Questions and Answers about Consumer Arbitration as Administered by the American Arbitration Association

What is the American Arbitration Association and what role does it play?

The American Arbitration Association (AAA®) is a not-for-profit, public service organization committed to the resolution of disputes through the use of arbitration, mediation and other voluntary procedures. As a purely administrative agency, the AAA processes a case from filing to closing, appointing arbitrators, setting hearings, transmitting documents and scheduling conference calls. The goal is to keep cases moving in a fair and impartial process until completion.

What if I would prefer to go to court rather than use arbitration?

As with all contracts, it is very important to read all of the terms of the agreement. Arbitration agreements are no different so you should carefully read the language in the arbitration agreement. Some companies offer you the ability to opt-out of their arbitration requirement in a contract within a certain time period, usually a period of time after entering into the contract. Opting-out of an arbitration agreement typically means that you would resolve any future disputes in court instead of through arbitration. Most opt-out options have very specific time frames so you will generally need to complete the opt-out process in the time set in the agreement. You will also need to carefully follow any other instructions provided in connection with the opt-out opportunity.

If you are in a contract containing an arbitration clause naming the AAA Rules, you may still be able to bring your dispute in small claims court instead of arbitration, as long as the claim falls within the jurisdiction requirements of the small claims court. In those situations, AAA Rules specifically allow you to file your claim in small claims court instead of arbitration. For more specific information, see the AAA's Consumer Arbitration Rules, R-9. Small Claims Option for the Parties.

Can I go through arbitration without an attorney?

Arbitration is less formal than going to court, and you may represent yourself. However, you should keep in mind that arbitration is a legal proceeding that results in an award that is generally final and binding. Because your legal rights are involved, you may choose to consult with and be represented by an attorney. Whether a business or an individual, all parties to an arbitration proceeding have the same option whether or not to be represented by an attorney. Because of the AAA's neutral and impartial role in the arbitration process, the AAA and its employees cannot recommend or provide attorneys to parties in arbitration. If you do not have an attorney and wish to be represented by an attorney in arbitration, you may want to contact your local bar association or another legal service organization for a referral.

For general guidance on resources for finding legal representation, you can access the document "Find an Attorney or Other Legal Representation" on the AAA's website at https://www.adr.org/sites/default/files/document_repository/AAA286_Find_an_Attorney.pdf.



Does AAA help me present my case?

No. The AAA's Case Administrator will be your main contact throughout the case. The Case Administrator cannot assist you in the presentation of your case. You should also not rely on the arbitrator to assist you in presenting your case. The Case Administrator will answer your questions about certain procedures relating to the arbitration process and will distribute information to you, but Case Administrators do not provide legal advice or legal assistance.

Who are the arbitrators?

AAA arbitrators are independent, impartial decision-makers chosen for their knowledge, case experience, integrity, and dispute resolution skills. All AAA Consumer arbitrators are highly accomplished and respected experts in their fields. AAA arbitrators are trained in a comprehensive program by the AAA to manage the dispute resolution process with fairness and skill, and an eye toward time- and cost-efficiency. Their conduct is guided by the *Code of Ethics for Arbitrators in Commercial Disputes*, prepared by a Joint Committee of the American Arbitration Association and the American Bar Association. AAA arbitrators are required to attend periodic arbitrator training programs.

How do I know the arbitrator is neutral and impartial?

Before they accept appointment to a case, all arbitrators are responsible for completing a check for any past or present relationships with either party, the parties' Representatives or attorneys, and any potential witnesses. If the arbitrator has any such relationships, all of the parties will be provided that information. After the parties are given that information, they are given the opportunity to comment on whether that individual should remain as the arbitrator in light of the disclosure. Arbitrators also sign an oath on each case stating that they will abide by the *Code of Ethics for Arbitrators in Commercial Disputes*.

What happens after a claim is filed with the AAA?

Once all filing requirements have been met the case is assigned to a Case Administrator. The Case Administrator will send written correspondence to initiate the case. The initiation letter sets forth the due date for the Respondent to file an Answer, if any. Once the Answer has been filed, or the time within which to file an Answer has passed, the Case Administrator will invite an arbitrator to serve on the case. The arbitrator's completed appointment paperwork, which includes Notice of Appointment, Disclosure Worksheet, Notice of Compensation Arrangements and their AAA Resume, will be sent to all parties, who are given the opportunity to comment on whether that person should remain as the arbitrator.

What happens after the arbitrator is appointed?

After the arbitrator's appointment is confirmed, if any party asks for, or if the AAA or the arbitrator decides to hold one, the arbitrator will schedule a preliminary management hearing with the parties and/or their representatives. The preliminary management hearing will be conducted by telephone unless the arbitrator decides to conduct the preliminary management hearing in-person.



What is a preliminary management hearing?

During the preliminary management hearing, if one is held, the parties and the arbitrator discuss the future schedule and handling of the case. This might include a brief discussion of claims, scheduling of the hearing or the document submittal date, establishing dates for exchange of information between the parties, and any other preliminary matters the parties or arbitrator wish to discuss. After a preliminary management hearing is held, the arbitrator issues written orders that state the arbitrator's decisions made during or as a result of the preliminary management hearing. The arbitrator may also conduct additional preliminary management hearings if the need arises.

How quickly after the hearing do I get the arbitrator's decision?

Once the arbitrator closes the hearing, which occurs after the arbitrator determines all of the information needed to make the decision has been received, the arbitrator will make their decision within 30 days (or within 14 days under a document submission process).

Can I settle my dispute prior to the arbitration hearing?

Yes, you may. You may settle your dispute at any time before the arbitrator issues the award. If you have settled, or believe you are close to settling your dispute, notify your Case Administrator. If you settle the dispute at any point during the arbitration and all the parties request, the arbitrator may lay out the terms of the settlement in a "consent award", which is an award signed by the arbitrator that reflects the settlement terms of the parties. If you settle your case or withdraw your arbitration demand; the AAA will close its case file.

Disclaimer: *These materials are provided for informational purposes only, and are not intended to provide legal advice. Most of the information presented here is specific to the procedures of the AAA, although it may serve as a useful tool for arbitration processes generally. The content of this Q&A contains general information and may not reflect current developments.*