



# CONSUMER ARBITRATION RULES

## Costs of Arbitration

Amended and Effective January 1, 2023

### Costs of Arbitration

Where the AAA determines that a business’s failure to pay their portion of arbitration costs is a violation of the Consumer Arbitration Rules, the AAA may decline to administer future consumer arbitrations with that business.

Party	Desk/Documents-Only Arbitration	In-Person, Virtual or Telephonic Hearing Arbitration
Individual	<p><b>Single Consumer Case Filing Fee:</b> \$225</p> <p><b>Multiple Consumer Case Filing Fee:</b> \$125 or \$75 per case depending on tier</p> <p>\$0 if Case Filed by Business</p>	<p><b>Single Consumer Case Filing Fee:</b> \$225</p> <p><b>Multiple Consumer Case Filing Fee:</b> \$125 or \$75 per case depending on tier</p> <p>\$0 if Case Filed by Business</p>
Business	<p><b>Single Consumer Case Filing Fee:</b> \$375 for 1 or \$500 for 3 arbitrators is due once the individual claimant meets the filing requirements; \$600 for 1 arbitrator or \$725 for 3 arbitrators if Case Filed by Business is due at the time the arbitration is filed.</p> <p><b>Multiple Consumer Case Filing Fee:</b> \$325, \$250, \$175, or \$100 per case depending on tier, due once the individual claimant meets the filing requirements; Business must pay both the Individual’s Filing Fee and Business’s Filing Fee if the case is filed by Business, due at the time the arbitration is filed.</p> <p><b>Case Management Fee:</b> \$1,400 for 1 arbitrator or \$1,775 for 3 arbitrators will be assessed and must be paid prior to the arbitrator appointment process.</p> <p><b>Arbitrator Compensation:</b> \$1,500 per case*</p>	<p><b>Single Consumer Filing Fee:</b> \$375 for 1 or \$500 for 3 arbitrators is due once the individual claimant meets the filing requirements; \$600 for 1 arbitrator or \$725 for 3 arbitrators if Case Filed by Business is due at the time the arbitration is filed.</p> <p><b>Multiple Consumer Case Filing Fee:</b> \$325, \$250, \$175, or \$100 per case depending on tier, due once the individual claimant meets the filing requirements; Business must pay both the Individual’s Filing Fee and Business’s Filing Fee if the case is filed by Business, due at the time the arbitration is filed.</p> <p><b>Case Management Fee:</b> \$1,400 for 1 arbitrator or \$1,775 for 3 arbitrators will be assessed and must be paid prior to the arbitrator appointment process.</p> <p><b>Hearing Fee:</b> \$500</p> <p><b>Arbitrator Compensation:</b> \$2,500 per day of hearing* per arbitrator</p>
	<p>*A Desk/Documents-Only Case will not exceed document submissions of more than 100 pages in total and 7 total hours of time for the arbitrator to review the submissions and render the Award.</p> <p>Beyond 100 pages and 7 hours of time, the business will be responsible for additional arbitrator compensation at a rate of \$300 per hour. Arbitrator compensation is not subject to reallocation by the arbitrator(s) except as may be required by applicable law or upon the arbitrator’s determination that a claim or counterclaim was filed for purposes of harassment or is patently frivolous.</p>	<p>*The arbitrator compensation encompasses one preliminary conference, one day of in-person, virtual or telephonic hearing, and one final award. For cases with additional procedures, such as multiple telephone conferences, motion practice, post-hearing briefing, interim or partial awards, awards containing findings of fact and conclusions of law, or other processes not provided for in the Rules, the business will be responsible for additional arbitrator compensation. Arbitrator compensation is not subject to reallocation by the arbitrator(s) except as may be required by applicable law or upon the arbitrator’s determination that a claim or counterclaim was filed for purposes of harassment or is patently frivolous.</p>

## AAA Administrative Fees

In cases where the business is the filing party, either as the claimant or filing on behalf of the individual, the business shall be responsible for all administrative fees that includes, filing fees, case management fees and hearing fees charged by the AAA.

Arbitrator compensation is not included as a part of the AAA's administrative fees.

Note that with regard to all AAA administrative fees, the AAA retains the discretion to interpret and apply this fee schedule to a particular case or cases.

### (i) Filing Fees\*

The business's share of the filing fees is due as soon as the AAA confirms in writing that the individual filing meets the filing requirements, even if the matter is settled or withdrawn.

There shall be no filing fee charged for a counterclaim.

*\*Pursuant to Section 1284.3 of the California Code of Civil Procedure, consumers with a gross monthly income of less than 300% of the federal poverty guidelines are entitled to a waiver of arbitration fees and costs, exclusive of arbitrator fees. This law applies to all consumer agreements subject to the California Arbitration Act, and to all consumer arbitrations conducted in California. If you believe that you meet these requirements, you must submit to the AAA a declaration under oath regarding your monthly income and the number of persons in your household. Please contact the AAA at 1-800-778-7879, if you have any questions regarding the waiver of administrative fees. (Effective January 1, 2003)*

*\*Pursuant to New Jersey Statutes § 2A:23B-1 et seq, consumers with a gross monthly income of less than 300% of the federal poverty guidelines are entitled to a waiver of arbitration fees and costs, exclusive of arbitrator fees. This law applies to all consumer agreements subject to the New Jersey Arbitration Act, and to all consumer arbitrations conducted in New Jersey. If you believe that you meet these requirements, you must submit to the AAA a declaration under oath regarding your monthly income and the number of persons in your household. Please contact the AAA at 1-800-778-7879, if you have any questions regarding the waiver of administrative fees. (Effective May 1, 2020)*

#### A. Single Consumer Case Filing:

In cases before a single arbitrator where the individual is the Claimant, a **non-refundable\*\*** filing fee, capped in the amount of \$225, is payable in full by the individual when a case is filed unless the parties' agreement provides that the individual pay less. A **non-refundable** filing fee in the amount of \$375 is payable by the business once the individual claimant meets the filing requirements, unless the parties' agreement provides that the business pay more.

In cases before three or more arbitrators, where the individual is the Claimant, a **non-refundable\*\*** filing fee capped in the amount of \$225 is payable in full by the individual when a case is filed, unless the parties' agreement provides that the individual pay less. A **non-refundable** filing fee in the amount of \$500 is payable by the business once the individual claimant meets the filing requirements, unless the parties' agreement provides that the business pay more.

In cases where the business is the Claimant, the business shall be responsible for all filing fees. The **non-refundable** filing fee is \$600 for a single arbitrator or \$725 for 3 arbitrators.

*\*\*In the event the single consumer case filing is closed due to non-payment of initial filing fees by the business the AAA will return any filing fee received from the individual.*

#### B. Multiple Consumer Case Filings:

These multiple consumer case filings fees will apply to all cases when the American Arbitration Association (AAA) determines in its sole discretion that the following conditions are met:

- a. Twenty-five (25) or more similar claims for arbitration or mediation are filed,



- b. Claims are against or on behalf of the same party or parties, and
- c. Counsel for the parties is consistent or coordinated across all cases.

All fees listed below are **non-refundable**\*\*\* and will be assessed to the parties as described below, unless the clause provides that the individual pay less or the clause provides that the business is responsible for the entire fee.

\*\*\*In the event any multiple case filings are closed due to non-payment of filing fees by the business, the AAA will return any filing fees received from the individuals. Filing fees are **non-refundable** in the event the cases are closed due to settlement or withdrawal.

AAA, in its sole discretion, may consider an alternative payment process for multiple case filings.

**Filing Fees For Cases Filed by the Individuals:**

AAA reserves the right to determine what tier of fees applies to multiple cases filed subsequent to the initial filing.

For multiple case filings that contain more than 500 cases, each tier will be applied to the number of cases that fall within that tier.

	First 500 Cases	Cases 501 to 1,500	Cases 1,501 to 3,000	Cases 3,001 and beyond
Individual filing fee per case	\$125	\$75	\$75	\$75
Business filing fee per case	\$325	\$250	\$175	\$100

**(ii) Case Management Fees**

A **non-refundable** case management fee of \$1,400 for 1 arbitrator or \$1,775 for 3 arbitrators will be assessed to the business and must be paid prior to the arbitrator appointment process.

**(iii) Hearing Fees**

For telephonic hearings, virtual hearings or in-person hearings held, a Hearing Fee of \$500 is payable by the business. If a case is settled or withdrawn prior to the hearing taking place, the Hearing Fee will be refunded, or cancelled if not yet paid. However, if the AAA is not notified of a cancellation at least two business days before a scheduled hearing, the Hearing Fee will remain due and will not be refunded.

There is no AAA hearing fee for an Administrative Conference (see R-10).



## Neutral Arbitrator's Compensation

The business shall pay the arbitrator's compensation unless the individual, post dispute, voluntarily elects to pay a portion of the arbitrator's compensation.

- **Desk/Documents-Only Arbitration** – Arbitrators serving on a desk/documents-only arbitration will receive compensation at a rate of \$1,500 per case. A desk/documents-only arbitration will not exceed document submissions of more than 100 pages in total and 7 total hours of time for the arbitrator to review the submissions and render the Award. Beyond 100 pages and 7 hours of time, the business will be responsible for additional arbitrator compensation at a rate of \$300 per hour.
- **In-Person, Virtual or Telephonic Hearing Arbitration** – Arbitrators serving on an in-person, virtual or telephonic hearing arbitration case will receive compensation at a rate of \$2,500 per day of hearing per arbitrator. The arbitrator compensation encompasses one preliminary conference, one day of in-person, virtual or telephonic hearing, and one final award. For cases with additional procedures, such as multiple telephone conferences, motion practice, post-hearing briefing, interim or partial awards, awards containing findings of fact and conclusions of law, or other processes not provided for in the Rules, the business will be responsible for additional arbitrator compensation.

Once a Preliminary Management Hearing is held by the arbitrator, the arbitrator is entitled to one-half of the arbitrator compensation rate. Once evidentiary hearings are held or all parties' documents are submitted for a desk/documents-only arbitration, the arbitrator is entitled to the full amount of the arbitrator compensation rate.

For in-person, virtual or telephonic hearing arbitrations, if an evidentiary hearing is cancelled fewer than 2 business days before the hearing, the arbitrator is entitled to receive compensation at the first day of hearing rate.

Any determination by the AAA on whether the business will be responsible for additional arbitrator compensation is in the sole discretion of the AAA and such decision is final and binding.

## Reallocation of Arbitrator Compensation, AAA Administrative Fees and Certain Expenses

Arbitrator compensation, expenses, and administrative fees (which include Filing Fees, Case Management Fees and Hearing Fees) are not subject to reallocation by the arbitrator(s) except as may be required by applicable law or upon the arbitrator's determination that a claim or counterclaim was filed for purposes of harassment or is patently frivolous.

## Hearing Room Rental

The hearing fees described above do not cover the rental of hearing rooms. The AAA maintains hearing rooms for rent in most offices for the convenience of the parties. Check with the administrator for availability and rates. Hearing room rental fees will be borne by the business.

## Abeyance Fee

### (i) For Single Consumer Case Filing

Parties on cases held as inactive for one year will be assessed an annual abeyance fee of \$500. If a party refuses to pay the assessed fee, the opposing party or parties may pay the entire fee on behalf of all parties, otherwise the matter will be administratively closed. All filing requirements, including payment of filing and other administrative fees, must be met before a matter may be placed in abeyance.

### (ii) For Multiple Consumer Case Filings

Should the cases be stayed to allow for settlement negotiations or for any other reason, including judicial intervention, the AAA shall assess a single, **non-refundable** administrative fee of \$2,500 for the stayed cases, and an additional, single, **non-refundable** administrative fee of \$2,500 for the stayed cases every six months the cases are held in abeyance. All abeyance fees are to be paid by the business. All filing requirements, including payment of filing and other administrative fees, must be met before a matter may be placed in abeyance.



## Expenses

All expenses of the arbitrator, including required travel and other expenses, and any AAA expenses, as well as the costs relating to proof and witnesses produced at the direction of the arbitrator, shall be borne by the business.

## Consumer Clause Review and Registry Fee

Please note that all fees described below are **non-refundable**.

For businesses submitting a clause, the cost of reviewing the clause and maintaining that clause on the Registry is \$600. A yearly Registry fee of \$600 will be charged to maintain each clause on the Registry for each calendar year thereafter.

If the AAA receives a demand for consumer arbitration arising from an arbitration clause that was not previously submitted to the AAA for review and placement on the Registry, the business will incur an additional \$300 fee for the AAA to conduct an immediate review of the clause.

Any subsequent changes, additions, deletions, or amendments to a currently registered arbitration agreement must be submitted for review and a review fee of \$600 will be assessed at that time.

## AAA Mediation Fees for Multiple Consumer Case Filings

For cases that are determined by the AAA to fall under the Multiple Consumer Case Filing fees section of this Costs of Arbitration fee schedule, the cost of mediation is based on the hourly or daily mediation rate published on the mediator's AAA profile. In addition, the administrative fee for AAA to initiate the mediation process for the multiple consumer case filings is \$10,000 plus \$75 per hour for each hour billed by the mediator. The business shall be responsible for these administrative fees, unless the parties agree otherwise.

The \$10,000 mediation initiation fee is due prior to the appointment of the mediator. If mediation is commenced after multiple consumer case filings have been filed, and the parties agree to stay the arbitrations to pursue mediation, any unpaid arbitration related administrative filing fees will become due if the arbitration process starts again. If the arbitration related administrative filing fees are paid prior to the parties commencing mediation, then the AAA may, in its sole discretion, determine to waive the \$10,000 mediation initiation fee.

## AAA Administered Settlement Approval Process for Multiple Consumer Case Filings

For cases that are determined by the AAA to fall under the Multiple Consumer Case Filing fees section of this Costs of Arbitration fee schedule, where by law, court order and/or party agreement, the parties require a third party neutral to review and approve settlements, the fee for the AAA to provide administrative services for the purposes of a neutral to review and approve settlements is a flat rate of \$3,250 plus \$2,500 every six months thereafter that the cases remain open. The compensation of the neutral is \$2,500. The business is responsible for all AAA fees and compensation referenced in this section.

## Fees for Additional Services

The AAA reserves the right to assess additional administrative fees for services performed by the AAA beyond those provided for in the Consumer Arbitration Rules and which may be required by the parties' agreement or stipulation.