

**BEFORE THE  
MINNESOTA NO-FAULT ARBITRATION STANDING COMMITTEE**

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In re:

Patrick Gillespie,

Respondent,

**ORDER FOR PUBLIC REPRIMAND  
AND SUSPENSION**

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This matter came before the Minnesota No-Fault Arbitration Standing Committee (“the Standing Committee”) on a complaint that Arbitrator Patrick Gillespie (“Arbitrator Gillespie”) accepted an appointment to serve as an arbitrator in a no-fault arbitration matter where his son, Michael Gillespie, was the claimant’s attorney. The complaint was initiated on July 1, 2019, by the American Arbitration Association in accordance with Standard of Conduct IX. A. 2, with concerns that Arbitrator Gillespie had violated Minnesota Rules of No-Fault Arbitration Procedure 10(b) & 21, as well as the Standards of Conduct for No-Fault Arbitrators I. A. & B. and III. A., B., & C.

Upon receiving the complaint, an investigation was conducted by four members of the Standing Committee. Arbitrator Gillespie was invited to appear before the Standing Committee. Arbitrator Gillespie declined to appear in person, but made a written submission in response to the request which was received and considered.

The matter was called for consideration by the Standing Committee in executive session at its quarterly meeting on October 25, 2019. Following the report of the subcommittee and questions by the Standing Committee, in accordance with Policy Statement No. 4, the four-person subcommittee recused itself and did not deliberate or vote regarding sanctions, and the vote by the remaining seven members was not unanimous. Based upon the investigation, the written

submissions, and discussions, the Standing Committee makes the following Findings, Conclusions, and Sanctions:

### FINDINGS

1. The Standing Committee is a body duly organized under the laws of the State of Minnesota, consisting of 13 members appointed by the Minnesota Supreme Court, to administer the Arbitration under Minn. Stat. § 65B.525, and is the proper party to bring this proceeding under the authority granted in Rule 1(b) of the Minnesota Rules of No-Fault Arbitration Procedures (“the Rules”), and Paragraph IX of the Standards of Conduct for Minnesota No-Fault Arbitrators (“the Standards of Conduct”).

2. The American Arbitration Association (“the AAA”) is the arbitration organization designated by the Standing Committee with the concurrence of the Supreme Court to conduct the day-to-day administration of the Arbitration under Minn. Stat. § 65B.525.

3. Arbitrator Gillespie is a Minnesota No-Fault Arbitrator that had been nominated by the Standing Committee, approved by the Supreme Court, and certified by the Standing Committee to the AAA to serve on the panel of arbitrators to hear and decide arbitrations under Minn. Stat. § 65B.525.

4. Arbitrator Gillespie has never been the subject of any prior discipline by the Standing Committee.

5. In 2019, Arbitrator Gillespie was listed on a strike list circulated by the AAA relating to a no-fault arbitration matter where his son, and law partner, Michael Gillespie, represented the claimant as the claimant’s attorney.

6. After Arbitrator Gillespie’s son received the strike list, he informed Arbitrator Gillespie and they laughed about it.

7. After the strike lists were circulated, the AAA did not receive any objections or concerns over the names on the strike list, and the strike lists were completed and received by the AAA.

8. Arbitrator Gillespie was selected from the strike list submissions and invited to serve as the arbitrator in the matter in which his son and law partner, Michael Gillespie, was serving as the claimant's attorney.

9. Arbitrator Gillespie received the Notice of Appointment and forwarded it to his son, Michael Gillespie, believing the correspondence was intended for him. Michael Gillespie then informed Arbitrator Gillespie that the Notice had been correctly sent to him, and then they laughed that Arbitrator Gillespie had been appointed.

10. Arbitrator Gillespie accepted appointment with the following disclosure: "Petitioner's counsel is my son and legal partner – as known by [R]espondent. This will not affect my impartiality."

11. Arbitrator Gillespie's disclosure admitted to knowing and being fully aware that he was, in fact, the father of the claimant's attorney, as well as the law partner of claimant's attorney.

12. Despite being both the law partner and the father of claimant's attorney, Arbitrator Gillespie failed to recuse himself and withdraw himself from consideration of the appointment to serve as the arbitrator in the matter.

13. AAA recognized the conflict issues and contacted Arbitrator Gillespie regarding these concerns, indicating that an arbitrator should not accept a case that he or she should not hear. Arbitrator Gillespie advised he would withdraw from service in the matter.

14. After discussions with the AAA, Arbitrator Gillespie withdrew from serving as the arbitrator in the case in which he had accepted appointment.

## **CONCLUSIONS**

Whereas, both Rule 10(b) and the Notice of Appointment received by Arbitrator Gillespie, state: “No person shall serve as an arbitrator in any arbitration in which he or she has a financial or personal conflict of interest.”

Whereas, an arbitrator has a financial conflict of interest in a matter in which he or she is also a law partner or in business with an attorney for either party.

Whereas, the fact that Arbitrator Gillespie was a partner of the claimant’s attorney constituted a direct financial conflict of interest.

Whereas, an arbitrator has a personal conflict of interest in a matter in which he or she is the father or mother of an attorney for either party.

The fact that Arbitrator Gillespie was the father of the claimant’s attorney constituted a direct personal conflict of interest.

Whereas, per the Standards of Conduct, arbitrators undertake serious responsibilities to the public, as well as to the parties, and, in order for the system to succeed, the public must have the utmost confidence in the arbitration process and the arbitrators who serve on the No-Fault Panel;

Whereas, per the Standards of Conduct, an arbitrator shall at all times act in a manner that promotes public confidence in the integrity and impartiality of the arbitration process.

Whereas, per Standard of Conduct I. A., an arbitrator has a responsibility not only to the parties, but also to the process of arbitration itself, and must observe high standards of conduct so that the integrity and fairness of the process will be preserved.

Whereas, per Standard of Conduct I. B., “Arbitrators shall conduct themselves in a way that is fair to all parties and should not be swayed by outside pressure, public clamor, fear of criticism, or self-interest. *Arbitrators shall avoid conduct and statements which give the appearance of impropriety*” (*emphasis added*).

Whereas, Arbitrator Gillespie's acceptance of the appointment to serve, under these circumstances, constitutes conduct giving rise to the appearance of impropriety.

Whereas, Arbitrator Gillespie's financial and personal conflicts of interest, separately as the law partner of an attorney for a party, and as the father of an attorney for a party, precluded him from serving as an arbitrator in the matter.

Whereas, Arbitrator Gillespie's acceptance of the appointment and failure to immediately recuse himself and withdraw from consideration of an appointment to serve as the arbitrator in a matter where he was both the law partner and the father of claimant's attorney constitutes a violation of Rule 10(b) and Standard of Conduct I (Integrity and Fairness).

Whereas, Rule 21 of the Rules states in part: "There shall be no direct communications between the arbitrator and the parties other than at the hearing, unless otherwise advised by the arbitration organization or by agreement of the parties and the arbitrator.

Whereas Standards of Conduct III. A-C. state that an arbitrator shall not discuss a proceeding with any party or attorney in the absence of any other party of attorney, that an arbitrator shall not have any direct communication other than what is prescribed in Rule 21, and that if a party of attorney attempts to communicate directly with the arbitrator, the arbitrator shall notify the arbitration organization.

Whereas, Arbitrator Gillespie's *ex parte* communications with the claimant's attorney in the AAA matter were inappropriate and in violation of Rule 21, as well as Standard III (Communications).

Whereas, because both the financial and the personal conflicts of interest in this matter were disqualifying conflicts that could not be disclosed away and should have been clearly obvious to any Minnesota No-Fault Arbitrator currently serving, or contemplating serving, on the No-Fault Panel,

Arbitrator Gillespie's blatant violation impairs the integrity and public confidence of the arbitration process, and warrants both public reprimand and suspension from service on the No-Fault Panel.

**SANCTIONS**

NOW, THEREFORE, it is hereby ORDERED that:

1. Arbitrator Gillespie is PUBLICLY REPRIMANDED for the violations set forth above. The issuance of this public reprimand will be posted on the AAA website, which shall include a copy of this Order.
2. Arbitrator Gillespie is SUSPENDED from the No-Fault Panel for ONE (1) YEAR from the date of this Order with the right to reapply after one year.
3. Any application for reappointment by Arbitrator Gillespie to the No-Fault Panel after the one-year suspension must be accompanied by evidence of completion of a CLE course on ethics attended during the preceding year. Arbitrator Gillespie's application process shall include an interview with the No-Fault Standing Committee.
4. If approved for reappointment to the panel, Arbitrator Gillespie shall also attend a new arbitrator training session.

Minnesota Supreme Court No-Fault Standing Committee

Dated: December 6, 2019



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By: Joseph R. Klein

Its: Chairperson