



Representing Yourself in Arbitration: A Consumer's Guide

This guide and the information provided in this guide should not be construed as legal advice, and are not intended to be a substitute for legal counsel on any subject matter.

Steps Involved in an AAA Consumer Arbitration Case

The following is a summary outline of how the arbitration process works. For more detailed information, please refer to the AAA's Supplementary Procedures for Consumer Related-Disputes.

Step 1. You file a Demand for Arbitration with the American Arbitration Association at one of its Case Management Centers or Regional Offices.

Tip: if your claim fits within your particular state's small claims court jurisdictional limits, you can choose to either proceed directly to small claims court or submit your dispute to arbitration.

You also need to send a copy of the arbitration agreement from your contract and the filing fee. At the same time the demand for arbitration is filed with the AAA, you will need to send a copy of the Demand to the business. Please make sure you send the Demand to the proper address of the business. It is a good idea to send the Demand to the corporate headquarters of the company. To avoid delays, it is also a good idea to send the demand for arbitration to the company's general manager or its attorney, otherwise known as its general counsel. This may involve some research, but will help prevent any potential delays later. If you do send the Demand to more than one address for the business, please include that information when you file the Demand to the AAA.

Step 2. Your case will be assigned to a Case Manager at the AAA. That Case Manager will then send you and the business a letter advising that we have received your case. We will ask the business to respond within ten days of the date of the AAA's letter. Even if the business does not respond, the case may still proceed forward.

Step 3. If no claim in the arbitration exceeds \$75,000, the AAA will appoint an arbitrator and will notify you of that arbitrator's name and qualifications. If either party's claim is over \$75,000, the AAA will send a list of arbitrators for both parties to choose from.

Step 4. Once the arbitrator is appointed, you will be provided with a forum in which you may present your case, including submitting evidence you think will support your case. If all claims are under \$10,000, your case will be decided on written documents and evidence only, meaning no face-to-face meeting will occur. However, either party can request an in-person hearing or telephone hearing for claims under \$10,000. If any party's claim is over \$10,000, a one-day hearing (or more) will be scheduled at which time you will present your evidence. The parties may also agree to a telephone hearing or documents only process even if a claim is over \$10,000.

Step 5. The arbitrator will render a decision on your case within 14 days after the hearing is concluded. Or, if you submitted written evidence only, the decision will be rendered 14 days from the date the arbitrator received all written evidence. (Note: if your claim is over \$75,000, please review the applicable set of AAA procedures that you would use. If you have questions as to which rules would apply for claims over \$75,000, please call the AAA's customer service department at 800.778.7879.)

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. All parties to an arbitration proceeding, whether a business or an individual, 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 services organization for a referral.

Are there rules or procedures that apply to my arbitration?

The AAA applies the Supplementary Procedures for Consumer-Related Disputes to arbitration clauses in agreements between individual consumers and businesses where the business has a standardized, systematic application of arbitration clauses with customers and where the terms and conditions of the purchase of standardized, consumable goods or services are non-negotiable or primarily non-negotiable in most or all of its terms, conditions, features, or choices. The product or service must be for personal or household use. The AAA will have the discretion to apply or not to apply the Supplementary Procedures and the parties will be able to bring any disputes concerning the application or non-application to the attention of the arbitrator. As the name suggests, these procedures supplement the AAA's Commercial Arbitration Rules and Mediation Procedures. Where there are differences between the Supplementary Procedures and the Commercial Rules, the Supplementary Procedures govern.

The AAA's website will give you immediate access to these rules. You may also obtain a copy of these rules from your Case Manager.



Representing Yourself in Arbitration: A Consumer's Guide

What does the process cost?

	Claim Size	Claim Size	Claim Size
Fee Paid By			
	\$10,000 or Less	\$10,001 to \$75,000	\$75,000 or More
Consumer	\$125	\$375	Please Review
			AAA Rules for Appropriate Fee*
Business	\$875 (minimum)*	\$1625 (minimum)*	

* Case Service Fees apply for cases that have a hearing. Portions of these fees are refundable pursuant to the Commercial Fee Schedule.

What if I can't afford the fees for arbitration?

The AAA has established guidelines to request a deferral or waiver of the fees in arbitration, including requesting an arbitrator that will serve without charge. Please find the form under the forms section of our web site.

Tip: When sending the Demand for Arbitration to the business, it's a good idea to send it via certified mail return receipt requested.

How do I begin arbitration?

First, you (the "claimant") must notify the other party (the "respondent") in writing that you are starting an arbitration proceeding against them. Obtain a copy of the Demand Form from the AAA's website or by contacting our customer service department at 800-778-7879. This form must contain the following information:

A statement explaining what your dispute is about, the names and addresses of any other parties involved in this dispute, the amount of money, if any, involved in this dispute, the remedy sought (what you feel you're entitled to at the end of the proceeding), the hearing locale (what city/state you want the hearing to be held if it is to be held in person).

Second, you should then send two copies of this completed Demand Form to the AAA along with two copies of the contract you have with the other party, including the part of the agreement that mentions arbitration.

Third, make sure that you enclose the proper filing fee with the "Demand". You can determine the correct filing fee by reviewing the applicable rules or contacting your local AAA office. The AAA will notify all the parties when these materials are received.

Can a business file an arbitration against me?

Yes. Either party may initiate the arbitration. Additionally, if you file for arbitration, the business might decide to file a counterclaim. By filing a counterclaim, the business is saying that they do not owe you any money, but instead you owe them money. Either claim would have to be proven in arbitration.

What happens after the claim is filed?

The AAA has four Case Management Centers nationwide. Although you can file your case with any one of the 36 regional AAA offices, the case will be forwarded to the appropriate Center for administration. Once the AAA Case Management Center nearest you receives a Demand for Arbitration with the filing fee, your case will be assigned to an AAA Case Manager who will be your contact for the arbitration of your case. The AAA's Case Managers act as impartial liaisons, send out notices, monitor the neutral selection process, schedule hearings, prepare billings and transmit the arbitrator's awards. The AAA offers comprehensive case management to expedite the resolution of your case.



Representing Yourself in Arbitration: A Consumer's Guide

How long does the process take from beginning to end?

Each case is different. However, we found the average length for all consumer arbitration matters awarded in 2001 through the AAA was about four and a half months.

When do I present my evidence and what kind of evidence will be allowed?

Tip: if you have a face-to-face hearing, bring two extra copies of all documents and evidence one for the arbitrator and one for the other party.

If you have a desk arbitration (where the case is decided based on the written documents and evidence submitted by the parties, and without a face-to-face hearing), the AAA's Case Manager will let you know when you should submit your evidence. That evidence will be presented to the arbitrator along with any evidence that has been submitted by the business. If you have a face-to-face arbitration hearing, you will be given an opportunity to present your evidence at the hearing. The party that files the Demand for Arbitration usually presents their evidence first at the hearing.

Formal rules of evidence that usually apply in court do not apply in an arbitration hearing, but you must still be prepared to prove your case and present all evidence that you think is appropriate. However, understand that the arbitrator may accept or reject evidence that the arbitrator believes will not help in deciding the dispute. Each party should be prepared to make a focused presentation so the hearing can be conducted in an efficient manner.

Does AAA help me present my claim?

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

Who are the arbitrators?

Tip: arbitrators serving on consumer cases are usually attorneys or retired judges. Disputes under \$75,000 will always be decided by an arbitrator who is an attorney or retired judge (unless the parties agree otherwise after the case has been submitted).

AAA's arbitrators are independent, impartial decision-makers chosen for their knowledge, case experience, integrity, and dispute resolution skills. 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. All AAA arbitrators are required to attend periodic arbitrator training programs.

Do I get to select the arbitrator?

For claims under \$75,000, the AAA will appoint an arbitrator and the Case Manager will notify you of the name and qualifications of that arbitrator. If any claim is over \$75,000, a list of potential arbitrators will be provided to you and the business. You will be given a chance to indicate your preferences for a particular arbitrator on that list.

How do I know the arbitrator is neutral and impartial?

All arbitrators before they accept appointment to a case are responsible for completing a check for any past or present relationships with either party, potential witnesses or the parties' representatives or attorneys. 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*.

Tip: during the hearing, all parties should be respectful to the other party and the arbitrator. Present your case in a clear and concise fashion.



Representing Yourself in Arbitration: A Consumer's Guide

How do I prepare for the hearing?

For desk arbitration, you should gather all pertinent documentation and make copies for the arbitrator and the business. Organize the information in a logical, sequential fashion. For an in-person hearing, you will be given an opportunity to make a brief opening statement, examine witnesses (if any), introduce evidence and answer questions. Be prepared to prove why you believe you should win your case, discuss your evidence, and answer questions about your case. You should consider the arguments the business may make and be prepared to respond to them.

How are the hearings conducted?

Hearings are conducted either in-person, via phone or on documents only. In a case that is decided on documents only, also referred to as a desk arbitration, there is no in-person hearing where you would be responsible for submitting documents that explain and support your position. Generally, each party will present their side with the filing party going first. The arbitrator will discuss how the hearing will be run with the parties.

What if the business doesn't show up for the hearing? What if I don't show up?

The hearing can still proceed even if one party does not show up. The appearing party will still have to present their case to the arbitrator. If it is a desk arbitration, you would still need to send in your written evidence.

Can I settle with the business prior to the arbitration hearing?

Yes, you may. You may settle your dispute with the business at any time before the arbitrator issues the award. If you have settled, or believe you are close to settling your dispute with the business, notify your Case Manager. If you do settle your case and withdraw your arbitration demand, the AAA will close its case file.

How quickly after the hearing (or desk arbitration process) do I get the arbitrator's decision?

Once the arbitrator closes the hearing, which takes place after he or she determines that all of the information needed to make the decision has been received, the arbitrator will make their decision within 14 days.

Is the arbitrator's decision binding?

A very important aspect of arbitration is that it results in an award that is binding on all of the parties to the dispute. In this way, an arbitrator's award has the same effect as a judge's decision in court.

What happens after the arbitrator renders their award?

Many parties voluntarily comply with the arbitrator's decision. However neither the AAA nor the arbitrator has the authority to actually force a party to comply with an award. Instead, if you win the arbitration and the business does not comply with that award, you would have to go to court to "confirm" the arbitration award. Neither the AAA nor the arbitrator is involved in that process. Please refer to the appropriate state or federal statute governing arbitration. A list of statutes can be found on our website under Education.

About the American Arbitration Association

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. Annually, the AAA administers hundreds of thousands of cases in a range of areas including finance, construction, labor and employment, insurance and technology disputes and many other areas. The AAA has 36 offices in the United States and Europe.

As an administrative agency, the AAA processes a case from filing to closing, appointing arbitrators, setting hearings, transmitting documents, and scheduling conference calls. The AAA's goal is to keep cases moving in a fair and impartial manner. The AAA does not provide legal advice, and does not serve as an advocate for any party to a dispute.

Disclaimer: The American Arbitration Association (AAA) provides the materials contained in the guide for informational purposes only. 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 guide contains general information and may not reflect current legal developments.