



Commercial Expedited Procedures Fact Sheet for Arbitrators

The purpose of this fact sheet is to provide a brief guide for arbitrators who serve on cases administered under the Expedited Procedures of our Commercial Arbitration Rules. Please review applicable rules and guides for additional information. Our *Commercial Arbitration Rules and Mediation Procedures*, along with additional information regarding the rules, training, etc, may be obtained on our web site at www.adr.org.

Q. Why does AAA have Expedited Procedures?

A. The AAA has developed Expedited Procedures to provide a more streamlined and cost-effective process for the resolution of smaller disputes that do not normally require extensive discovery/filings and more than one day of hearing.

Q. When are the Expedited Procedures applied?

A. Unless the parties or the AAA determines otherwise, the Expedited Procedures shall apply in any case in which no disclosed claim or counterclaim exceeds \$75,000, exclusive of interest and arbitration fees and costs. Parties may also agree to use these procedures in larger cases.

Q. What procedures will a case be applied if a claim or counterclaim is increased to exceed \$75,000?

A. Pursuant to E-2, if an increased claim or counterclaim exceeds \$75,000, the case will be administered under the Regular Track Procedures unless all parties and the arbitrator agree that the case may continue to be processed under the Expedited Procedures and follow the specific requirements of these procedures.

Q. What are the most significant differences between the Expedited Procedures and the Regular Track Procedures?

A. The following seven procedures apply to expedited cases and not to regular track cases:

- Where no party's claim exceeds \$10,000, exclusive of interest and arbitration fees and costs, it is assumed that the case will be heard upon document submission, unless any party requests an oral hearing or the arbitrator determines that an oral hearing is necessary.
- Arbitrator lists are due from the parties within seven days of AAA's mailing of the list.
- Hearings are to be scheduled to occur within 30 days of affirmation of the arbitrator's appointment.
- Generally, the hearing should not exceed one day.
- Extensive discovery and the filing of motions and briefs are not contemplated.
- The award must be rendered within 14 calendar days from the date of the closing of the hearing.
- Arbitrators serve for an established rate of compensation on cases with only one day of hearing.



Q. Why is arbitrator compensation limited under the Expedited Procedures?

A. Arbitration is meant to be a cost-effective alternative to litigation. The set rate on expedited cases is intended to assure parties who are willing to resolve their disputes within an expedited framework a viable cost saving process. Additionally, since expedited cases are not intended to involve (1) more than one day of hearing; and (2) motions, briefs and discovery issues are not contemplated and should only be requested in extreme circumstances, the rate established by the regional office is meant to fairly compensate arbitrators for the time they spend on an expedited case.

Q. Can an arbitrator charge for study time, travel time or hearing cancellations on expedited cases?

A. No. The established rate of compensation covers all the time an arbitrator spends through the rendering of the award.

Q. Will an arbitrator be reimbursed for out-of-pocket expenses (e.g., mileage, tolls, parking, etc.)?

A. Yes. An arbitrator will be reimbursed for out-of-pocket expenses.

Q. Should arbitrators conduct a preliminary hearing on expedited cases?

A. Yes. Experience has shown that conducting a short preliminary hearing on an expedited case does provide value to the process. The preliminary hearing, which should last no more than 30 minutes, should be set by the arbitrator to be held within two weeks of the arbitrator's appointment. The main reason for the preliminary hearing is to set a mutually agreeable date for the exchange of exhibits and to set the hearing date.

Q. Does the hearing have to be conducted within 30 days of the arbitrator's appointment?

A. Yes. Pursuant to E-7 of the Commercial Arbitration Rules, the hearing is to be conducted within 30 days of the arbitrator's appointment. However, if both parties and the arbitrator agree that the hearing cannot be conducted within the time period specified in the rules, the hearing may be scheduled for a mutually convenient date outside of the standard time period. Even if the parties agree to schedule a date outside of the 30 day time period, the arbitrator should make every effort to assure that the hearing be held as soon as practically possible.

Q. Are postponements of hearings allowed under the Expedited Procedures?

A. Yes. However, absent an extreme circumstance, the case should proceed as scheduled. If you do grant a postponement, you should make every effort to assure that the hearing is scheduled to be held as soon as practically possible.



- Q. What happens when the parties request (1) more than one day of hearing; (2) extensive discovery; or (3) to file motions or briefs?**
- A. First, the parties should be reminded that the Expedited Procedures do not contemplate (1) more than one day of hearing; (2) extensive discovery; or (3) the filing of motions or briefs. However, upon the showing of good cause, the arbitrator may grant the parties' requests. In such a case, the AAA may transfer the case to the Regular Track Procedures. Once the case is transferred, the arbitrator shall be compensated as outlined on his/her biography submitted to the parties. In such a case, the case manager will confirm in writing that the case has been transferred to the Regular Track Procedures and every effort should be made to keep the case moving in an efficient manner.
- Q. If the arbitrator believes that more than one day of hearing is required to resolve a particular dispute, are they authorized to schedule an additional day?**
- A. Yes. In accordance with E-8, for good cause shown, the arbitrator may schedule additional hearings within seven business days after the initial day of hearing. If an additional hearing is schedule in accordance with E-8, you may be compensated at your standard hourly or per diem rate. Although you may charge your standard rate for the second day of hearing, the AAA encourages arbitrators to serve for the second day of hearing at a per diem rate equal to that of the established rate.

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