



### **Business Advisory of Consumer Case Disclosures**

Dear Businesses and Attorneys:

The purpose of this notice is to advise the users of our consumer, non-union employment and health care dispute resolution services that we will be required, by California law, to publicly post and disclose certain information regarding companies and attorneys who make use of American Arbitration Association ("AAA") services to resolve disputes involving consumers, employees and health care patients beginning January 1, 2003.

The AAA has been in the forefront in developing standards of fairness for disputes between consumers and businesses. In April 1998, the AAA developed the Consumer Due Process Protocol in cooperation with groups representing government agencies, consumer interest groups and educational institutions, as well as businesses. The goal of the Protocol, in concert with the Supplementary Procedures for Consumer-Related Disputes, is to ensure fairness and even-handedness in the resolution of disputes in arbitration. The Association also has issued other protocols dealing with fairness in disputes: A Due Process Protocol for Mediation and Arbitration of Statutory Disputes Arising out of the Employment Relationship (1995) and Health Care Due Process Protocol (1998).

As you may be aware, the California Legislature recently passed arbitration legislation, focusing on the provider organizations that administer consumer, non-union employment and healthcare arbitration cases and the arbitrators who serve in the decision-making role. Under the legislation, effective January 1, 2003, provider organizations will be required to collect certain statistical data and publish information regarding our users in consumer, employment and healthcare matters.

Specifically, California Code of Civil Procedure Section 1281.96, requires the collection and posting of the name of the non-consumer party; the type of dispute involved, i.e. the underlying subject matter of the dispute; the prevailing party; the number of previous occasions the non-consumer party has appeared in a case before the provider organization; whether the consumer was represented by an attorney; information regarding timelines; the disposition of the case; amount of claim and the award; name of the arbitrator; fee collected by the arbitrator for service on the case and allocation of the arbitrator's fee between the parties. Under this statute, the Association will be required to retain collected data for cases for 5 years. Other disclosures and publications may also be required. The Association does not anticipate that this will have a retroactive effect.

If you have any questions, please do not hesitate to visit our Web site or call 1.800.778.7879 (customer service).