# Arbitration Rules & Procedures

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# **About ArbiClaims**

ArbiClaims is an online small-claims court alternative. The name ArbiClaims = arbitrate + claims. Arbitration is a method of resolving disputes outside of court. With ArbiClaims, the entire arbitration process is done online (with a hearing via webcam). It's a fast and economical way to resolve smaller disputes.

Resolving a dispute in small-claims court can take months, and it's a hassle to go to the courthouse in person. With ArbiClaims you'll get a final, enforceable decision in as little as three weeks and you never have to leave home!

# **Standard Arbitration Clause**

If you would like to include an ArbiClaims arbitration clause in your contracts, please visit our website **ArbiClaims.com** for sample language.

# Fee Schedule

ArbiClaims charges both parties a fee based on the amount of money in dispute.

If the parties agree, one party may pay both parties' fees. This sometimes happens between employers and employees, for example.

Per-Party Fee

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Claim Amount	Administrative Fee	Arbitrator Fee	Total Fee	
\$1-1,500	\$49	\$30	\$79	
\$1,501-2,500	\$64	\$35	\$99	
\$2,501-5,000	\$89	\$40	\$129	
\$5,001–10,000	\$99	\$60	\$159	

ArbiClaims will waive the administrative fee for any party who is an indigent consumer, as required by California Code of Civil Procedure section 1284.3(b).

An indigent consumer is a person having a gross monthly income that is less than 300% of the federal poverty guidelines. The current federal poverty guidelines can be viewed here: https://aspe.hhs.gov/poverty-guidelines.

At the time of payment, ArbiClaims will ask parties who are individuals whether they think they may qualify for the administrative fee waiver. If you think you may qualify, ArbiClaims will ask you to declare under oath the amount of your monthly income and the number of persons living in your household. If ArbiClaims determines that you qualify as an indigent consumer, you will be required to pay only the arbitrator fee. If, however, ArbiClaims determine that you do not qualify, you will be required to pay the total fee.

# **Arbitration Rules & Procedures**

# General

### 1. Place of Arbitration

All ArbiClaims arbitrations are deemed to take place in Los Angeles, California.

# 2. Neutral and Independent Arbitrators

ArbiClaims-affiliated arbitrators are neutral and independent decision makers. They are not employees of ArbiClaims.

All ArbiClaims-affiliated arbitrators must adhere to the Ethics Standards for Neutral Arbitrators in Contractual Arbitration adopted by the Judicial Council of California. These Standards are available at www.courts.ca.gov/documents/ethics\_standards\_neutral\_arbitrators.pdf.

# 3. Waiver of Representation

The parties waive their right to be represented by an attorney at the arbitration hearing.

The parties recognize, however, that they may revoke this waiver pursuant to California Code of Civil Procedure section 1282.4(a). If a party revokes this waiver, the hearing will be postponed to a mutually agreeable date so that the other party has an opportunity to engage its own attorney.

# **Initiating the Arbitration**

The party who initiates the arbitration is called the claimant. The other party is called the respondent. There are two different ways for a claimant to initiate an ArbiClaims arbitration, depending on whether the parties already have a written agreement to arbitrate their disputes using ArbiClaims.

### 4. Invoking the Arbitration Clause

If the parties already have a written agreement that contains an ArbiClaims arbitration clause, and a Small Dispute arises out of that agreement, then the claimant must email info@ArbiClaims.com to begin the arbitration process.

If a party initiates litigation instead of filing a claim with ArbiClaims, then the other party may ask the court to send the dispute to ArbiClaims, as provided for in the parties' agreement.

# 5. Post-Dispute Agreements to Arbitrate

If the parties do not have a written agreement that contains an ArbiClaims arbitration clause, then a potential claimant may invite a potential respondent to resolve an existing dispute using ArbiClaims.

The potential claimant must send the invitation through the ArbiClaims website: **ArbiClaims.com**. If the potential respondent accepts the invitation within 7 days, then ArbiClaims will begin the arbitration process. If the potential respondent does not accept the invitation within 7 days, then ArbiClaims may not be able to help the parties resolve their dispute.

# 6. Payment of Fees

After the claimant files a claim pursuant to Rule 4, or after the respondent accepts an invitation pursuant to Rule 5, ArbiClaims will email both parties and ask them each to pay the administrative and arbitrator fees. Parties who are indigent consumers must pay only the arbitrator fee, not the administrative fee. For more information about the ArbiClaims fee schedule, read the Fee Schedule section on page 2.

# 7. Selecting the Arbitrator

Once both parties have paid their fees, ArbiClaims will email the parties a link to the arbitrator selection tool. Each party will select its preferred arbitrators. ArbiClaims will then assign an arbitrator to the parties, giving preference to any arbitrator whom both of the parties selected. If the parties did not select any of the same arbitrators, or if the parties' preferred arbitrator is unavailable, then ArbiClaims will assign an arbitrator at random or based on the arbitrators' availability.

During the selection process, each party will also have the opportunity to veto one of the potential arbitrators. ArbiClaims will not assign an arbitrator to a dispute if either party vetoed that arbitrator.

# Preparing for the Hearing

# 8. Notice of the Hearing

ArbiClaims will schedule the hearing after soliciting available dates and times from the parties. ArbiClaims will send a notice of hearing to the parties via email, which will include the date and time of the hearing and instructions on how to attend the hearing via video. This notice may be sent less than 7 days before the hearing.

# 9. Discovery

The parties will not engage in discovery unless their dispute involves an injury to, or the death of, a person caused by the wrongful act or neglect of another. In that case, discovery may be conducted as provided for in California Code of Civil Procedure section 1283.05.

# 10. Documentary Evidence

If a party has documentary evidence that it would like the arbitrator to consider, it can upload the evidence online using the link provided by ArbiClaims.

ArbiClaims will set a deadline for the parties to upload all of their documentary evidence. If a party has technical difficulties uploading evidence, it should contact ArbiClaims at info@ArbiClaims.com.

After the deadline has passed, ArbiClaims will give the arbitrator and both parties view-only access to all of the documentary evidence. Each party agrees not to take screenshots of the other party's documentary evidence.

If a party believes that a non-party has documentary evidence relevant to the dispute, it may request a subpoena duces tecum from the arbitrator. The arbitrator must issue, as of course, signed but otherwise blank subpoenas to the party requesting them. The party serving the subpoena must fill it in before service. Subpoenas must be served and enforced in accordance with California Code of Civil Procedure section 1985 et seq.

### 11. Witnesses

If a party believes that a witness's testimony is relevant to the dispute, the party should ask that witness to attend the hearing.

If the witness would like to testify but is not available during the scheduled hearing time, the party may instead upload a video of the witness as documentary evidence.

If the witness will not agree to attend the hearing or make a video, the party may request a subpoena requiring the witness's attendance at the hearing from the arbitrator. The arbitrator must issue, as of course, signed but otherwise blank subpoenas to the party requesting them. The party serving the subpoena must fill it in before service. Subpoenas must be served and enforced in accordance with California Code of Civil Procedure section 1985 et seq.

# **During the Hearing**

# 12. The Parties' Rights

Pursuant to California Code of Civil Procedure section 1282.2(d), each party is entitled to be heard, to present evidence and to cross-examine witnesses who appear at the hearing, but the rules of evidence and rules of judicial procedure need not be observed.

On request of any party, the testimony of witnesses must be given under oath. The arbitrator has the power to administer oaths pursuant to California Code of Civil Procedure section 1282.8.

### 13. Witness Fees

If a witness (who is not an agent, officer or employee of a party) appears at the hearing pursuant to subpoena, the party who subpoenaed the witness must pay him or her a fee pursuant to California Code of Civil Procedure section 1283.2. If the arbitrator subpoenaed the witness, then ArbiClaims will pay the witness and invoice each party for half of the fee.

The amount of the fee is currently \$35, pursuant to California Government Code section 68093.

If a subpoenaed witness must travel in order to have access to the technology required to attend the hearing via video, then he or she will also be paid for mileage actually traveled, both ways, at \$0.20 per mile.

# After the Hearing

## 14. Service of the Award

The arbitrator's award will be emailed to both parties on or before the 7th day after the hearing.

The arbitrator will satisfy California Code of Civil Procedure section 1283.4, which requires that the award be signed, by e-signing the email with his or her typed name.

# 15. Payment Pursuant to the Award

If the award requires one party to pay the other party money, then the owing party must pay the amount owed on or before the 14th day after the award was served on the parties (or the date specified by the arbitrator in the award).

If both parties agree, they may enter into an extended payment plan.

### 16. Failure to Pay

If the owing party fails to pay the amount owed, then the prevailing party may file a petition to confirm the award in any court having jurisdiction.

The purpose of filing a petition to confirm the award is to obtain a judgment from the court, which will allow the prevailing party to collect money from the judgment debtor without the judgment debtor's cooperation.

Because Los Angeles, California is deemed the place of the arbitration, the Los Angeles Superior Court would have jurisdiction over a petition to confirm the award. In California superior courts, the latest the prevailing party may file such a petition is 4 years after the day the award was served on the parties.

### 17. Correcting or Vacating the Award

If either party believes that the award should be corrected or vacated, it may file a petition to correct or vacate the award in any court having jurisdiction.

Because Los Angeles, California is deemed the place of the arbitration, the Los Angeles Superior Court would have jurisdiction over a petition to correct or vacate the award. The criteria for correcting or vacating an award in a California court can be found in

California Code of Civil Procedure sections 1286.2 and 1286.6. The earliest a party may file such a petition is 10 days after the day the award was served on the parties. The latest a party may file a such a petition is 100 days after the day the award was served on the parties.

# 18. Service of the Petition and Notice of Hearing

If a party files a petition (whether to confirm, correct or vacate the award), it must send a copy of the petition and the notice of hearing to the other party and to ArbiClaims, using the email addresses that were used at the time of the hearing.