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# Class 13

Alternative Dispute Resolution

# Types of Arbitration Awards

## ■ **Standard**

- Very much like a court proceeding.
- Arbitrator can award any amount that s/he feels is correct.
- Awards are still generally limited to monetary awards. Arbitrators don't generally order equitable relief unless agreed to by the parties beforehand.

## ■ **High-Low (bracketed)**

- The parties agree to a maximum and minimum award.
- The arbitrator picks a number at or between those extremes.

## ■ **High-Low ("baseball arbitration")**

- Each party submits his or her **best offer** to the arbitrator before the hearing.
- The arbitrator decides which side's "offer" is more just and picks one or the other.

# Confirmation of an Arbitration Award

- This must be done in an appropriate state or federal court before the award can be enforced.
- Must be done within one year of the arbitration decision under the FAA.
- Which court can confirm an award?
  1. The court specified by the parties in their initial arbitration agreement or original contract
  2. The court governing the district in which the arbitration decision was made
- A confirmation hearing is NOT a full lawsuit and does not require many of the formalities of lawsuits
- Service of the notice of this application (under the FAA) must be made in the same manner that motions are generally served (NOT in the same manner that complaints are served).

# QUIZ TIME!

# Vacating an Arbitration Award

- A federal or state court with proper jurisdiction may review and vacate an arbitration award on various grounds, which vary based on the state and whether the UAA and FAA are applicable.
- Some more common grounds for vacating an arbitration award include:
  1. Corruption, bribery and fraud involved in the proceeding
  2. Partiality on the part of the arbitrator
  3. Arbitrator exceeded the scope of his or her authority
  4. Arbitrator unreasonably refused to stay or postpone the arbitration proceedings
  5. Refusal by the arbitrator to hear material evidence
  6. Absence or unenforceability of the arbitration clause in the first place (not a universal ground)
  7. Arbitrator's refusal or inability to properly apply the law