



Disput

FROM THE BENCH:
SELECTED JUDICIAL OPINIONS
SUPPORTING ARBITRATION

U.S. DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA

“NAF...is without question an inexpensive, efficient and convenient forum for resolving commercial disputes.”

*Provencher v. Dell, Inc., No. SA CV 05-878 CJC,
2006 WL 9626, at *1 (C.D. Cal. Jan. 3, 2006).*

U.S. DISTRICT COURT, DELAWARE

“Plaintiff offers no persuasive evidence that the National Arbitration Forum is anything but neutral and efficient.”

*Lloyd v. MBNA Bank, N.A., No. Civ.A. 00-109-SLR,
2001 WL 194300, at *3 (D. Del. Feb. 22, 2001).*

U.S. DISTRICT COURT, NORTHERN DISTRICT OF TEXAS

“The Court is satisfied that NAF will provide a reasonable, fair, and impartial forum within which Plaintiffs may seek redress for their grievances.”

Marsh v. First USA Bank, 103 F.Supp.2d 909, 925 (N.D. Tex. 2000).

COURT OF APPEALS OF MARYLAND

“The Court of Special Appeals noted that the [NAF] arbitration would likely be more expedient and less procedurally cumbersome for petitioners than would a circuit court trial.”

Walther v. Sovereign Bank, 386 Md. 412, 441-42 (Md. App. 2005).

U.S. DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK

“[N]umerous courts have found the NAF to be an adequate and fair arbitral forum and have upheld arbitration provisions requiring arbitration in the NAF...”

*Hale v. First USA Bank, No. 00CIV5406JGK, 2001 WL 687371,
at *4, *7, n.5 (S.D.N.Y. June 19, 2001).*

What the Courts Say..

The National Arbitration Forum (FORUM) complements the United States judicial system by providing exemplary dispute resolution services. Judges and justices have demonstrated their confidence in our expert ability to deliver impartial justice by upholding dispute resolution provisions naming us as administrator and confirming awards issued by our arbitrators. We have been praised for our distinguished panel of neutrals and our affordable fees. In addition, courts have affirmed that parties to a FORUM arbitration have access to ample discovery and the same types of relief they would find in court, but with less expense and with greater efficiency and convenience.

The following excerpts, taken from state and federal court decisions, illustrate broad judicial support of our dispute resolution services.



JUSTICE RUTH BADER GINSBURG, UNITED STATES SUPREME COURT

“[N]ational arbitration organizations have developed similar models for fair cost and fee allocation...They include National Arbitration Forum provisions that limit small-claims consumer costs.”

Green Tree Fin. v. Randolph, 531 U.S. 79, 95, n.2 (2000)
(Ginsburg, J., concurring in part, dissenting in part, and concurring in the judgment).

U.S. DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

“[P]laintiff has attached the NAF fee schedule which caps expenses and provides reduced fees to consumer claimants...[T]he consumer claimant will pay a filing fee (\$60 for a claim between \$15,001 and \$30,000) and \$250 for the participatory hearing. This is certainly not prohibitive...”

Walton v. Experian, No. 02 C 5067, 2003 WL 22110788, at *3 (N.D. Ill. Sept. 9, 2003).

U.S. DISTRICT COURT, SOUTHERN DISTRICT OF FLORIDA

“[T]he Court has reviewed the rules and fee schedules of the NAF... and finds that they do not reflect a bias or expense which would deny [Plaintiff] an adequate forum in which to resolve her dispute...[T]he NAF not only sets forth a reasonable fee schedule, but provides that those fees may be awarded to the prevailing party, and permits waiver of fees for indigent litigants.”

Garcia v. Household Bank, No. 00-4470, at 5 (S.D. Fla. Aug. 17, 2001) (on file with FORUM).

U.S. DISTRICT COURT, WESTERN DISTRICT OF MISSOURI

“Plaintiff has the same right [under the NAF Code of Procedure] to recover her attorney’s fees as she would in this Court and the expenses associated with arbitration appear to be comparable to or less than litigating the case before this Court.”

Dewberry v. Countrywide Home Loans,
No. 01-0088-CV-W-SOW-ECF, at 3 (W.D. Mo. Mar.8, 2001).

U.S. DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK

“This fee schedule in the NAF Code has been upheld as adequate and fair by numerous courts...This Court agrees.”

In re Currency Conversion Fee Antitrust Litigation, 265 F.Supp.2d 385, 412, n.9 (S.D.N.Y 2003).

U.S. DISTRICT COURT, NORTHERN DISTRICT OF TEXAS

“[The National Arbitration Forum] boasts an impressive assembly of qualified arbitrators. In addition to being required to apply applicable law in an arbitration hearing, each member of the arbitration panel must take an oath to follow the NAF Code of Procedure, the Code of Conduct, and the prevailing ethical and professional standards.”

Marsh v. First USA Bank, 103 F.Supp.2d 909, 925 (N.D. Tex. 2000).

U.S. DISTRICT COURT, SOUTHERN DISTRICT OF MISSISSIPPI

“[T]o safeguard fairness, [the NAF Code of Procedure] provides that each of the parties may exercise one peremptory strike of a proposed arbitrator and each has unlimited challenges for cause. All legal remedies and injunctive relief are available to the parties. Any party may request a written opinion of the arbitrator’s ruling (citations omitted).”

Bank One v. Coates, 125 F.Supp.2d 819, 834, 835 (S.D. Miss. 2001).

U.S. DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS

“[Plaintiff]...points to no NAF procedural rule that impedes his ability to receive a fair hearing...NAF allows each party to exercise one peremptory strike of a proposed arbitrator and each party may strike any proposed arbitrator for cause.”

*(citing Marsh v. First USA Bank, N.A., 103 F.Supp.2d 909, 925 (N.D.Tex.2000)).
Bellavia v. First USA, No. 02 C 3971, 2003 WL 22425008,
at *3 (N.D. Ill. Oct. 22, 2003).*

U.S. DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA

“[T]he parties’ arbitration provision and class action waiver are not substantively unconscionable under Texas law as they have features that are very beneficial to [Plaintiff]. His filing fee with the NAF is only \$35 or less, and if he decides he wants an in-person hearing before the arbitrator, one will be scheduled near his residence in California, instead of [Defendant]’s home office in Texas. Clearly, arbitration before the NAF is an inexpensive, efficient, and convenient method for [Plaintiff] to resolve his disputes with [Defendant].”

*Provencher v. Dell, Inc., No. SA CV 05-878 CJC,
2006 WL 9626, at *7 (C.D. Cal. Jan. 3, 2006).*

U.S. DISTRICT COURT, NORTHERN DISTRICT OF TEXAS

“All legal remedies and injunctive relief are available to the parties. Any party may request a written opinion of the arbitrator’s ruling. The filing fee structure is clearly stated and reasonably based on the amount of the claim. The NAF Code authorizes its director to waive the filing fees for indigent individuals in accordance with applicable federal poverty standards. Moreover, the arbitrator may award the cost of the filing fees to the prevailing party.”

Marsh v. First USA Bank, 103 F.Supp.2d 909, 925 (N.D. Tex. 2000).

UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

“There does not appear to be a problem with securing the full range of remedies available...because Rule 20(d) of the National Arbitration Forum, the arbitrators selected in the parties’ contract, currently authorizes arbitrators to ‘grant any remedy or relief allowed by applicable substantive law and based on a Claim, Response, or Request properly submitted by a Party under this Code.’”

Johnson v. West Suburban Bank, 225 F.3d 366, 375, n.2 (3rd Cir. 2000).

SUPERIOR COURT OF NEW JERSEY, APPELLATE DIVISION

“[W]e are satisfied that [NAF Code of Procedure] Rule 29 does not place any more restrictive limits on the parties than do our Rules of Court regarding actions filed in Small Claims Court and, indeed, may permit more discovery than permitted by the court rules...In these circumstances, since the limited discovery provided by NAF Rule 29 does not place plaintiff in any worse position than she would be in if she were able to pursue her claim in state court, her claim that the arbitration provision is unconscionable must fail.”

Muhammad v. County Bank of Rehoboth Beach, 379 N.J.Super. 222, 243 (N.J. Super. 2005).

U.S. DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA

“Finally, and most significantly, the NAF is an inexpensive, convenient, and efficient forum for [Plaintiff] to resolve his disputes with [Defendant]. It certainly is not a device that [Defendant] can use to escape liability for alleged wrongful conduct. Under the NAF, [Plaintiff] has a say in selecting the arbitrator. His filing fee is at most \$35. [Defendant] pays all other mandatory fees, including a commencement and administrative fee. [Plaintiff] can file a claim simply by mail or online. If he proceeds by mail, [Plaintiff] can use a form available from the NAF or draft his own document. If [Plaintiff] elects to proceed on the papers, he is not required to pay any more fees, meaning that he could prosecute his entire claim for only \$35. If he cannot afford any fees, [Plaintiff] can request an indigent fee waiver through a simple process that need not be disclosed to the other parties. If [Plaintiff] prefers an in-person hearing, one will be scheduled near his residence in California, instead of [Defendant]’s home office in Texas. As Justice Ginsburg of the United States Supreme Court so aptly noted, the NAF has developed ‘models for fair cost and fee allocation.’”

*Provencher v. Dell, Inc., No. SA CV 05-878 CJC,
2006 WL 9626, at *4 (C.D. Cal. Jan. 3, 2006)
(citations and footnotes omitted).*



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