



# Arbitration Rules of the La Jolla Center for Dispute Resolution

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## **1. Arbitrations**

These rules apply to all parties and all disputes arbitrated under the administration of the La Jolla Center for Dispute Resolution. These rules shall be deemed a part of the La Jolla Center Agreement to Arbitrate. Parties with mutual consent and the consent of the La Jolla Center may amend these rules provided any such amendment must be in writing and signed by each of the parties and an authorized representative of the La Jolla Center.

If an issue arises which is not covered by these rules, the provisions of Sections 1282 through 1284.2 of the California Code of Civil Procedure shall apply. Any disputes regarding these rules or the application thereof, shall be decided by the Arbitrator.

## **2. Opening a Case**

Either party to a dispute may request arbitration services by contacting La Jolla Center and providing the nature of the claim or counterclaim, the amount sought or other relief requested and the names and contact information for all relevant parties. A party need not have the agreement of the opposing party to participate prior to contacting La Jolla Center.

Upon request for arbitration services, La Jolla Center will contact all parties involved to pursue an Agreement to Arbitrate and provide a list of Arbitrators. Once La Jolla Center receives an Agreement to Arbitrate signed by all parties, La Jolla Center will schedule a date, time and location for the hearing. La Jolla Center will send written notice by U.S. Mail or by facsimile of the arbitration hearing date, time and place to the parties or their representative as appropriate.

## **3. Immunity**

Neither the La Jolla Center for Dispute Resolution nor any Arbitrator shall be liable to any party for any act or omission in connection with a La Jolla Center Arbitration hearing, the opening or proposed opening of an arbitration case, or any matter relating to an award upon conclusion of an arbitration hearing.

Parties agree that the La Jolla Center, La Jolla Center staff, and/or any Arbitrator is a not necessary or proper party in any judicial proceeding relating to any arbitration hearing by or under the auspices of La Jolla Center.

## **4. Selecting an Arbitrator**

Parties have the option of selecting their Arbitrator from a list of arbitrators supplied by La Jolla Center. After La Jolla Center's receipt of a non-refundable administrative fee (see Fees at Section No. ), La Jolla Center will pursue an Agreement to Arbitrate signed by all parties. Once an Agreement to Arbitrate is executed, parties will have ten business days to select an Arbitrator from this list.



If the parties are unable to agree on a selection within this time frame, an Arbitrator will be assigned to the case by the La Jolla Center hearing coordinator. Parties unable to agree on a single Arbitrator versus a panel hearing will have a single Arbitrator selected by the La Jolla Center hearing coordinator assigned to the case.

## **5. Panels**

Depending upon party preferences arbitrations may be conducted by either a single Arbitrator or for an additional fee a panel of three Arbitrators.

One member of the panel shall be designated by La Jolla Center as the Chair. At least one member of the panel shall be an attorney. Awards and decisions made by a panel must represent the opinion of the majority. All panel arbitrations shall consist of three members.

## **6. Vacancies**

If for any reason an arbitrator is unable to perform the duties of the office, La Jolla Center may select a replacement arbitrator. Any party has the option of postponing the hearing in order to repeat the selection process.

## **7. Conflicts of Interest**

Any person chosen as an Arbitrator must disclose to La Jolla Center any circumstance likely to affect impartiality, including any bias or any personal or financial interest in the result of the arbitration or any past or present relationship with the parties or their representatives. Upon receipt of such information, La Jolla Center shall communicate the information to the parties or their representatives. Upon objection of a party, and presentation to La Jolla Center of the specific reasons supporting a party's objection, La Jolla Center shall determine whether the arbitrator should be disqualified and shall inform the parties of its decision, which shall be final.

La Jolla Center reserves the right to disqualify a proposed arbitrator for a conflict of interest on its own initiative.

## **8. Additional Disclosures**

Recent California law requires that certain additional disclosures be made by arbitrators in connection with Consumer Arbitrations. Consumer Arbitration means an arbitration conducted under a pre-dispute arbitration provision contained in a contract that involves one or more of the following parties:

- 1) An individual who seeks or acquires, including by lease, any goods or services primarily for personal, family, or household purposes including, but not limited to,



financial services, insurance, and other goods and services as defined in section 1761 of the Civil Code;

- 2) An individual who is an enrollee, a subscriber, or insured in a health-care service plan within the meaning of section 1345 of the Health and Safety Code or health-care insurance plan within the meaning of section 106 of the Insurance Code;
- 3) An individual with a medical malpractice claim that is subject to the arbitration agreement; or
- 4) An employee or an applicant for employment in a dispute arising out of or relating to the employee's employment or the applicants prospective employment that is subject to the arbitration agreement.

With respect to Consumer Arbitrations, the Center honors its legal commitment to disclose the following concerning our arbitrators and our process:

- a) The name of any non-consumer corporation or other business entity;
- b) The type of dispute involved and, if an employment case, the employee's annual wage divided into dollar ranges;
- c) The prevailing party;
- d) How many times the non-consumer party had previously been a party to an arbitration or mediation administered by the Center;
- e) Whether the consumer was represented by an attorney;
- f) The date the demand for arbitration was received, the date the arbitrator was appointed and the date of the disposition;
- g) The type of disposition;
- h) The amount of the claim, the amount of the award and any other relief granted; and
- i) The name of the arbitrator, the total fee and the per cent of the fee allocated to any party.

The disclosure records of the Center date to January 1, 2003. The Center cannot be responsible for arbitrations administered by arbitrators not a party to our panels prior to January 1, 2006. The Center will request such information from any arbitrator appointed by the parties for a Consumer Arbitration.

Information concerning the results of all Consumer Arbitrations will be made available quarterly on the Center's website at [www.lajollacenter.com](http://www.lajollacenter.com). All parties consent to the inclusion of all the above information on the website maintained by the Center and consent to the



dissemination of such information regarding their particular case and its outcome from and through the Center to the public.

#### **9. Attendance of the Parties**

The arbitrator shall have the power to require the exclusion of witnesses other than parties during the testimony of any other witness. It shall be discretionary with the arbitrator to determine the propriety of the exclusion of any person other than a party during any part of the proceedings.

Any party unable to attend the hearing may designate in writing, a representative of his/her choosing. Non-appearance by a party who has been given notice, either personally or through his attorney shall also constitute a waiver by that party of any right to personally appear.

#### **10. Postponements**

Postponements of the hearing are discouraged. The arbitrator may allow postponements for good cause upon request of a party or the arbitrator's own initiative. In addition to the above, a postponement shall be granted when all parties agree in writing.

If a postponement is granted after the arbitration session has begun, resumption of the hearing will be deemed a separate session and the parties will be charged for that session.

#### **11. Representation**

Any party to an arbitration has the right to be represented by counsel or other authorized representative at the party's own expense, at any stage of the proceedings.

#### **12. Interpreters**

If necessary, a party may provide for the attendance of an interpreter, at the party's own expense. Parties relying on an interpreter shall notify La Jolla Center as soon as this need becomes known. The interpreter will be asked to translate the proceedings under oath.

#### **13. Pre-Hearing Conference and Discovery**

In cases involving claims exceeding \$20,000, or in other cases upon agreement of the parties, the Arbitrator shall conduct a pre-hearing conference sufficiently prior to the scheduled hearing date to allow for any agreed upon discovery, testing or other orders the Arbitrator may enter.



Discovery is not encouraged in Arbitration proceedings because of its cost and its tendency to delay hearings. However, in larger cases some discovery is necessary for the purpose of expediting the hearing and limiting the issues.

When a pre-hearing conference is scheduled, all parties shall submit their positions in writing on discovery, limitation of issues or witnesses, bifurcation of issues or other matters they wish addressed at the hearing no less than five (5) business days prior to the hearing.

#### **14. Communication with Arbitrators**

There shall be no direct communication between the parties and Arbitrator other than at oral hearing, unless all parties and the Arbitrator agree otherwise in writing. Any other oral or written communication from the parties shall be directed to La Jolla Center for transmittal to the Arbitrator and from the Arbitrator to La Jolla Center for transmittal to the parties.

#### **15. Oaths**

Arbitrators will be required to take an oath of office at the beginning of the hearing.

Arbitrators have the authority to administer oaths. All testimony during the hearing shall be presented under oath. Interpreters will be placed under oath.

#### **16. Evidence**

The parties shall be permitted to present testimony, witnesses and documentary evidence which is relevant to the issues to be decided. The arbitrator shall rule on the admission and exclusion of evidence and all matters relating to the conduct of the hearing. Formal rules of evidence and judicial procedure need not apply. The arbitrator shall determine the weight and relevancy due any evidence presented and rule on any objection to its submission.

All evidence shall be presented in the presence of all parties or their representative(s) and the arbitrators unless a party has waived his/her right to appear. Evidence may be presented, by any means the arbitrator in his/her sole discretion deems appropriate, unless he/she rules that presentation of evidence in any such form shall not be permitted. The arbitrator need not justify rulings made on the admissibility or exclusion of evidence.

Witnesses will be subject to direct examination, cross-examination by the opposing party and questioning by the arbitrator.

#### **17. Stipulations**

Stipulations and agreements which narrow issues or reduce the need for formal testimony are encouraged. Stipulations are welcome and may be offered at any time during the proceedings prior to issuance of the award. If a voluntary settlement has been reached by the



parties, the parties may contact La Jolla Center and request that the case be dismissed on the ground that a stipulated agreement has been reached. The requests for dismissal shall be in writing and signed by all parties to the settlement.

At the request of all parties, the Arbitrator may enter an award reflecting a stipulated agreement.

### **18. Changes of Claim**

Changes of claims after their initial submission to La Jolla Center in writing may, in the discretion of the Arbitrator, require the execution of a new Agreement to Arbitrate. A copy of any change of claim shall be mailed to the other party, who shall have a period of ten days from the date of such mailing to object to such claim or file an answer with La Jolla Center, unless the right to answer is waived in writing. If the change of claim is objected to, the Arbitrator shall, after such investigation or hearing as the Arbitrator determines is appropriate, rule on whether claim will be accepted. Ten days after notice of any ruling granting the change of claim, the respondent(s) shall file an answer to such amendment.

### **19. Inspection or Investigation**

Inspections or investigations beyond the time and location of the hearing are discouraged. When unavoidable, an arbitrator may schedule an outside inspection or investigation with the parties. Any party and/or his/her representative may be present at such inspection or investigations. All information provided during such inspection or investigation is subject to the oaths and procedures described by these rules. The time spent in any inspection or investigation is included within the meaning of a "session."

Inspections or investigations extending beyond the time allowed for a "session" will cause an additional session fee to be collected.

### **20. Awards**

Awards shall be considered final and binding on all parties to the matter. Awards shall be in written form and signed by all arbitrators concurring in the decision. Awards shall be presented to all parties by first class U.S. Mail and will be postmarked within 10 business days after the close of the hearing. Cases having a balance due will not receive an award until all fees are paid.

No punitive damages will be awarded. The Arbitrator may grant any remedy or relief that the Arbitrator deems just and equitable and within the scope of the agreement of the parties, including, but not limited to, specific performance of a contract, except as noted above pertaining to punitive damages. The Arbitrator shall, in the award, assess arbitration fees, and expenses in favor of any party and, in the event any administrative fees or expenses are



due La Jolla Center, in favor of La Jolla Center. The arbitrator(s) justification for an award will not be offered.

Parties shall be deemed to have consented that judgment upon the arbitration award may be entered in any federal or state court having jurisdiction thereof.

### **21. Waiver of Rules**

Any party who proceeds with the arbitration after knowledge that any provision or requirement of these rules has not been complied with and who fails to state an objection thereto in writing shall be deemed to have waived any right to object.

### **22. Adjournment**

The arbitrator shall specifically inquire of the parties whether they have any additional evidence to present. Thereupon, the arbitrator may adjourn and close the hearing. The time for issuance of the award begins to run upon the close of the hearing.

Should the Arbitrator permit the filing of briefs or other material after the conclusion of the formal presentation of evidence, the arbitrator shall set a date by which time this material is to be received, and the hearing automatically closes 3 business days after the filing of the last such brief or other material. Information submitted after the close of the hearing will not be considered.

### **23. Reopening of the Hearing**

The hearing may be reopened for good cause upon the decision of the arbitrator. If one party desires to reopen the hearing, he/she must make a request of the arbitrator through La Jolla Center. Once the award has been issued, the hearing may not be reopened.

### **24. Fees**

A non-refundable administrative fee is due at the time the claim is filed and payment for all sessions anticipated is due 48 hours in advance of the arbitration. La Jolla Center will provide a qualified Arbitrator or panel, hearing location and hearing room. Charges are per session which equals one half day or up to four hours. Any portion of a session held will be billed as a full session.

Parties that fail to appear at the hearing without notice or without an authorized representative appearing on their behalf will be charged for one session. Inspections and investigations scheduled offsite will be charged a minimum of one session. Fees for additional sessions will be due and payable upon the close of the hearing. Awards will not be issued in cases where fees are outstanding.