

Supplementary Procedures for Online Arbitration (The American Arbitration Association: AAA)

Introduction

The purpose of the Supplementary Procedures for Online Arbitration is to permit, where the parties have agreed to arbitration under these Supplementary Procedures, arbitral proceedings to be conducted and resolved exclusively via the Internet. The Supplementary Procedures provide for all party submissions to be made online, and for the arbitrator, upon review of such submissions, to render an award and to communicate it to the parties via the Internet. These Supplementary Procedures further authorize the parties and the arbitrator in certain circumstances to use methods of communication other than the Internet.

Definitions

- a. **Administrative Site** refers to the Internet site www.adr.org. At the Administrative Site, parties may initiate arbitration under the Supplementary Procedures and pay filing fees and other administrative costs. The Administrative Site also provides schedules of applicable fees and costs, technical guidelines regarding the format of submissions, as well as other important information and resources.
- b. **Arbitrator** refers to a sole arbitrator or a three person panel appointed according to the Supplementary Procedures.
- c. **Case Site** refers to the Internet site established to maintain the case files and submissions. All of the parties' written submissions shall be posted on the Case Site, and no one other than the AAA, the parties, and the Arbitrator shall have access to the Case Site.

- d. **Hearing** , whether used in the singular or plural, refers to any meeting or meetings of the parties before the Arbitrator, whether conducted in-person or by telephone, video-conference, or other means.
- e. **Internet** and **online** are used interchangeably to refer to the world-wide electronic online medium.
- f. **Portal Terms** shall refer to the terms and conditions of use of the Case Site and Administrative Site, as may be amended from time to time by the AAA.
- g. **Submit** refers to (i) the electronic transmittal of pleadings, exhibits, communications, or other documents to the Case Site, or (ii) such other method of transmitting pleadings, exhibits, communications, or other documents as may be authorized by the Arbitrator under Section 12(a). **Submissions** refers to all such pleadings, exhibits, communications, or other documents, however transmitted.
- h. **Writing** refers not only to the customary definition of "writing" but also to an "electronic record" as the term is defined the Uniform Electronic Transactions Act (U.L.A.), ' 2.

Procedures

1. Agreement to Arbitrate under these Supplementary Procedures

- a. The parties shall be deemed to have made these Supplementary Procedures a part of their arbitration agreement whenever they have provided for arbitration by the American Arbitration Association (the "AAA") under its Supplementary Procedures for online Arbitration. These Supplementary Procedures may also be used, by agreement of the parties and Arbitrator, in arbitrations initiated under other sets of rules. The Supplementary Procedures and any amendment to them shall apply

in the form in effect at the time of commencement of the arbitration. The parties, by agreement in writing, may vary the procedures set forth in these Supplementary Procedures.

- b. The Supplementary Procedures are supplemental to the AAA's Commercial Dispute Resolution Procedures, or any other set of applicable AAA rules, which shall remain applicable except where modified by the Supplementary Procedures.
- c. The AAA may decide that an arbitration shall not be conducted under the Supplementary Procedures where a party lacks the capacity to participate in the arbitration in accordance with these Procedures, or where the AAA otherwise finds, in its discretion, that an arbitration should not be conducted under these Procedures. In the event that the AAA makes such a determination, the arbitration shall be conducted in accordance with the Commercial Dispute Resolution Procedures or other applicable AAA rules.
- d. By agreeing to the Supplementary Procedures, the parties also agree to the Portal Terms in effect at the time of commencement of the arbitration.
- e. When the parties agree to arbitrate under the Supplementary Procedures, they thereby authorize the AAA to administer the arbitration.

2. Serving of Notices and Calculation of Time Periods

- a. Except as otherwise agreed by the parties and approved by the Arbitrator, all submissions provided for under the Supplementary Procedures shall be deemed to have been made when received at the Case Site. The date and time of receipt shall be that stated in the confirmatory e-mail sent from the Case Site to the party making the submission.

- b. For the purposes of calculating a period of time under the Supplementary Procedures, such period shall begin to run from the date of receipt at the Case Site.

3. The Claim in Arbitration

- a. The Claimant shall initiate the arbitration by submitting to the Administrative Site a claim in arbitration (the "Claim"), which shall include: the parties' arbitration agreement; any agreement between the parties regarding the number, identity, qualifications, and/or the manner of selection of the Arbitrator; basic documents insofar as reasonably susceptible to electronic transmittal; and a statement of the nature of the dispute, the legal arguments which support the Claim, the amount involved, if any, and the remedy sought.
- b. In addition to the foregoing, the Claim shall provide the following information:
 - 1) the e-mail address at which the Claimant will receive e-mail communications from the Case Site;
 - 2) the last known valid e-mail address of the Respondent; and
 - 3) the names, postal addresses, and telephone and facsimile numbers of the parties.
- c. The Claimant shall pay the appropriate filing fee within five days of submitting the Claim to the Administrative Site. Such fee may be paid electronically or by any other method prescribed by the AAA.

4. Notification of Complaint

- a. Upon receipt of the appropriate filing fee from the Claimant, the AAA shall review the Claim to ascertain whether it complies with Section 3. Once the AAA has satisfied itself of the foregoing, the AAA shall, within five business days, establish a Case Site upon which the Claim shall immediately be made available. The AAA shall notify the parties by e-mail of the Internet address for the Case Site. The arbitration shall be deemed commenced on the date upon which the Case Site was established, as reflected in the confirmatory e-mails sent by the AAA to the parties.
- b. If the AAA finds that notification to the Respondent via e-mail is not possible, the AAA may decide that the Supplementary Procedures should not apply.
- c. If the AAA determines that the Claim is administratively deficient, the AAA shall not create a Case Site and shall promptly notify the Claimant of the deficiencies identified.

5. Response to Claim

Within thirty calendar days following the establishment of the Case Site, the Respondent shall submit to the Case Site a response, which shall include:

- 1) the response to the Claim, together with the facts, documents, and legal arguments supporting such response;
- 2) any objection to the jurisdiction of the Arbitrator, to the number, identity, qualifications, and/or manner of selection of the Arbitrator, or to the applicability of the Supplementary Procedures;
- 3) the e-mail address at which the Respondent will receive e-mail communications from the Case Site; and

4) if the Respondent has a counterclaim, a submission satisfying the requirements for a Claim set out in Section 3.

6. Response to Counterclaim

Where the Respondent has submitted a counterclaim, the Claimant shall submit to the Case Site a response within thirty calendar days from the date upon which the Respondent's counterclaim was submitted to the Case Site. The response shall include the information sufficient to meet the requirements of a response to a Claim set out in Section 5.

7. Extensions of Time

The AAA or the Arbitrator may, for good cause shown, extend the period of time for the Respondent to submit its response to the Claim or for the Claimant to submit its response to any counterclaim. Any such request made to the Arbitrator shall be submitted to the Case Site. Any such request made to the AAA shall be both submitted to the Case Site and sent by e-mail to the AAA as provided in Section 12(b).

8. Language of the Arbitration

Unless otherwise agreed by the parties, the language of the arbitration shall be that of the document(s) containing the arbitration agreement, subject to the power of the Arbitrator to determine otherwise.

9. Hearings

- a. Unless either party requests and the Arbitrator agrees to a Hearing, the Arbitrator will make the award based on the submissions. In the absence of a request for a Hearing, the Arbitrator will render the award within thirty days of the closing of the proceeding.

- b. At a Hearing, witness testimony may be received, cross-examination of witnesses may be conducted, and additional documentary evidence may be received as approved by the Arbitrator.

10. Place of Award

The parties may agree in writing upon the place of the award, and the Arbitrator shall designate this as the place of the award in the award. In the absence of such an agreement between the parties, the Arbitrator shall decide and shall designate the place of the award in the award.

11. Communication of the Award to the Parties

The Arbitrator shall submit the award to the Case Site. The award shall be deemed to have been made when submitted, which date shall be stated in the confirmatory e-mail sent from the Case Site to the parties notifying them that the award has been submitted. The Case Site shall remain available to the parties for thirty days from the date upon which the award was submitted.

12. Additional Methods of Communication

- a. The Arbitrator may authorize a method of communicating with the Arbitrator other than the above-described use of the Case Site.
- b. The AAA shall provide to the parties and to the Arbitrator an e-mail address for those communications between the parties and the AAA or between the Arbitrator and the AAA which are not to be made available to all parties and the Arbitrator through submission to the Case Site (e.g., administrative queries).