

QUESTIONS AND ANSWERS **ABOUT ARBITRATION**

1. Q. What is arbitration?

A. Arbitration is an alternative method of resolving disputes. It provides for the same kinds of remedies that a judge or jury can award. Two of the greatest advantage include greatly reduced costs and faster resolution of disputes. Both parties involved in the dispute benefit from these advantages.

2. Q. Why does Client have this policy?

A. Because it believes that arbitration or disputes will be mutually beneficial to Client and its staff members. Arbitration offers staff members and the Company the following benefits:

- ◆ Reduced legal costs
For both the staff member and the Company.
- ◆ Quicker resolution
The court system is slow and often takes years to conclude legal proceedings.
- ◆ Less time spent
Less time at hearings and other proceedings related to the resolution of the dispute.
- ◆ A fair decision-maker
The staff member and the Company participate in the selection of the arbitrator.

3. Q. If I sign the Agreement, am I giving up any substantive legal rights?

A. No, your substantive legal rights remain intact. All that changes is that an arbitrator, rather than a judge or jury will resolve disputes.

4. Q. Before I sign the Agreement, may I consult with an attorney?

A. Yes, and you are encouraged to do so.

5. Q. What if, after signing the Agreement, I later change my mind?

A. The Agreement cannot be changed unless Client and the employee both agree in writing to modify it.

6. Q. What kind of claims does the Agreement cover?

A. All legal claims of any kind, except those specified in the Agreement (such as workers' compensation and unemployment claims).

7. Q. Does this mean that if, for example, I have a dispute with Client over a matter unrelated to my employment, my claim over that will be arbitrated?

A. Yes, the Agreement covers claims that are unrelated to your employment.

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8. **Q. Do I have to sign the Agreement to become a staff member?**
- A. Yes. The Company has made a corporate decision to use alternate dispute resolution wherever possible, and all employees are required, as a condition of their employment, to sign the Agreement.
9. **Q. Who are the arbitrators that would decide cases?**
- A. They are arbitrators assigned by Judicial Arbitration & Mediation Services, Inc. (JAMS). The arbitrators are all experienced legal professionals. The employee will take part in selecting the actual arbitrator.
10. **Q. Can an arbitrator award the same kind of damages that a court or jury could?**
- A. Yes, remedies will be exactly the same as they would be in court.
11. **Q. If I am terminated and I dispute it in arbitration, does the arbitrator have the power to reinstate me?**
- A. The arbitrator will have exactly the same powers that a court would have in deciding the same kind of claim. For example, in a race discrimination lawsuit, a person who is discriminatorily discharged is entitled to reinstatement and damages. The arbitrator in that case would have the same power to reinstate and award damages that a court or jury would have.
12. **Q. Do I have to hire an attorney to go to arbitration?**
- A. This decision is entirely yours. You are not required to be represented by counsel, but you may feel that counsel can help you present your case.
13. **Q. If I hire counsel and win my case, does Client have to pay my attorney's fees?**
- A. That depends on the kind of legal claim brought. In general, both sides pay for their own attorneys. In certain kinds of cases, the prevailing party is entitled to attorney's fees. The same attorney's fee rules that apply in court will apply in arbitration.
14. **Q. Will Client use an attorney to defend arbitrations?**
- A. It will depend on the case. The Company like the staff member has the option to retain counsel. However, one of the advantages to Client of arbitration is that it expects to reduce the amount of money it spends on attorneys.
15. **Q. Will I have the same opportunity to take depositions and engage in legal discovery?**
- A. In order to reduce the cost on both sides, discovery will be limited, on both sides, but it still will be available. For example, every party will have the right to take one deposition, and more if