



## **SUMMARY OF REVISIONS TO STREAMLINED ARBITRATION RULES**

### **JAMS Streamlined Arbitration Rules, Amended and Effective July 1, 2014**

#### **Rule 1. Scope of Rules**

Rule 1(c) was amended to clarify that the duties and authority of JAMS under the rules and the Parties' arbitration agreement may be carried out by the JAMS National Arbitration Committee or JAMS General Counsel's office, or their designees.

#### **Rule 2. Party Self-Determination**

Rule 2 was revised to confirm that where an arbitration provision provides the arbitration will be non-administered or administered by an entity other than JAMS or in accordance with rules other than JAMS rules, the Parties may agree to modify such procedures to provide for JAMS administration and/or application of JAMS rules.

#### **Rule 5. Commencing an Arbitration and Service**

Revised Rule 5 clarifies the contents and use of the JAMS' Commencement Letter. The issuance of the Commencement Letter indicates JAMS has received what it needed in order to move forward with the administration of a new arbitration. The rule now specifically references Respondent's failure to object to JAMS administration as a basis upon which JAMS may commence an arbitration assuming all other requirements have been met.

#### **Rule 7. Notice of Claims**

Rule 7 was modified in order to remove confusion regarding a Party's notice of claim versus a Demand for Arbitration, and to thereby also remove confusion as to when a response to a claim is due. Consistent with the requirements of Rule 5, a Party's Demand for Arbitration constitutes the notice of claim under Rule 7. No additional notice of claim is required. Therefore, the Demand for Arbitration should include a reasonable and timely notice of the Party's claims, including a short statement of the factual basis for the claim and a statement of the remedies sought. A Party may attach and incorporate a previously filed Complaint to the Demand for Arbitration in lieu of an additional statement.

Subparagraph (f) has been added to avoid delay in raising jurisdictional and arbitrability objections. Under revised Rule 7(f) Parties must raise jurisdictional or arbitrability challenges in a response to a Demand or counterclaim or as soon as circumstances first suggest. Failure to do so will result in waiver of the objection.

#### **Rule 8. Interpretation of Rules and Jurisdictional Challenges**

Subparagraph (b) was deleted and the substance of the rule moved to Rule 1.

### **Rule 9. Representation**

The former Rule 9 allowed a Party to be represented by counsel or any other person of the Party's choice. Revised Rule 9 clarifies this applies to all Parties, whether natural persons or legal entities.

### **Rule 10. Withdrawal from Arbitration**

Following a Party's request to withdraw a claim or counterclaim without prejudice, the opposing Party now has 7 days - instead of 14 days - to request the Arbitrator condition the withdrawal.

### **Rule 11. Ex Parte Communications**

This rule was revised to clarify parties may not have *ex parte* communications with any neutral arbitrator except as provided for in the rule.

### **Rule 12. Arbitrator Selection, Disclosures and Replacement**

Previously where a Party failed to respond to a strike and rank list for arbitrator selection, the Party was deemed to have accepted all proposed candidates. Subparagraph (f) has been revised to clarify that, in addition to a complete failure to respond, if a Party fails to follow instructions with respect to the arbitrator selection process (for example, where a Party refuses to follow instructions and instead strikes all proposed candidates), that will also be deemed an acceptance of all proposed arbitrator candidates.

Subparagraph (i) now requires Parties and their representatives to disclose any circumstance likely to give rise to justifiable doubt as to the Arbitrator's impartiality or independence including any financial or personal interest in the result of the arbitration or any past or present relationship with the parties or their representatives. Disclosure obligations of the Arbitrator, the Parties and the representatives continue throughout the case.

### **Rule 17. The Arbitration Hearing**

Subparagraph (g) was revised to permit hearings to be conducted videographically as well as telephonically.

Subparagraph (h) clarifies the close of the hearing is determined by the Arbitrator in order to allow for post-hearing submissions as needed. In addition, the close of the hearing is the later of the receipt of final briefs or closing arguments.

Subparagraph (i) provides that where an Arbitrator reopens a hearing the Arbitrator's time to render the final award is calculated from the date the reopened hearing is declared closed by the Arbitrator.

### **Rule 19. Awards**

Subparagraph (d) was revised to allow an interim award or a partial final award in connection with the award of interim relief.

Subparagraph (f) was revised to add that when an Arbitrator is authorized to award attorneys' fees the Arbitrator may consider whether a Party's failure to cooperate in the discovery process and/or comply with the Arbitrator's discovery orders caused delay or additional costs to the other Parties.

Subparagraph (i) now makes clear that the time a Party has to request a correction runs from the date of service of a partial final or final Award (not an interim award) issued by JAMS. The rule also now specifically identifies as permissible correction requests on the grounds of the effect of an offer to allow judgment. Such requests were previously allowed under this rule, but the revision eliminates any confusion in this regard.

**Rule 24. Sanctions**

The revised rule clarifies that an Arbitrator may order appropriate sanctions not only for the failure to comply with obligations under these rules, but also for a failure to comply with an order of the Arbitrator.

**Rule 26. Fees**

Subparagraph (b) clarifies that JAMS may require the deposit of fees at various times through the proceedings and prior to the hearing. This has been JAMS practice, but the rule has been amended to clarify that deposits may be required in connection with the hearing, or at other times during the proceedings.