



Types of Arbitration

A short and simple description of the types of arbitration in an easy to understand format

Courtesy of Arbitration Associates, Inc.

Types of Arbitration

High/Low Arbitration: Arbitration, whether done with a high/low figure or without, is final and binding with no right of rehearing or appeal in any forum or court. High/Low arbitration is the most popular method of arbitration. High/Low arbitration will ensure that regardless of what the arbitrator finds, the injured party will not leave the proceeding with less than the low and, of course, with no more than the stipulated high.



Debbie Nussbaum, President

Example: A case where the offer (low) is \$10,000 and the demand (high) is \$50,000. After reviewing the evidence submitted, the arbitrator renders a decision of \$8,000. In this situation, because of the signed agreement, the injured party will be paid \$10,000, the amount agreed on as the low. The same would be true if the opposite occurred and the arbitrator awarded \$55,000. The injured party would recover the amount of the stipulated high rather than the amount awarded.

The arbitrator must be isolated from the high/low figures. The arbitrator will not be made aware of these figures (before the hearing, during the hearing, or after the hearing). The arbitrator must remain objective. Not knowing the high/low will enable the arbitrator to be completely candid in rendering a decision.

Standard Arbitration: Another option for binding arbitration is Standard Arbitration. With this method, there are no high/low perimeters agreed upon and documented in the arbitration agreement prior to the hearing. The decision is made with regard to the award will be the amount given to the injured party.

No Appearance Arbitration: No appearance arbitration is a very popular method in which the arbitrator renders a decision simply on the evidence that is submitted alone and neither party will make a personal appearance.

Courtesy of Arbitration Associates, Inc.

"Helping you resolve disputes."

Phone: 804-763-3600

Fax: 804-763-3700

E-mail: Debbie@Arbitration-Associates.com
Website: www.Arbitration-Associates.com



ARBITRATION
ASSOCIATES, INC.

11902 Markey Circle
Midlothian, VA 23112