

BUSINESS ARBITRATION PROGRAM

As a subscriber to Business Consumer Alliance's Business Arbitration program, you may ask BCA to arbitrate disputes that may arise between you and your customers. To *require* your customer to arbitrate, you must include in your agreement with your customer a provision, signed by the customer, for arbitration of business disputes. You can easily do this by incorporating in your agreement or work order (or whatever document your customer signs that generally describes what you are going to do for them) a clause such as the one below. (If you are a contractor and you enter into a contract for work on residential property with four or fewer units, you should not use the information on this page. Instead, ask for the **BUSINESS ARBITRATION PROGRAM FOR CONTRACTORS**, which contains information on the legal requirements for those contracts.)

Either of you may insist upon arbitration if this provision was in effect before the dispute arose.

BCA offers arbitration of disputes involving marketplace transactions. We do not arbitrate disputes alleging criminal violations nor any dispute that, by law, may not be arbitrated. We do not arbitrate disputes seeking reimbursement of lost wages, damages for mental anguish, punitive damages or claiming personal injury unless these claims relate directly to the contract that is the basis of this dispute.

The Business Arbitration pamphlet in your membership kit explains the arbitration program in more detail. But remember: without this clause and your customer's signature, we can arbitrate only if the two of you voluntarily agree to it.

Suggested language for an arbitration clause in a contract:

You and we agree to submit any dispute arising under this agreement, except a dispute alleging criminal violations, to arbitration in accordance with the Uniform Rules for Binding Arbitration of the Business Consumer Alliance (published online at checkbca.org) in effect at the time of initiation of arbitration. A volunteer arbitrator will render a decision based upon fairness, not necessarily upon legal principles, but it will be final and binding on both of us. Judgment on the decision may be entered in any court having jurisdiction. You will not have to pay anything for the arbitration.

This Agreement to Arbitrate affects important legal rights. Neither of us will be able to go to court for disputes once we agree in advance to arbitrate. And neither of us will be committed by the terms of this agreement to arbitrate unless this clause is initialed or unless your signature on this contract as a whole immediately follows this clause.

Further information about BCA arbitration may be obtained by calling Business Consumer Alliance in Colton at (909) 825-0490.

(Initials of Customer)

In incorporating this arbitration clause into your agreement, you must take care to enclose it in a box (as we have above), to have it printed in a larger typeface than that of the rest of the contract, or to highlight it. If you insert this clause into your contract among the other provisions, your customer must initial it, as provided for above. However, if you add it at the end of your contract as the final clause before the signatures, the customer does not need to initial the clause. His or her signature to the contract itself will suffice. But in this case, the signatures must be on the same page as the clause.

Business Consumer Alliance

315 North La Cadena Drive
Colton, CA 92324
Phone: (909) 825-0490
Fax: (909) 825-6246
www.checkbca.org