

ADVANTAGES AND DISADVANTAGES OF SUBMITTING YOUR CASE TO ARBITRATION

In an arbitration hearing, a neutral arbitrator (or sometimes a panel of three arbitrators) chosen by the parties listens to each side's evidence and then decides the case. Arbitration may be required by contract in some cases, such as claims against your own uninsured/underinsured motorist coverage. Otherwise, before agreeing to arbitration, you'll want to understand the possible advantages and disadvantages.

THE ADVANTAGES:

- Outcome is often more predictable than a jury trial.
- Parties may be able to proceed under a high/low limits agreement, where parties agree before the hearing to the upper and lower limits of the arbitration decision. An award below the lower limit is raised to the lower limit, while an award above the upper limit is reduced to the upper limit. The agreement reduces risks for both sides, as they know in advance (although the arbitrator does not) the lowest and the highest amount of the award.
- Cheaper than trial.
- Faster than trial.
- Can be scheduled at convenience of parties and arbitrator.
- Parties are provided an ability to argue and present strong witnesses.
- Experts' opinions can be provided by report or records, which is less expensive than live testimony.
- The decision can be binding and final.
- May be confidential.
- May be able to choose three arbitrators with a variety of experiences.

THE DISADVANTAGES:

- No precedent is set by a court decision that may protect future injured parties.
- Limited opportunity to cross-examine opposition's experts.
- No jury to empathize with injured plaintiff.
- Plaintiffs can be at a disadvantage when arbitration is required by contract as they may have limited time to prepare case and engage experts.
- The award tends to be a compromise of each party's position.
- Options for appeal and review are limited.

If your personal injury case is headed for arbitration, you will want to understand the procedure. This list takes you through a typical arbitration procedure. The details of yours may vary depending on the terms of any contract language requiring arbitration, the law of the jurisdiction where your case is pending, and the rules your attorney and the defense attorney agree on.

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