

# *Mandatory Binding Arbitration Agreements— Are they Fair?*

Whether you are buying a car, borrowing money, accepting a job, enrolling a loved one into a nursing home, or purchasing insurance, you will



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likely be required to sign an “Arbitration Agreement” before completing the transaction. These “agreements” are forced upon consumers by corporations in an effort to reduce the corporation’s liability for wrongdoing and deny the consumer justice. When consumers are intentionally defrauded or injured by corporations and the affected consumers attempt to seek redress in our court system, the arbitration “agreement” is used by the corporation to deny the consumer access to the courts—instead forcing the consumer to have their disputes heard by arbitrators and not a jury of their peers.

How are Americans hurt by Arbitration Agreements? (1) These agreements are often “one sided” agreements, restricting the consumer from access to the courts, while allowing the corporation the right to sue the consumer in court if they so choose; (2) Consumers are subject to high costs and fees to arbitrate, thereby restricting the average consumer ability to participate; (3) The decision-makers are often biased, as the corporations are repeat clients of arbitrators and the arbitrators have no incentive to rule in favor of the one-time client or consumer; and (4) While court records are public, most arbitration clauses require that the proceedings be kept confidential.

Before agreeing to sign a mandatory binding arbitration agreement, make sure you fully understand the fundamental rights you are forfeiting.

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