Abstract

The purpose of my thesis, which is named “Arbitration clauses in consumer disputes”, is to confirm or rebut the hypothesis that valid pre-dispute arbitration agreement can be concluded with a consumer, and if the hypothesis is confirmed, what requirements have to be met.

The text is composed of five chapters, the introduction, and the conclusion, and each of the chapters deals with different aspects of arbitration clauses in consumers’ disputes.

Chapter One is introductory and defines the terminology used in the thesis, such as the consumer dispute, the arbitration clause, and the protection of the consumer as the weaker party.

Chapter Two concerns the admissibility of an arbitration clause for the settlement of consumer disputes. This chapter is subdivided into three parts. The first part describes the European and the American points of view of pre-dispute arbitration agreements. The second part examines the arbitration clause as an unfair term according to the Council Directive 93/13/EEC of April 5th, 1993 on unfair terms in consumer contracts and with regard to the related case law of the Court of Justice of the European Union and its implementation into the Czech legal system. This part describes the personal applicability, non-individual negotiation, non-fulfillment of the requirement of good faith, and significant imbalance in the parties' rights and obligations arising under the contract. Subsequently, it deals with the annex of the directive and non-binding nature of unfair terms. The third part investigates the review of the arbitration clause by courts.

Chapters Three to Five are based on Act No. 216/1994 Coll., on Arbitration and Enforcement of Arbitral Awards, which is the fundamental legal regulation governing the topic of my research, and on the Czech case law. These chapters focus on the amendment of Act No. 216/1994 Coll., on Arbitration and Enforcement of Arbitral Awards, which has come into force on April 1st, 2012 and which introduce the protection of consumer into this Act.

Chapter Three investigates the regulations of the arbitration clause and is subdivided into four parts which deal with the separate arrangement of the arbitration clause, pre-contractual information duty, specific requirements for its content, and foreign influence.

The following chapter investigates the requirements for arbitrators and mentions the demand of entry in the register, education qualifications, the determination of arbitrator, and the independence and impartiality of arbitrator. The issue of the misleading signage of the centers of arbitration is mentioned as well.
Finally, Chapter Five reports on the requirements of arbitration proceedings on the consumer arbitration clause. This chapter is grounded on the Czech case law which says that fair trial and procedural rights as before the state’s court have to be guaranteed to the consumer. In addition, the question of the rules of procedure is highlighted.

In conclusion, the confirmation of my hypothesis is stated. A valid conclusion of pre-dispute arbitration clause is possible. However, the requirements arising from the legal regulations and the case law have to be met.