- 1 AN ACT concerning arbitration.
- 2 Be it enacted by the People of the State of Illinois,
- 3 represented in the General Assembly:
- 4 Section 0.01. Short title. This Act may be cited as the
- 5 Uniform Arbitration Act (2000).
- 6 Section 1. Definitions. In this Act:
- 7 (1) "Arbitration organization" means an association,
- 8 agency, board, commission, or other entity that is neutral
- 9 and initiates, sponsors, or administers an arbitration
- 10 proceeding or is involved in the appointment of an
- 11 arbitrator.
- 12 (2) "Arbitrator" means an individual appointed to render
- 13 an award, alone or with others, in a controversy that is
- 14 subject to an agreement to arbitrate.
- 15 (3) "Court" means a circuit court of this State.
- 16 (4) "Knowledge" means actual knowledge.
- 17 (5) "Person" means an individual, corporation, business
- 18 trust, estate, trust, partnership, limited liability company,
- 19 association, joint venture, government; governmental
- 20 subdivision, agency, or instrumentality; public corporation;
- 21 or any other legal or commercial entity.
- 22 (6) "Record" means information that is inscribed on a
- 23 tangible medium or that is stored in an electronic or other
- 24 medium and is retrievable in perceivable form.
- 25 Section 2. Notice.
- 26 (a) Except as otherwise provided in this Act, a person
- 27 gives notice to another person by taking action that is
- reasonably necessary to inform the other person in ordinary
- 29 course, whether or not the other person acquires knowledge of
- 30 the notice.

- 1 (b) A person has notice if the person has knowledge of
- 2 the notice or has received notice.
- 3 (c) A person receives notice when it comes to the
- 4 person's attention or the notice is delivered at the person's
- 5 place of residence or place of business, or at another
- 6 location held out by the person as a place of delivery of
- 7 such communications.
- 8 Section 3. When Act applies.
- 9 (a) This Act governs an agreement to arbitrate made on
- 10 or after the effective date of this Act.
- 11 (b) This Act governs an agreement to arbitrate made
- 12 before the effective date of this Act if all the parties to
- 13 the agreement or to the arbitration proceeding so agree in a
- 14 record.
- 15 (c) On or after July 1, 2004, this Act governs an
- 16 agreement to arbitrate whenever made.
- 17 Section 4. Effect of agreement to arbitrate; nonwaivable
- 18 provisions.
- 19 (a) Except as otherwise provided in subsections (b) and
- 20 (c), a party to an agreement to arbitrate or to an
- 21 arbitration proceeding may waive or, the parties may vary the
- 22 effect of, the requirements of this Act to the extent
- 23 permitted by law.
- 24 (b) Before a controversy arises that is subject to an
- 25 agreement to arbitrate, a party to the agreement may not:
- 26 (1) waive or agree to vary the effect of the
- 27 requirements of Section 5(a), 6(a), 8, 17(a), 17(b), 26,
- 28 or 28;
- 29 (2) agree to unreasonably restrict the right under
- 30 Section 9 to notice of the initiation of an arbitration
- 31 proceeding;
- 32 (3) agree to unreasonably restrict the right under

- 1 Section 12 to disclosure of any facts by a neutral 2
- arbitrator; or

- (4) waive the right under Section 16 of a party to 3 4 an agreement to arbitrate to be represented by a lawyer at any proceeding or hearing under this Act, but an 5 employer and a labor organization may waive the right to 6 7 representation by a lawyer in a labor arbitration.
- 8 (c) A party to an agreement to arbitrate or arbitration 9 proceeding may not waive, or the parties may not vary the effect of, the requirements of this section or Section 3(a) 10 11 or (c), 7, 14, 18, 20(d) or (e), 22, 23, 24, 25(a) or (b), 29, 30, 31, or 32.
- Section 5. Application for judicial relief. 13
- Except as otherwise provided in Section 28, 14 15 application for judicial relief under this Act must be made by motion to the court and heard in the manner provided by 16 17 law or rule of court for making and hearing motions.
- 18 (b) Unless a civil action involving the agreement to arbitrate is pending, notice of an initial motion to the 19 20 court under this Act must be served in the manner provided by 21 law for the service of a summons in a civil action. 22 Otherwise, notice of the motion must be given in the manner provided by law or rule of court for serving motions in 23 24 pending cases.
- 25 Section 6. Validity of agreement to arbitrate.
- (a) An agreement contained in a record to submit to 26 27 arbitration any existing or subsequent controversy arising 28 between the parties to the agreement is valid, enforceable, and irrevocable except upon a ground that exists at law or in 29 30 equity for the revocation of a contract.
- 31 (b) The court shall decide whether an agreement to 32 arbitrate exists or a controversy is subject to an agreement

- 1 to arbitrate.
- 2 (c) An arbitrator shall decide whether a condition
- 3 precedent to arbitrability has been fulfilled and whether a
- 4 contract containing a valid agreement to arbitrate is
- 5 enforceable.
- 6 (d) If a party to a judicial proceeding challenges the
- 7 existence of, or claims that a controversy is not subject to,
- 8 an agreement to arbitrate, the arbitration proceeding may
- 9 continue pending final resolution of the issue by the court,
- 10 unless the court otherwise orders.
- 11 Section 7. Motion to compel or stay arbitration.
- 12 (a) On motion of a person showing an agreement to
- arbitrate and alleging another person's refusal to arbitrate
- 14 pursuant to the agreement:
- 15 (1) if the refusing party does not appear or does
- not oppose the motion, the court shall order the parties
- 17 to arbitrate; and
- 18 (2) if the refusing party opposes the motion, the
- 19 court shall proceed summarily to decide the issue and
- order the parties to arbitrate unless it finds that there
- is no enforceable agreement to arbitrate.
- (b) On motion of a person alleging that an arbitration
- 23 proceeding has been initiated or threatened but that there is
- 24 no agreement to arbitrate, the court shall proceed summarily
- 25 to decide the issue. If the court finds that there is an
- 26 enforceable agreement to arbitrate, it shall order the
- 27 parties to arbitrate.
- 28 (c) If the court finds that there is no enforceable
- 29 agreement, it may not pursuant to subsection (a) or
- 30 (b) order the parties to arbitrate.
- 31 (d) The court may not refuse to order arbitration
- 32 because the claim subject to arbitration lacks merit or
- 33 grounds for the claim have not been established.

- 1 (e) If a proceeding involving a claim referable to
- 2 arbitration under an alleged agreement to arbitrate is
- 3 pending in court, a motion under this section must be made in
- 4 that court. Otherwise a motion under this section may be made
- 5 in any court as provided in Section 27.
- 6 (f) If a party makes a motion to the court to order
- 7 arbitration, the court on just terms shall stay any judicial
- 8 proceeding that involves a claim alleged to be subject to the
- 9 arbitration until the court renders a final decision under
- 10 this section.
- 11 (g) If the court orders arbitration, the court on just
- 12 terms shall stay any judicial proceeding that involves a
- 13 claim subject to the arbitration. If a claim subject to the
- 14 arbitration is severable, the court may limit the stay to
- 15 that claim.
- 16 Section 8. Provisional remedies.
- 17 (a) Before an arbitrator is appointed and is authorized
- 18 and able to act, the court, upon motion of a party to an
- 19 arbitration proceeding and for good cause shown, may enter an
- 20 order for provisional remedies to protect the effectiveness
- of the arbitration proceeding to the same extent and under
- 22 the same conditions as if the controversy were the subject of
- 23 a civil action.
- 24 (b) After an arbitrator is appointed and is authorized
- 25 and able to act:
- 26 (1) the arbitrator may issue such orders for
- 27 provisional remedies, including interim awards, as the
- arbitrator finds necessary to protect the effectiveness
- of the arbitration proceeding and to promote the fair and
- 30 expeditious resolution of the controversy, to the same
- 31 extent and under the same conditions as if the
- 32 controversy were the subject of a civil action and
- 33 (2) a party to an arbitration proceeding may move

- 1 the court for a provisional remedy only if the matter is
- 2 urgent and the arbitrator is not able to act timely or
- 3 the arbitrator cannot provide an adequate remedy.
- 4 (c) A party does not waive a right of arbitration by
- 5 making a motion under subsection (a) or (b).
- 6 Section 9. Initiation of arbitration.
- 7 (a) A person initiates an arbitration proceeding by
- 8 giving notice in a record to the other parties to the
- 9 agreement to arbitrate in the agreed manner between the
- 10 parties or, in the absence of agreement, by certified or
- 11 registered mail, return receipt requested and obtained, or by
- 12 service as authorized for the commencement of a civil action.
- 13 The notice must describe the nature of the controversy and
- 14 the remedy sought.
- 15 (b) Unless a person objects for lack or insufficiency of
- 16 notice under Section 15(c) not later than the beginning of
- 17 the arbitration hearing, the person by appearing at the
- 18 hearing waives any objection to lack of or insufficiency of
- 19 notice.
- 20 Section 10. Consolidation of separate arbitration
- 21 proceedings.
- 22 (a) Except as otherwise provided in subsection (c), upon
- 23 motion of a party to an agreement to arbitrate or to an
- 24 arbitration proceeding, the court may order consolidation of
- 25 separate arbitration proceedings as to all or some of the
- 26 claims if:
- 27 (1) there are separate agreements to arbitrate or
- separate arbitration proceedings between the same persons
- or one of them is a party to a separate agreement to
- 30 arbitrate or a separate arbitration proceeding with a
- 31 third person;
- 32 (2) the claims subject to the agreements to

arbitrate arise in substantial part from the same transaction or series of related transactions;

3

4

5

6

7

8

- (3) the existence of a common issue of law or fact creates the possibility of conflicting decisions in the separate arbitration proceedings; and
- (4) prejudice resulting from a failure to consolidate is not outweighed by the risk of undue delay or prejudice to the rights of or hardship to parties opposing consolidation.
- 10 (b) The court may order consolidation of separate 11 arbitration proceedings as to some claims and allow other 12 claims to be resolved in separate arbitration proceedings.
- 13 (c) The court may not order consolidation of the claims
  14 of a party to an agreement to arbitrate if the agreement
  15 prohibits consolidation.
- Section 11. Appointment of arbitrator; service as a neutral arbitrator.
- (a) If the parties to an agreement to arbitrate agree on 18 19 a method for appointing an arbitrator, that method must be 20 followed, unless the method fails. If the parties have not agreed on a method, the agreed method fails, or an arbitrator 21 22 appointed fails or is unable to act and a successor has not been appointed, the court, on motion of a party to the 23 24 arbitration proceeding, shall appoint the arbitrator. An arbitrator so appointed has all the powers of an arbitrator 25 26 designated in the agreement to arbitrate or appointed 27 pursuant to the agreed method.
- 28 (b) An individual who has a known, direct, and material
  29 interest in the outcome of the arbitration proceeding or a
  30 known, existing, and substantial relationship with a party
  31 may not serve as an arbitrator required by an agreement to be
  32 neutral.

- 1 Section 12. Disclosure by arbitrator.
- 2 (a) Before accepting appointment, an individual who is
- 3 requested to serve as an arbitrator, after making a
- 4 reasonable inquiry, shall disclose to all parties to the
- 5 agreement to arbitrate and arbitration proceeding and to any
- 6 other arbitrators any known facts that a reasonable person
- 7 would consider likely to affect the impartiality of the
- 8 arbitrator in the arbitration proceeding, including:
- 9 (1) a financial or personal interest in the outcome
- of the arbitration proceeding; and
- 11 (2) an existing or past relationship with any of
- 12 the parties to the agreement to arbitrate or the
- arbitration proceeding, their counsel or representatives,
- a witness, or another arbitrators.
- 15 (b) An arbitrator has a continuing obligation to
- 16 disclose to all parties to the agreement to arbitrate and
- 17 arbitration proceeding and to any other arbitrators any facts
- 18 that the arbitrator learns after accepting appointment which
- 19 a reasonable person would consider likely to affect the
- 20 impartiality of the arbitrator.
- 21 (c) If an arbitrator discloses a fact required by
- 22 subsection (a) or (b) to be disclosed and a party timely
- 23 objects to the appointment or continued service of the
- 24 arbitrator based upon the fact disclosed, the objection may
- be a ground under Section 23(a)(2) for vacating an award
- 26 made by the arbitrator.
- 27 (d) If the arbitrator did not disclose a fact as
- required by subsection (a) or (b), upon timely objection by a
- 29 party, the court under Section 23(a)(2) may vacate an award.
- 30 (e) An arbitrator appointed as a neutral arbitrator who
- 31 does not disclose a known, direct, and material interest in
- 32 the outcome of the arbitration proceeding or a known,
- 33 existing, and substantial relationship with a party is
- 34 presumed to act with evident partiality under Section

- 1 23(a)(2).
- 2 (f) If the parties to an arbitration proceeding agree to
- 3 the procedures of an arbitration organization or any other
- 4 procedures for challenges to arbitrators before an award is
- 5 made, substantial compliance with those procedures is a
- 6 condition precedent to a motion to vacate an award on that
- 7 ground under Section 23(a)(2).
- 8 Section 13. Action by majority. If there is more than
- 9 one arbitrator, the powers of an arbitrator must be exercised
- 10 by a majority of the arbitrators, but all of them shall
- 11 conduct the hearing under Section 15(c).
- 12 Section 14. Immunity of arbitrator; competency to
- 13 testify; attorney's fees and costs.
- 14 (a) An arbitrator or an arbitration organization acting
- in that capacity is immune from civil liability to the same
- 16 extent as a judge of a court of this State acting in a
- 17 judicial capacity.
- 18 (b) The immunity afforded by this section supplements
- 19 any immunity under other law.
- 20 (c) The failure of an arbitrator to make a disclosure
- 21 required by Section 12 does not cause any loss of immunity
- 22 under this section.
- 23 (d) In a judicial, administrative, or similar
- 24 proceeding, an arbitrator or representative of an arbitration
- organization is not competent to testify, and may not be
- 26 required to produce records as to any statement, conduct,
- 27 decision, or ruling occurring during the arbitration
- 28 proceeding, to the same extent as a judge of a court of this
- 29 State acting in a judicial capacity. This subsection does not
- 30 apply:
- 31 (1) to the extent necessary to determine the claim
- 32 of an arbitrator, arbitration organization, or

representative of the arbitration organization against a party to the arbitration proceeding; or

- (2) to a hearing on a motion to vacate an award under Section 23(a)(1) or (2) if the movant establishes prima facie that a ground for vacating the award exists.
- (e) If a person commences a civil action against an arbitrator, arbitration organization, or representative of an arbitration organization arising from the services of the arbitrator, organization, or representative or if a person seeks to compel an arbitrator or a representative of an arbitration organization to testify or produce records in violation of subsection (d), and the court decides that the arbitrator, arbitration organization, or representative of an arbitration organization is immune from civil liability or that the arbitrator or representative of the organization is not competent to testify, the court shall award to the arbitrator, organization, or representative reasonable attorney's fees and other reasonable expenses of litigation.

## 19 Section 15. Arbitration process.

2.0

- (a) An arbitrator may conduct an arbitration in such manner as the arbitrator considers appropriate for a fair and expeditious disposition of the proceeding. The authority conferred upon the arbitrator includes the power to hold conferences with the parties to the arbitration proceeding before the hearing and, among other matters, determine the admissibility, relevance, materiality and weight of any evidence.
- (b) An arbitrator may decide a request for summary disposition of a claim or particular issue:
  - (1) if all interested parties agree; or
- 31 (2) upon request of one party to the arbitration 32 proceeding if that party gives notice to all other 33 parties to the proceeding, and the other parties have a

- 1 reasonable opportunity to respond.
- 2 If an arbitrator orders a hearing, the arbitrator shall set a time and place and give notice of the hearing not 3 4 less than five days before the hearing begins. Unless a party to the arbitration proceeding makes an objection to lack or 5 6 insufficiency of notice not later than the beginning of the 7 hearing, the party's appearance at the hearing waives the 8 objection. Upon request of a party to the arbitration 9 proceeding and for good cause shown, or upon the arbitrator's own initiative, the arbitrator may adjourn the hearing from 10 11 time to time as necessary but may not postpone the hearing to a time later than that fixed by the agreement to arbitrate 12 for making the award unless the parties to the arbitration 13 proceeding consent to a later date. The arbitrator may hear 14 15 and decide the controversy upon the evidence 16 although a party who was duly notified of the arbitration proceeding did not appear. The court, on request, may direct 17 the arbitrator to conduct the hearing promptly and render a 18 19 timely decision.
- 20 (d) At a hearing under subsection (c), a party to the 21 arbitration proceeding has a right to be heard, to present 22 evidence material to the controversy, and to cross-examine 23 witnesses appearing at the hearing.
- (e) If an arbitrator ceases or is unable to act during the arbitration proceeding, a replacement arbitrator must be appointed in accordance with Section 11 to continue the proceeding and to resolve the controversy.
- Section 16. Representation by lawyer. A party to an arbitration proceeding may be represented by a lawyer.
- 30 Section 17. Witnesses; subpoenas; depositions; 31 discovery.
- 32 (a) An arbitrator may issue a subpoena for the

- 1 attendance of a witness and for the production of records and
- 2 other evidence at any hearing and may administer oaths. A
- 3 subpoena must be served in the manner for service of
- 4 subpoenas in a civil action and, upon motion to the court by
- 5 a party to the arbitration proceeding or the arbitrator,
- 6 enforced in the manner for enforcement of subpoenas in a
- 7 civil action.
- 8 (b) In order to make the proceedings fair, expeditious,
- 9 and cost effective, upon request of a party to or a witness
- 10 in an arbitration proceeding, an arbitrator may permit a
- 11 deposition of any witness to be taken for use as evidence at
- 12 the hearing, including a witness who cannot be subpoenaed for
- or is unable to attend a hearing. The arbitrator shall
- 14 determine the conditions under which the deposition is taken.
- 15 (c) An arbitrator may permit such discovery as the
- 16 arbitrator decides is appropriate in the circumstances,
- 17 taking into account the needs of the parties to the
- 18 arbitration proceeding and other affected persons and the
- 19 desirability of making the proceeding fair, expeditious, and
- 20 cost effective.
- 21 (d) If an arbitrator permits discovery under subsection
- 22 (c), the arbitrator may order a party to the arbitration
- 23 proceeding to comply with the arbitrator's discovery-related
- 24 orders, issue subpoenas for the attendance of a witness and
- 25 for the production of records and other evidence at a
- 26 discovery proceeding, and take action against a noncomplying
- 27 party to the extent a court could if the controversy were the
- 28 subject of a civil action in this State.
- 29 (e) An arbitrator may issue a protective order to
- 30 prevent the disclosure of privileged information,
- 31 confidential information, trade secrets, and other
- 32 information protected from disclosure to the extent a court
- 33 could if the controversy were the subject of a civil action
- 34 in this State.

- 1 (f) All laws compelling a person under subpoena to
  2 testify and all fees for attending a judicial proceeding, a
  3 deposition, or a discovery proceeding as a witness apply to
  4 an arbitration proceeding as if the controversy were the
- 4 an arbitration proceeding as if the controversy were the
- 5 subject of a civil action in this State.
- 6 The court may enforce а subpoena or 7 discovery-related order for the attendance of a witness within this State and for the production of records and other 8 9 evidence issued by an arbitrator in connection with an arbitration proceeding in another State upon conditions 10 11 determined by the court so as to make the arbitration proceeding fair, expeditious, and cost effective. A subpoena 12 or discovery-related order issued by an arbitrator in another 13 State must be served in the manner provided by law for 14 service of subpoenas in a civil action in this State and, 15 16 upon motion to the court by a party to the arbitration proceeding or the arbitrator, enforced in the manner provided 17 by law for enforcement of subpoenas in a civil action in this 18 19 State.
- 20 Section 18. Judicial enforcement of preaward ruling by 21 arbitrator. Ιf an arbitrator makes a preaward ruling in 22 favor of a party to the arbitration proceeding, the party may request the arbitrator to incorporate the ruling into an 23 24 award under Section 19. A prevailing party may make a motion to the court for an expedited order to confirm the award 25 under Section 22, in which case the court shall summarily 26 decide the motion. The court shall issue an order to confirm 27 28 the award unless the court vacates, modifies, or corrects the 29 award under Section 23 or 24.
- 30 Section 19. Award.
- 31 (a) An arbitrator shall make a record of an award. The 32 record must be signed or otherwise authenticated by any

- 1 arbitrator who concurs with the award. The arbitrator or the
- 2 arbitration organization shall give notice of the award,
- 3 including a copy of the award, to each party to the
- 4 arbitration proceeding.
- 5 (b) An award must be made within the time specified by
- 6 the agreement to arbitrate or, if not specified therein,
- 7 within the time ordered by the court. The court may extend or
- 8 the parties to the arbitration proceeding may agree in a
- 9 record to extend the time. The court or the parties may do so
- 10 within or after the time specified or ordered. A party waives
- 11 any objection that an award was not timely made unless the
- 12 party gives notice of the objection to the arbitrator before
- 13 receiving notice of the award.
- 14 Section 20. Change of award by arbitrator.
- 15 (a) On motion to an arbitrator by a party to an
- arbitration proceeding, the arbitrator may modify or correct
- 17 an award:
- 18 (1) upon a ground stated in Section 24(a)(1) or
- 19 (3);
- 20 (2) because the arbitrator has not made a final and
- 21 definite award upon a claim submitted by the parties to
- the arbitration proceeding; or
- 23 (3) to clarify the award.
- 24 (b) A motion under subsection (a) must be made and
- 25 notice given to all parties within 20 days after the movant
- 26 receives notice of the award.
- 27 (c) A party to the arbitration proceeding must give
- 28 notice of any objection to the motion within 10 days after
- 29 receipt of the notice.
- 30 (d) If a motion to the court is pending under Section
- 31 22, 23, or 24, the court may submit the claim to the
- 32 arbitrator to consider whether to modify or correct the
- 33 award:

- 1 (1) upon a ground stated in Section 24(a)(1) or 2 (3);
- 3 (2) because the arbitrator has not made a final and 4 definite award upon a claim submitted by the parties to 5 the arbitration proceeding; or
- 6 (3) to clarify the award.
- 7 (e) An award modified or corrected pursuant to this 8 section is subject to Sections 19(a), 22, 23, and 24.
- 9 Section 21. Remedies; fees and expenses of arbitration 10 proceeding.
- 11 (a) An arbitrator may award punitive damages or other 12 exemplary relief if such an award is authorized by law in a 13 civil action involving the same claim and the evidence 14 produced at the hearing justifies the award under the legal 15 standards otherwise applicable to the claim.
- 16 (b) An arbitrator may award reasonable attorney's fees
  17 and other reasonable expenses of arbitration if such an award
  18 is authorized by law in a civil action involving the same
  19 claim or by the agreement of the parties to the arbitration
  20 proceeding.
- 21 (c) As to all remedies other than those authorized by
  22 subsections (a) and (b), an arbitrator may order such
  23 remedies as the arbitrator considers just and appropriate
  24 under the circumstances of the arbitration proceeding. The
  25 fact that such a remedy could not or would not be granted by
  26 the court is not a ground for refusing to confirm an award
  27 under Section 22 or for vacating an award under Section 23.
- 28 (d) An arbitrator's expenses and fees, together with 29 other expenses, must be paid as provided in the award.
- 30 (e) If an arbitrator awards punitive damages or other 31 exemplary relief under subsection (a), the arbitrator shall 32 specify in the award the basis in fact justifying and the 33 basis in law authorizing the award and state separately the

1 amount of the punitive damages or other exemplary relief.

2	Section 22. Confirmation of award. After a party to an
3	arbitration proceeding receives notice of an award, the party
4	may make a motion to the court for an order confirming the
5	award at which time the court shall issue a confirming order
б	unless the award is modified or corrected pursuant to Section
7	20 or 24 or is vacated pursuant to Section 23.

- 8 Section 23. Vacating award.
- 9 (a) Upon motion to the court by a party to an arbitration proceeding, the court shall vacate an award made in the arbitration proceeding if:
- 12 (1) the award was procured by corruption, fraud, or other undue means;
  - (2) there was:

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

- (A) evident partiality by an arbitrator appointed as a neutral arbitrator;
  - (B) corruption by an arbitrator; or
  - (C) misconduct by an arbitrator prejudicing the rights of a party to the arbitration proceeding;
  - (3) an arbitrator refused to postpone the hearing upon showing of sufficient cause for postponement, refused to consider evidence material to the controversy, or otherwise conducted the hearing contrary to Section 15, so as to prejudice substantially the rights of a party to the arbitration proceeding;
    - (4) an arbitrator exceeded the arbitrator's powers;
  - (5) there was no agreement to arbitrate, unless the person participated in the arbitration proceeding without raising the objection under Section 15(c) not later than the beginning of the arbitration hearing; or
  - (6) the arbitration was conducted without proper notice of the initiation of an arbitration as required in

Section 9 so as to prejudice substantially the rights of a party to the arbitration proceeding.

- (b) A motion under this section must be filed within 90 3 4 days after the movant receives notice of the award pursuant to Section 19 or within 90 days after the movant receives 5 notice of a modified or corrected award pursuant to Section 6 7 20, unless the movant alleges that the award was procured by 8 corruption, fraud, or other undue means, in which case the motion must be made within 90 days after the ground is known 9 or by the exercise of reasonable care would have been known 10 11 by the movant.
- (c) If the court vacates an award on a ground other than 12 13 that set forth in subsection (a)(5), it may order rehearing. If the award is vacated on a ground stated in 14 15 subsection (a)(1) or (2), the rehearing must be before a new 16 arbitrator. If the award is vacated on a ground stated in subsection (a)(3), (4), or (6), the rehearing may be before 17 the arbitrator who made the award or the arbitrator's 18 19 successor. The arbitrator must render the decision in the rehearing within the same time as that provided in Section 20 21 19(b) for an award.
- 22 (d) If the court denies a motion to vacate an award, it 23 shall confirm the award unless a motion to modify or correct 24 the award is pending.
- 25 Section 24. Modification or correction of award.
- 26 (a) Upon motion made within 90 days after the movant 27 receives notice of the award pursuant to Section 19 or within 28 90 days after the movant receives notice of a modified or 29 corrected award pursuant to Section 20, the court shall 30 modify or correct the award if:
- 31 (1) there was an evident mathematical 32 miscalculation or an evident mistake in the description 33 of a person, thing, or property referred to in the award;

- 1 (2) the arbitrator has made an award on a claim not 2 submitted to the arbitrator and the award may be
- 3 corrected without affecting the merits of the decision
- 4 upon the claims submitted; or
- 5 (3) the award is imperfect in a matter of form not
- 6 affecting the merits of the decision on the claims
- 7 submitted.
- 8 (b) If a motion made under subsection (a) is granted,
- 9 the court shall modify or correct and confirm the award as
- 10 modified or corrected. Otherwise, unless a motion to vacate
- is pending, the court shall confirm the award.
- 12 (c) A motion to modify or correct an award pursuant to
- this section may be joined with a motion to vacate the award.
- 14 Section 25. Judgment on award; attorney's fees and
- 15 litigation expenses.
- 16 (a) Upon granting an order confirming, vacating without
- directing a rehearing, modifying, or correcting an award, the
- 18 court shall enter a judgment in conformity therewith. The
- judgment may be recorded, docketed, and enforced as any other
- 20 judgment in a civil action.
- 21 (b) A court may allow reasonable costs of the motion and
- 22 subsequent judicial proceedings.
- 23 (c) On application of a prevailing party to a contested
- 24 judicial proceeding under Section 22, 23, or 24, the court
- 25 may add reasonable attorney's fees and other reasonable
- 26 expenses of litigation incurred in a judicial proceeding
- 27 after the award is made to a judgment confirming, vacating
- 28 without directing a rehearing, modifying, or correcting an
- award.
- 30 Section 26. Jurisdiction.
- 31 (a) A court of this State having jurisdiction over the
- 32 controversy and the parties may enforce an agreement to

- 1 arbitrate.
- 2 (b) An agreement to arbitrate providing for arbitration
- 3 in this State confers exclusive jurisdiction on the court to
- 4 enter judgment on an award under this Act.
- 5 Section 27. Venue. A motion pursuant to Section 5 must
- 6 be made in the court of the county in which the agreement to
- 7 arbitrate specifies the arbitration hearing is to be held or,
- 8 if the hearing has been held, in the court of the county in
- 9 which it was held. Otherwise, the motion may be made in the
- 10 court of any county in which an adverse party resides or has
- 11 a place of business or, if no adverse party has a residence
- or place of business in this State, in the court of any
- 13 county in this State. All subsequent motions must be made in
- 14 the court hearing the initial motion unless the court
- 15 otherwise directs.
- 16 Section 28. Appeals.
- 17 (a) An appeal may be taken from:
- 18 (1) an order denying a motion to compel
- 19 arbitration;
- 20 (2) an order granting a motion to stay arbitration;
- 21 (3) an order confirming or denying confirmation of
- 22 an award;
- 23 (4) an order modifying or correcting an award;
- 24 (5) an order vacating an award without directing a
- 25 rehearing; or
- 26 (6) a final judgment entered pursuant to this Act.
- 27 (b) An appeal under this section must be taken as from
- an order or a judgment in a civil action.
- 29 Section 29. Uniformity of application and construction.
- 30 In applying and construing this uniform act, consideration
- 31 must be given to the need to promote uniformity of the law

- 1 with respect to its subject matter among States that enact
- 2 it.
- 3 Section 30. Relationship to Electronic Signatures in
- 4 Global and National Commerce Act. The provisions of this Act
- 5 governing the legal effect, validity, or enforceability of
- 6 electronic records or signatures, and of contracts formed or
- 7 performed with the use of such records or signatures conform
- 8 to the requirements of Section 102 of the Electronic
- 9 Signatures in Global and National Commerce Act.
- 10 Section 33. Savings clause. This Act does not affect an
- 11 action or proceeding commenced or right accrued before this
- 12 Act takes effect. Subject to Section 3 of this Act, an
- 13 arbitration agreement made before the effective date of this
- 14 Act is governed by the Uniform Arbitration Act.
- 15 Section 905. The Illinois Public Labor Relations Act is
- amended by changing Sections 7 and 8 as follows:
- 17 (5 ILCS 315/7) (from Ch. 48, par. 1607)
- 18 Sec. 7. Duty to bargain. A public employer and the
- 19 exclusive representative have the authority and the duty to
- 20 bargain collectively set forth in this Section.
- 21 For the purposes of this Act, "to bargain collectively"
- 22 means the performance of the mutual obligation of the public
- 23 employer or his designated representative and the
- 24 representative of the public employees to meet at reasonable
- 25 times, including meetings in advance of the budget-making
- 26 process, and to negotiate in good faith with respect to
- 27 wages, hours, and other conditions of employment, not
- 28 excluded by Section 4 of this Act, or the negotiation of an
- 29 agreement, or any question arising thereunder and the
- 30 execution of a written contract incorporating any agreement

1 reached if requested by either party, but such obligation

2 does not compel either party to agree to a proposal or

- 3 require the making of a concession.
- 4 The duty "to bargain collectively" shall also include an
- 5 obligation to negotiate over any matter with respect to
- 6 wages, hours and other conditions of employment, not
- 7 specifically provided for in any other law or not
- 8 specifically in violation of the provisions of any law. If
- 9 any other law pertains, in part, to a matter affecting the
- 10 wages, hours and other conditions of employment, such other
- 11 law shall not be construed as limiting the duty "to bargain
- 12 collectively" and to enter into collective bargaining
- 13 agreements containing clauses which either supplement,
- 14 implement, or relate to the effect of such provisions in
- 15 other laws.
- 16 The duty "to bargain collectively" shall also include
- 17 negotiations as to the terms of a collective bargaining
- 18 agreement. The parties may, by mutual agreement, provide for
- 19 arbitration of impasses resulting from their inability to
- 20 agree upon wages, hours and terms and conditions of
- 21 employment to be included in a collective bargaining
- 22 agreement. Such arbitration provisions shall be subject to
- 23 the #llinois "Uniform Arbitration Act or the Uniform
- 24 Arbitration Act (2000), as applicable, unless agreed by the
- 25 parties.
- The duty "to bargain collectively" shall also mean that
- 27 no party to a collective bargaining contract shall terminate
- or modify such contract, unless the party desiring such
- 29 termination or modification:
- 30 (1) serves a written notice upon the other party to the
- 31 contract of the proposed termination or modification 60 days
- 32 prior to the expiration date thereof, or in the event such
- 33 contract contains no expiration date, 60 days prior to the
- 34 time it is proposed to make such termination or modification;

- 1 (2) offers to meet and confer with the other party for 2 the purpose of negotiating a new contract or a contract
- 3 containing the proposed modifications;
- 4 (3) notifies the Board within 30 days after such notice
- of the existence of a dispute, provided no agreement has been
- 6 reached by that time; and
- 7 (4) continues in full force and effect, without
- 8 resorting to strike or lockout, all the terms and conditions
- 9 of the existing contract for a period of 60 days after such
- 10 notice is given to the other party or until the expiration
- 11 date of such contract, whichever occurs later.
- 12 The duties imposed upon employers, employees and labor
- organizations by paragraphs (2), (3) and (4) shall become
- inapplicable upon an intervening certification of the Board,
- 15 under which the labor organization, which is a party to the
- 16 contract, has been superseded as or ceased to be the
- 17 exclusive representative of the employees pursuant to the
- 18 provisions of subsection (a) of Section 9, and the duties so
- 19 imposed shall not be construed as requiring either party to
- 20 discuss or agree to any modification of the terms and
- 21 conditions contained in a contract for a fixed period, if
- 22 such modification is to become effective before such terms
- 23 and conditions can be reopened under the provisions of the
- 24 contract.
- 25 (Source: P.A. 83-1012.)
- 26 (5 ILCS 315/8) (from Ch. 48, par. 1608)
- 27 Sec. 8. Grievance Procedure. The collective bargaining
- 28 agreement negotiated between the employer and the exclusive
- 29 representative shall contain a grievance resolution procedure
- 30 which shall apply to all employees in the bargaining unit and
- 31 shall provide for final and binding arbitration of disputes
- 32 concerning the administration or interpretation of the
- 33 agreement unless mutually agreed otherwise. Any agreement

- 1 containing a final and binding arbitration provision shall
- 2 also contain a provision prohibiting strikes for the duration
- of the agreement. The grievance and arbitration provisions 3
- 4 of any collective bargaining agreement shall be subject to
- the #llineis--"Uniform Arbitration Act or the Uniform 5
- Arbitration Act (2000), as applicable, . The costs of such 6
- 7 arbitration shall be borne equally by the employer and the
- 8 employee organization.
- 9 (Source: P.A. 83-1012.)
- 10 Section 907. The Data Processing Services for Financial
- 11 Institutions Act is amended by changing Section 15 as
- 12 follows:

22

- (205 ILCS 715/15) 13
- 14 Sec. 15. Arbitration of disputes. In the case of
- 15 dispute between the independent data processing servicers
- regarding any terms or conditions of an interface agreement, 16
- 17 or in the event that a dispute regarding proposed terms and
- conditions results in the failure of the independent data 18
- 19 processing servicers to enter into an interface agreement as
- 20 required by this Act, the parties shall be deemed to have
- resolution of the dispute consistent with the provisions of

agreed to the appointment of an arbitrator for a binding

- 23 the Uniform Arbitration Act or the Uniform Arbitration Act
- 24 (2000), as applicable, unless the parties agree to some other
- process for binding arbitration or unless the aggrieved party 25
- seeks court action. Any decision by the arbitrator in 26
- 27 connection with any arbitration shall be determined only
- 28 after an opportunity for a hearing. Anything to the contrary
- in this Act notwithstanding, any right of arbitration granted 29
- 30 under this Act is subject to the right of either party to
- seek court action. 31
- (Source: P.A. 91-742, eff. 6-2-00.) 32

- 1 Section 910. The Illinois Insurance Code is amended by
- 2 changing Section 809.1 as follows:
- 3 (215 ILCS 5/809.1)
- 4 Sec. 809.1. Arbitration. In the event of a dispute
- 5 between a policyholder and an insurer as to whether a
- 6 residence or commercial building covered by mine subsidence
- 7 insurance has been damaged by mine subsidence, a policyholder
- 8 shall have the right to submit that dispute to arbitration in
- 9 accordance with this Section. No policyholder shall have the
- 10 right under this Section to submit to arbitration any issue
- 11 regarding the amount of loss or damage caused to a residence
- or commercial building by mine subsidence.
- 13 Arbitration may be initiated only after the insurer has
- 14 made a decision that the residence or commercial building
- 15 covered by mine subsidence insurance was not damaged by mine
- 16 subsidence and so notified the policyholder in writing,
- 17 accompanied by a notice informing the policyholder of the
- 18 policyholder's right to arbitration and containing specific
- 19 reference to this Section. Within 60 days after receipt by
- 20 the policyholder of the notification, the policyholder may
- 21 initiate arbitration in accordance with the Commercial
- 22 Arbitration Rules of the American Arbitration Association, as
- 23 then in effect. All costs of the arbitration shall be borne
- $24\,$  by the losing party. Appeals from the decision of the
- 25 arbitrators shall be in accordance with the Uniform
- 26 Arbitration Act or the Uniform Arbitration Act (2000), as
- 27 <u>applicable</u>, as in effect in Illinois.
- 28 (Source: P.A. 88-379.)
- 29 Section 915. The Uniform Arbitration Act is amended by
- 30 changing Sections 19 and 23 as follows:
- 31 (710 ILCS 5/19) (from Ch. 10, par. 119)

- 1 Sec. 19. Application of Act not-retreactive.
- 2 <u>(a)</u> This Act applies only to agreements made subsequent
- 3 to the effective date of this Act.
- 4 (b) This Act applies only if the Uniform Arbitration Act
- 5 (2000) does not apply.
- 6 (Source: Laws 1961, p. 3844.)
- 7 (710 ILCS 5/23) (from Ch. 10, par. 123)
- 8 Sec. 23. Repeal.
- 9 (a) "An Act to revise the law in relation to
- 10 arbitrations and awards", approved June 11, 1917, as amended,
- is repealed; provided, however, that any agreement entered
- 12 into prior to the effective date of this Act to submit to
- 13 arbitration a dispute existing at the date of the agreement
- 14 shall be governed by said Act approved June 11, 1917
- 15 provided further, that this Act does not impair the validity
- of any proceeding under said Act, approved June 11, 1917,
- 17 commenced prior to the effective date of this Act.
- 18 (b) Effective on July 1, 2004, this Act is repealed.
- 19 However, this Act continues to apply after its repeal as
- 20 provided under Section 33 of the Uniform Arbitration Act
- <u>(2000)</u>.
- 22 (Source: Laws 1961, p. 3844.)
- 23 Section 920. The Labor Arbitration Services Act is
- 24 amended by changing Section 2 as follows:
- 25 (710 ILCS 10/2) (from Ch. 48, par. 2302)
- Sec. 2. All arbitration proceedings conducted by
- 27 Department of Labor arbitrators pursuant to this Act shall be
- 28 subject to the provisions of the Uniform Arbitration Act or
- 29 <u>the Uniform Arbitration Act (2000), as applicable.</u>
- 30 (Source: P.A. 84-527.)

- 1 Section 925. The Health Care Arbitration Act is amended
- 2 by changing Sections 3 and 11 as follows:
- 3 (710 ILCS 15/3) (from Ch. 10, par. 203)
- 4 Sec. 3. Applicability. This Act shall apply to and
- 5 shall govern all agreements to arbitrate claims arising out
- of the providing of health care services. Except where
- 7 inconsistent with the provisions of this Act, the "Uniform
- 8 Arbitration Act or the Uniform Arbitration Act (2000), as
- 9 <u>applicable</u>, ",--approved--August-24,-1961,-as-now-or-hereafter
- 10 amended, shall apply to and govern all health care
- 11 arbitration agreements.
- 12 (Source: P.A. 80-1012.)
- 13 (710 ILCS 15/11) (from Ch. 10, par. 211)
- 14 Sec. 11. Discovery. Discovery shall be available to all
- parties in arbitration proceedings as provided in the Uniform
- 16 Arbitration Act or the Uniform Arbitration Act (2000), as
- 17 <u>applicable</u>. Any party may apply to the court for necessary
- orders.
- 19 (Source: P.A. 80-1012.)
- 20 Section 930. The Seed Arbitration Act is amended by
- 21 changing Section 75 as follows:
- 22 (710 ILCS 25/75) (from Ch. 10, par. 251-75)
- 23 Sec. 75. Inapplicability of Uniform Arbitration Act and
- 24 Health Care Arbitration Act. Claims to which this Act
- 25 applies are not subject to the Uniform Arbitration Act or the
- 26 <u>Uniform Arbitration Act (2000), as applicable,</u> or the Health
- 27 Care Arbitration Act.
- 28 (Source: P.A. 87-186.)
- 29 Section 935. The Code of Civil Procedure is amended by

- 1 changing Section 2-1006A as follows:
- (735 ILCS 5/2-1006A) (from Ch. 110, par. 2-1006A) 2.
- 3 Sec. 2-1006A. Uniform Arbitration Act. The provisions of
- the Uniform Arbitration Act or the Uniform Arbitration Act 4
- 5 (2000), as applicable, shall not be applicable to the
- proceedings under this Part 10A of Article II. 6
- (Source: P.A. 84-1308.) 7
- Section 940. The Condominium Property Act is amended by 8
- 9 changing Section 32 as follows:
- (765 ILCS 605/32) 10
- 32. Alternate dispute resolution; mediation; 11
- 12 arbitration.

21

- 13 (a) The declaration or bylaws of a condominium
- association may require mediation or arbitration of disputes 14
- 15 in which the matter in controversy has either no specific
- 16 monetary value or a value of \$10,000 or less, other than the
- levying and collection of assessments, or that arises out of 17
- 18 violations of the declaration, bylaws, or rules and
- regulations of the condominium association. A dispute not 19
- pursuant to its powers under this Section, that is submitted

required to be mediated or arbitrated by an association

- 22 mediation or arbitration by the agreement of the
- disputants, is also subject to this Section. 23
- The Illinois Uniform Arbitration Act or the Uniform 24
- Arbitration Act (2000), as applicable, shall govern all 25
- 26 arbitrations proceeding under this Section.
- 27 (c) The association may require the disputants to bear
- the costs of mediation or arbitration. 28
- (Source: P.A. 89-41, eff. 6-23-95.) 29
- 30 Section 945. The Motor Vehicle Franchise Act is amended

1 by changing Section 12 as follows:

```
2 (815 ILCS 710/12) (from Ch. 121 1/2, par. 762)
```

- 3 Sec. 12. Arbitration; administrative proceedings; civil 4 actions; determining good cause.
- 5 (a) The franchiser and franchisee may agree to submit a
- 6 dispute involving Section 4, 5, 6, 7, 9, 10.1, or 11 to
- 7 arbitration. Any such proceeding shall be conducted under the
- 8 provisions of the Uniform Arbitration Act or the Uniform
- 9 <u>Arbitration Act (2000)</u>, <u>as applicable</u>, by a 3 member panel
- 10 composed of one member appointed by the franchisee and one
- 11 member appointed by the franchiser who together shall choose
- 12 the third member.
- 13 An arbitration proceeding hereunder for a remedy under
- paragraph (6) of subsection (d) or paragraph (6), (8), (10)
- or (11) of subsection (e) of Section 4 of this Act shall be
- 16 commenced by written notice to the franchiser by the
- 17 objecting franchisee within 30 days from the date the dealer
- 18 received notice to cancel, terminate, modify or not extend or
- 19 renew an existing franchise or selling agreement or refusal
- 20 to honor succession to ownership or refusal to honor a sale
- 21 or transfer or to grant or enter into the additional
- 22 franchise or selling agreement, or to relocate an existing
- 23 motor vehicle dealer; or within 60 days of the date the
- 24 franchisee received notice in writing by the franchiser of
- 25 its determination under any provision of Section 4 (other
- than paragraph (6) of subsection (d) or paragraph (6), (8),
- 27 (10) or (11) of subsection (e) of Section 4), 5, 6, 7, 9,
- 28 10.1, or 11 of this Act; however, if notice of the provision
- 29 under which the determination has been made is not given by
- 30 the franchiser, then the proceeding shall be commenced as
- 31 provided by Section 14 of this Act.
- 32 The franchiser and the franchisee shall appoint their
- 33 respective arbitrators and they shall select the third

1 arbitrator within 14 days of receipt of such notice by the

2 franchiser. The arbitrators shall commence hearings within

3 60 days after all the arbitrators have been appointed and a

decision shall be rendered within 30 days after completion of

5 the hearing.

4

б

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

During the pendency of the arbitration, any party may apply to a court of competent jurisdiction which shall have power to modify or stay the effective date of a proposed additional franchise or selling agreement, or the effective date of a proposed motor vehicle dealership relocation or the effective date of a cancellation, termination or modification or refusal to honor succession or refusal to allow a sale or transfer or extend the expiration date of a franchise or selling agreement pending a final determination of the issues raised in the arbitration hearing upon such terms as the court may determine. Any such modification or stay shall not be effective for more than 60 days unless extended by the court for good cause or unless the arbitration hearing is then in progress.

If the franchiser and the franchisee have not agreed to submit a dispute involving Section 4, 5, 6, 7, 9, 10.1, or 11 of this Act to arbitration under subsection (a), then a proceeding before the Motor Vehicle Review as prescribed by subsection (c) or (d) of Section 12 and Section 29 of this Act for a remedy other than damages under paragraph (6) of subsection (d) or paragraph (6), (8), (10), or (11) of subsection (e) of Section 4 of this Act shall be commenced upon receipt by the Motor Vehicle Review Board of a timely notice of protest or within 60 days of the date the franchisee received notice in writing by the franchiser of its determination under any provision of those Sections other than paragraph (6) of subsection (d) or paragraph (6), (8), (10), or (11) of subsection (e) of Section 4 of this Act; however, if notice of the provision under which the

2 then the proceeding shall be commenced as provided by Section

- 3 14 of this Act.
- 4 During the pendency of a proceeding under this Section, a
- 5 party may apply to a court of competent jurisdiction that
- 6 shall have power to modify or stay the effective date of a
- 7 proposed additional franchise or selling agreement, or the
- 8 effective date of a proposed motor vehicle dealership
- 9 relocation, or the effective date of a cancellation,
- 10 termination, or modification, or extend the expiration date
- 11 of a franchise or selling agreement or refusal to honor
- 12 succession to ownership or refusal to approve a sale or
- 13 transfer pending a final determination of the issues raised
- in the hearing upon such terms as the court may determine.
- 15 Any modification or stay shall not be effective for more than
- 16 60 days unless extended by the court for good cause or unless
- 17 the hearing is then in progress.
- 18 (c) In proceedings under (a) or (b), when determining
- 19 whether good cause has been established for granting such
- 20 proposed additional franchise or selling agreement, or for
- 21 relocating an existing motor vehicle dealership, the
- 22 arbitrators or Board shall consider all relevant
- 23 circumstances in accordance with subsection (v) of Section 2
- of this Act, including but not limited to:
- 25 (1) whether the establishment of such additional
- 26 franchise or the relocation of such motor vehicle
- 27 dealership is warranted by economic and marketing
- 28 conditions including anticipated future changes;
- 29 (2) the retail sales and service business
- 30 transacted by the objecting motor vehicle dealer or
- 31 dealers and other motor vehicle dealers of the same line
- make with a place of business in the relevant market area
- 33 to be served by the additional franchise or the relocated
- 34 motor vehicle dealership during the 5 year period

immediately preceding such notice as compared to the business available to them;

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

- (3) the investment necessarily made and obligations incurred by the objecting motor vehicle dealer or dealers and other motor vehicle dealers of the same line make with a place of business in the relevant market area to be served by the additional franchise or the relocated motor vehicle dealership to perform their obligations under existing franchises or selling agreements; and, the manufacturer shall give reasonable credit for sales of factory repurchase vehicles purchased by the objecting motor vehicle dealer or dealers and other motor vehicle dealers of the same line make with the place of business the relevant market area to be served by the additional franchise or the relocated motor vehicle dealership, or the additional motor vehicle dealership or other facility limited to the sale of factory repurchase late model vehicles, at manufacturer authorized or orsponsored auctions in determining performance obligations under existing franchises or selling agreements relating to total new vehicle sales;
- (4) the permanency of the investment of the objecting motor vehicle dealer or dealers and other motor vehicle dealers of the same line make with a place of business in the relevant market area to be served by the additional franchise or the relocated motor vehicle dealership;
- (5) whether it is beneficial or injurious to the public welfare for an additional franchise or relocated motor vehicle dealership to be established;
- (6) whether the objecting motor vehicle dealer or dealers and other motor vehicle dealers of the same line make with a place of business in the relevant market area to be served by the additional franchisee or relocated

- motor vehicle dealership are providing adequate competition and convenient consumer care for the motor vehicles of the same line make owned or operated in the area to be served by the additional franchise or relocated motor vehicle dealership;
- (7) whether the objecting motor vehicle dealer or dealers and other motor vehicle dealers of the same line make with a place of business in the relevant market area to be served by the additional franchisee or the relocated motor vehicle dealership have adequate motor vehicle sales and service facilities, equipment, vehicle parts and qualified personnel to reasonably provide for the needs of the customer; provided, however, that good cause shall not be shown solely by a desire for further market penetration;
  - (8) whether the establishment of an additional franchise or the relocation of a motor vehicle dealership would be in the public interest;
- (9) whether there has been a material breach by a motor vehicle dealer of the existing franchise agreement which creates a substantially detrimental effect upon the distribution of the franchiser's motor vehicles in the affected motor vehicle dealer's relevant market area or fraudulent claims for warranty work, insolvency or inability to pay debts as they mature;
- (10) the effect of an additional franchise or relocated motor vehicle dealership upon the existing motor vehicle dealers of the same line make in the relevant market area to be served by the additional franchisee or relocated motor vehicle dealership; and
- (11) whether the manufacturer has given reasonable credit to the objecting motor vehicle dealer or dealers and other motor vehicle dealers of the same line make with a place of business in the relevant market area to

2.1

be served by the additional franchise or relocated motor vehicle dealership or additional motor vehicle dealership or other facility limited to the sale of factory repurchase or late model vehicles, for retail sales of factory repurchase vehicles purchased by the motor vehicle dealer or dealers at manufacturer authorized or sponsored auctions.

- (d) In proceedings under subsection (a) or (b), when determining whether good cause has been established for cancelling, terminating, refusing to extend or renew, or changing or modifying the obligations of the motor vehicle dealer as a condition to offering a renewal, replacement, or succeeding franchise or selling agreement, the arbitrators or Board shall consider all relevant circumstances in accordance with subsection (v) of Section 2 of this Act, including but not limited to:
  - (1) The amount of retail sales transacted by the franchisee during a 5-year period immediately before the date of the notice of proposed action as compared to the business available to the franchisee.
  - (2) The investment necessarily made and obligations incurred by the franchisee to perform its part of the franchise.
    - (3) The permanency of the franchisee's investment.
  - (4) Whether it is injurious to the public interest for the franchise to be cancelled or terminated or not extended or modified, or the business of the franchise disrupted.
  - (5) Whether the franchisee has adequate motor vehicle sales and service facilities, equipment, vehicle parts, and service personnel to reasonably provide for the need of the customers for the same line make of motor vehicles handled by the franchisee.
- (6) Whether the franchisee fails to fulfill the

warranty obligations of the manufacturer required to be performed by the franchisee.

3

4

5

6

7

8

9

10

11

12

28

29

30

31

32

- (7) The extent and materiality of the franchisee's failure to comply with the terms of the franchise and the reasonableness and fairness of those terms.
- (8) Whether the owners of the franchise had actual knowledge of the facts and circumstances upon which cancellation or termination, failure to extend or renew, or changing or modification of the obligations of the franchisee as a condition to offering a renewal, replacement, or succeeding franchise or selling agreement.
- If the franchiser and the franchisee have not agreed 13 (e) to submit a dispute to arbitration, and the dispute did not 14 15 arise under paragraph (6) of subsection (d) or paragraph (6), 16 (8), (10), or (11) of subsection (e) of Section 4 of this Act, then a proceeding for a remedy other than damages may be 17 commenced by the objecting franchisee in the circuit court 18 19 of the county in which the objecting franchisee has its principal place of business, within 60 days of the date the 20 21 franchisee received notice in writing by the franchiser of its determination under any provision of this Act other than 22 23 paragraph (6) of subsection (d) or paragraph (6), (8), (10), or (11) of subsection (e) of Section 4 of this Act; however, 24 25 if notice of the provision under which the determination has been made is not given by the franchiser, then the proceeding 26 shall be commenced as provided by Section 14 of this Act. 27
  - (f) The changes to this Section made by this amendatory Act of the 92nd General Assembly (i) apply only to causes of action accruing on or after its effective date and (ii) are intended to provide only an additional venue for dispute resolution without changing any substantive rights under this Act.
- 34 (Source: P.A. 92-272, eff. 1-1-02.)

- 1 Section 999. Effective date. This Act takes effect on
- 2 January 1, 2004.