

Fifth Circuit Allows Non-Signatories to Enforce Arbitration Agreement

The Fifth Circuit has affirmed an order compelling arbitration, despite the fact that the parties seeking to compel arbitration were not signatories to the relevant arbitration agreement, according to a post on Carlton Fields' **Reinsurance Post**.

Jason Brost explained that the case involved a real estate sale contract that contained an arbitration agreement under which the parties agreed to arbitrate any disputes "in accordance with the Comprehensive Arbitration Rules and Procedures administered by J●A●M●S/Endispute."

The plaintiff claimed that the defendants in the case induced the buyer to enter into the 1998 agreement based on the false premise that he would get a properly constructed home. The defendants, who were non-signatories to the agreement, moved that the arbitration clause be enforced.

The appellate court found for the defendants.

[Read the article.](#)