Arbitration Provisions, Unconscionability, and Employment Contracts

In a recent case out of California, Yeotis v. Warner Pacific Insurance Services Inc., No. B245770, the agreement in question was found to be unconscionable in places, but that didn't doom the arbitration provision contained within it, writes Stacey Lantagne in ContractsProf Blog.

The court concluded that the contract was an adhesion contract, because the plaintiff was required to sign it in order to keep her job. There was, therefore, some procedural unconscionability attached to the formation of the contract," she explains. "Additionally, there was some substantive unconscionability in the contract's provisions that gave the court pause."

Read the article.