

# **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.**