

Pre-Dispute Arbitration Clauses: Taking the Alternative Out of Dispute Resolution

Consumer Financial Protection Bureau determined that pre-dispute arbitration clauses harm consumers by forcing them to sign or click away their right to pursue future remedies in a court of law, reports **Julie Goldsmith Reiser** is a partner at **Cohen Milstein Sellers & Toll PLLC** in an **article** published by **Bloomberg BNA**.

Consumers “undervalue the importance of mandatory arbitration clauses even in the rare instances where consumers might be able to opt out.” she writes. “CFPB correctly concluded that binding individual customers to mandatory arbitration before a dispute arises, rather than encouraging its voluntary use, is harmful to public interest and consumer protection.”

She details the CFPB’s study and results and examines a critique offered by the Mercatus Center.

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