

THE ARBITRATION PLAYBOOK

Your free, plain-English guide to fighting a credit-card debt lawsuit

*A free guide from ARBITRATE
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Sued by a Credit Card Company? Start Here.

The arbitration self-help guide, from someone who has been through it.

From ARBITRATE: free self-help tools for people being sued over credit card debt.

Read this first. It matters. We are not lawyers, and nothing in this guide is legal advice. We cannot tell you what to do in your case; nobody can do that except a licensed attorney who reviews your specific situation. What we can do is explain what we have learned and how this process generally works, in plain English. This is educational self-help information only. For advice about your case, talk to a licensed attorney in your state. If you cannot afford one, search your state bar's referral service or your local legal aid office.

Why this guide exists

If you just got served papers from a credit card company, your stomach probably dropped. Cornered, embarrassed, maybe alone. We know that feeling. This guide was built by someone who got sued over a credit card and went down the rabbit hole of learning how to fight back, and who has since helped someone else get through it too.

Here is the thing almost nobody tells you when you are being sued: **you are not as powerless as you feel.**

There is a tool buried in most credit card agreements, an arbitration clause, and understanding it can change how a case plays out. There is also one detail about that clause that almost nobody mentions, and for most people in Florida it turns out to be the detail that decides everything. We get to that.

If you were just served: breathe

Being sued is frightening, but it is a **process**, and processes have steps you can learn. A few things that are generally true, and always check your own paperwork and your own court:

- **A lawsuit is not a judgment.** Being sued does not mean you have lost or that money is being taken. It means the other side has started a case. What you do next matters enormously.
- **There is a deadline to respond.** This is the single most important thing on your paperwork. Read your summons.
- **Doing nothing is a choice, and usually the worst one.** It is natural to freeze. But silence is what debt buyers count on.

Your first move: find the response deadline on the summons and circle it. Everything else flows from that date.

There are two different deadlines, and they are not the same thing

In Florida, the case number carries a code that tells you which one is yours.

- **CC or CA** (county civil or circuit civil): generally **20 calendar days from the date you were served.** Calendar days, so weekends count.
- **SC** (small claims, generally claims of \$8,000 or less): **there is no 20-day clock.** What you have instead is a **pretrial hearing date** printed on the Notice to Appear. That date cannot be calculated. It has to be read off the document.

This catches people both ways. Some panic about a 20-day deadline that does not apply to them. Others relax because there is no 20-day deadline, and then miss the hearing, which is far worse. **Missing the pretrial conference is how a small claims default happens.**

What arbitration actually is, in plain English

Most credit card agreements contain a clause saying disputes can be moved out of regular court and into **private arbitration**, a process run by a neutral third party, commonly the AAA (American Arbitration Association) or JAMS, instead of a judge.

Here is the part that surprises people: under those organizations' consumer rules, **the company**, not you, generally pays the bulk of the arbitration fees. For a business those fees can run into the thousands of dollars.

Now think about that from a debt buyer's side. Many companies suing on old credit card debt are not the original bank. They are debt buyers who bought the account for pennies on the dollar. Their whole business model depends on suing cheaply, in volume, and winning fast when people do not respond.

Forcing the fight into arbitration can flip that math. The cheap, easy lawsuit becomes an expensive private proceeding they have to fund. For a relatively small debt, that can stop making business sense, which is why some cases get dropped or dismissed once arbitration is on the table.

That is the core leverage. It is not magic and it is not guaranteed, but it is real.

The part almost nobody tells you, and it probably applies to you

Here we have to be straight with you, even though it is the opposite of what you want to read.

We read **all 673 credit card agreements** in the public CFPB agreement database. 539 contain an arbitration clause, and nearly every one of those says *something* about small claims court. The important part is that they do not all say the same thing, and almost nobody writing about this makes the distinction.

Sorted by what the words actually do:

- **About 194 agreements say neither side may compel arbitration** while the case stays in small claims. Comenity, Citi, Discover, Credit One. *"You and we will not choose to arbitrate any individual Claim you or we bring in small claims court."* This is the version that really does close the door.
- **About 236 agreements are a one-way promise by the bank.** Synchrony, which is behind most store cards, and American Express. *"We will not require you to arbitrate any individual case in small claims court."* That is the bank promising not to drag you in. It does not say you cannot ask for arbitration yourself. Whether a court reads it both ways is a genuine open question.
- **About 79 agreements just keep small claims as an option.** Chase, Wells Fargo, U.S. Bank, Barclays. *"You and the Bank retain the right to pursue in small claims court."* That carves out a forum. It does not ban arbitrating.
- **41 agreements have no arbitration clause at all.** Every Bank of America agreement on file, all 30 of them. Every TD Bank agreement, all 10. **Capital One** has a clause in 1 of 20.

Of the 33,067 Florida consumer debt cases we track, **78% were filed as small claims**, so this question reaches most people here.

Two more things worth knowing:

- Almost all of these exclusions are **conditional**. They hold for as long as the case stays in small claims, and several issuers say in terms that arbitration is available again if the claim is transferred, removed, appealed, or goes over the small claims limit.
- Many issuers give a window after the account opens, often 30 to 60 days, to **reject** the clause in writing. If someone rejected it back then, it is gone.

So the honest answer to "can I still compel arbitration?" is: **it depends which of those shapes your agreement is, and for the largest group it is an argument rather than a settled no**. That is a question for a lawyer looking at your actual agreement, not something we can answer for you.

And if arbitration does turn out to be unavailable, you have not lost everything. You have lost *one* tool. Responding on time, making them prove the account is yours and the amount is right, checking whether the case was filed within the time the law allows, and showing up to your hearing all work exactly as well, and they serve 100% of people. Responding on time is by far the thing that most changes how these cases end.

That is why this is in the free guide and not behind a price.

How the process generally works

Every state and court is different, and the exact procedure depends on the situation and the specific card agreement. But here is the general shape of how invoking arbitration tends to go. General information, not a roadmap for your case.

1. **Respond to the lawsuit on time.** Depending on the court, this can mean filing an answer and raising arbitration. Missing the deadline is the thing to avoid.
2. **Find the arbitration clause** in the cardholder agreement, the contract that governs the account. The right to arbitrate comes from that document.
3. **Check whether that clause excludes small claims**, and whether your case is in small claims. Do this before anything else, not after.
4. **A Motion to Compel Arbitration** is the formal request asking the court to send the dispute to private arbitration under that clause.
5. **The other side responds.** Sometimes they fight it, sometimes they agree.
6. **From there it goes to arbitration, or the case stalls out.** This is the stage where, for some people, the creditor decides the debt is not worth the arbitration cost.

Important: *courts can deny a motion to compel, for example if the right to arbitrate was waived, if the clause does not apply, or for other case-specific reasons. Procedure and timing matter a lot. This is exactly why this is information and not advice, and why an attorney who reviews your documents is the right call for decisions about your case.*

"Should I arbitrate or settle?"

This is the question everyone asks, and we are not going to answer it for you, because the right move genuinely depends on the numbers, the state, the agreement and the goals involved. But here is the tradeoff:

- **Settling** means negotiating to pay some portion of the debt to make the case go away. It is certain and final, but it costs money and can have tax and credit implications.
- **Arbitration** uses the leverage above to make the case expensive for the other side, which can lead to a better outcome, but it is a process with steps, paperwork and no guaranteed result.

There is no universal right answer. There is only what fits a given situation, best worked out with the facts in front of you and ideally an attorney.

A few myths that keep people stuck

- **"If I ignore it, it will go away."** It will not. Ignoring a summons is how default judgments happen.
 - **"Arbitration is some loophole, it is shady."** No. It is a standard clause the banks themselves put in their own agreements. It is using a right that is already in the contract.
 - **"I need thousands of dollars and a lawyer to do anything."** A lawyer is genuinely valuable if you can get one, and we always recommend it. But people do respond and invoke arbitration **pro se**, representing themselves.
 - **"It is too late, I already missed something."** Maybe, maybe not. Of the Florida cases we track whose response window had already closed, 84% had nothing entered at all yet. That is a reason to act today, not a reason to relax. Find out where your case actually stands.
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What this guide is, and is not

This is educational self-help information sharing general knowledge and lived experience. It is not legal advice, not a substitute for an attorney, not a law firm, and not a promise about how any case will turn out. For advice about your situation, talk to a licensed attorney in your state.

Your next step, free

If you want to see how cases like yours generally play out and, where it fits, generate documents for your court, we built free tools for exactly that:

- **Build your Answer free:** www.arbitrateapp.com/answer
- **The step-by-step roadmap:** www.arbitrateapp.com/roadmap
- **50-state Motion to Compel Arbitration:** www.arbitrateapp.com/motion
- **Who is suing you?** Company guides: www.arbitrateapp.com/collectors
- **All 67 Florida counties:** www.arbitrateapp.com/fl

Drop your email there and we will send plain-English updates and walkthroughs as we go, so you can see how this whole process actually works, step by step.

You are not as powerless as you feel right now. You can learn this.

The ARBITRATE team

Reminder: not lawyers, not a law firm, not legal advice. Educational self-help information only. Consult a licensed attorney in your state about your specific situation. Rules, deadlines and procedures vary by state, county and case type and change over time.