



# **Arbitration of Employment Termination Disputes**

Beginning in 1994, "The JCPenney Alternative" required mandatory binding arbitration to resolve employment disputes with jcp. On July 17, 2009, jcp introduced a more efficient, convenient and less expensive mandatory binding arbitration program covering all newly-hired associates.

Most associates are covered by one of the two different arbitration programs.

#### WHAT ARE THE BENEFITS OF THE NEW AND IMPROVED ARBITRATION PROGRAM?

While retaining the fundamental fairness of The JCPenney Alternative, the July 17, 2009 program adds current communication methods and new <u>Rules of Arbitration</u> to make the process more straightforward and efficient, as well as less expensive and time consuming.

#### WHICH PROGRAM AM I IN?

If you were hired after July 17, 2009, you are covered by the new program.

If you were hired before July 17, 2009 you may opt into the new arbitration program to take advantage of its benefits when and if you wish to file an Arbitration Complaint. To opt in, fill out an Arbitration Complaint form, check the line about opting into the revised program, and send your \$75.00 administrative fee to the address indicated on the form.

## WHAT IF I DON'T WANT TO OPT INTO THE NEW ARBITRATION PROGRAM?

As explained above, if you were hired after July 17, 2009, you are automatically covered by the new arbitration program.

If you are covered under the old JCPenney Alternative and wish to proceed under it, follow the steps below to begin an arbitration proceeding:

- Fill out an Internal Review Request form and send it to the address indicated on the form.
- Wait for the company's response to your request and, if you are not satisfied with the response;
- Fill out an Arbitration Complaint form, send it to the address indicated on the form, and pay the administrative fee required to begin arbitration (\$150 if you were a management team member; \$100 if you were a non-management team member).

### WHAT IF I HAVE QUESTIONS ABOUT EITHER ARBITRATION PROGRAM?

If you have questions about either of the two jcp arbitration programs, please contact your former HR representative.