
K-Notes: Independence Contractor Agreement

from Amazon Flex

Recognize who arbitration serves

Arbitration favors large companies, especially if the terms dictate price and location that make it difficult for the independent contractor.



“Arbitration is extremely favorable for Amazon...[It] is usually private and confidential and there is no transcript.”

Margeaux Thomas

Trial Attorney, Thomas Law Office PLC

“It could be triple what you would pay in court to go to arbitration.”

KEY TAKEAWAYS

- **Have a gap-filler**

Put in a clause that comes into effect should the contractor be exempted from the Federal Arbitration Act. This will keep your Terms of Service from being ambiguous.

- **Don't let burden of cost rest solely on the contractor**

By placing a limit to the contractor's arbitration fees at a reasonable number, you will incentivize contractors to agree to arbitration.

- **Make location reasonably accessible for the contractor**

By calling for the arbitration to take place in a mutually agreed on location within 45 minutes of the contractor (or the contractor's job), it makes it much more enforceable than requiring the contractor to travel to a different state.

- **Edit arbitration clause with an eye for enforceability**

Ultimately you don't want a court to deem the arbitration clause unenforceable. Ask not only ethical questions, but questions of logistic probability as well.