Title: ON-LINE DISPUTE RESOLUTION FOR E-COMMERCE DISPUTES

Abstract: A system, software and method for electronically adjudicating a dispute includes selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudication of the dispute, and electronically processing the adjudicating of the dispute in accordance with the selected level. The multiple levels preferably include successive levels providing enhanced procedural options to parties involved in the dispute. The successive levels may correspond to increasing amounts in dispute and/or may be selected by one or more parties involved in the dispute.
SPECIFICATION

ON-LINE DISPUTE RESOLUTION FOR E-COMMERCE DISPUTES

PRIORITY

This application claims the benefit of priority to United States provisional patent application serial no. 60/375,085, filed April 23, 2002, which is hereby incorporated by reference.

BACKGROUND

1. Field of the Invention

The invention relates to electronic dispute resolution, and particularly to electronic dispute resolution of e-commerce disputes.

2. Description of the Related Art

The Internet offers unparalleled opportunities for communication. It is means by which large amounts of information are moved at the speeds of light and electrons. It is natural that the world of commerce has seized the opportunity to conduct business through the Internet. Today, consumers order billions of dollars of merchandise, manufactures, and parts, orchestrate the transnational assembly of products, and move vast amounts of capital from one financial institution to another using electronic means including the internet.

The Internet transformed the way the industrialized world does business in a fraction of the time it took prehistoric man to determine how to put a handle on a stone hammer. This rapid change, however, took place faster then the development of the law governing Internet transactions. Today there is uncertainty as to which procedural law applies and which substantive law applies. The United States possesses a very sophisticated judicial system. Yet even the courts in the US arrive at differing, and often contradictory, decisions regarding Internet transactions. Some courts find jurisdiction if the file server of an Internet provider is located in the state (see Bochan v. La Fontaine, 68 F. Supp. 2d 692, C.C. No. 98-1749- A (E. D. Va. May 26, 1999); Young v. New Haven Advocate, 184 F. Supp. 2d 498, No. 2:00CV00086 (W.D. Va. Aug 10, 2001)). Other courts confronting the same question find jurisdiction fails to exist when the file server resides in the state (see Jewish Defense Organization Inv. v. Superior Court of Los Angeles, 72 Cal.App.4th 1045, No. B129319 (Cal. 1999).

As a result sellers providing merchandise through the Internet are uncertain as to where and when they may be subjected to jurisdiction. Sellers are also uncertain which law may apply when and if they are subject to jurisdiction. Consumers are increasingly being educated to the problems of jurisdiction and choice of law, and a common suggestion being made by consumer advocates is to do business over the Internet only with organizations having a physical location in their state. Businesses doing business to business transactions confront the same problems. The result is uncertainty. Uncertainty breeds apprehension. Apprehension casts a chilling pale over the Internet preventing the opportunities for speed of light, inexpensive commerce from coming fully into existence.

One solution is to conduct business only using a brick and mortar store, or else use the phone, mail, or the internet without the desired certainty as to jurisdiction and choice of law. However, if you have ever been in a lawsuit, as opposed to private dispute resolution, you know that lawsuits often pose great uncertainty. Costly legal battles raise the following types of litigation concerns:

(1) Where Can People Be Sued? When the parties to a transaction reside in different states or countries, may suit be brought in the state or country of the buyer, of the seller, of the file server, of the Internet service provider? “Where” do cyberspace transactions actually take place anyway? Under current law, this is uncertain and large, expensive, time-consuming fights may develop. It is desired to avoid having to deal with these issues by providing dispute resolution without a physical brick and mortar building, i.e., without a physical tribunal to where the parties must travel to fight the lawsuit, eliminating this as a possible point of contention or confusion. In this sense, it is desired to have a system for
resolving e-commerce disputes in the same manner as the original transaction was conducted, i.e., on-line using client computers connected together over the Internet.

(2) Which Law Applies? Is it federal or state law? If state law, which of the 50 states? Which country’s law applies, if the dispute is international? Under current law, determining which law applies to a controversy is often unclear and frequently culminates in added time and expense. It is desired to have a system for e-commerce dispute resolution wherein the applicable governing law and the applicable rules of procedure have already been established and agreed upon, eliminating this as a possible point of contention or confusion.

(3) How Long Will the Lawsuit Take and How Much Will It Cost? The legal costs and bureaucratic red tape associated with the typical modern commercial lawsuit often make the prospect of a lawsuit just “not worth it.” The time, money, hassle, and aggravation of litigating, especially for smaller disputes, regularly prevent people from efficiently obtaining justice. It is desired to have a system for e-commerce dispute resolution having abbreviated rules and procedures and using the efficient exchange of information over the Internet to make the dispute, however small, nonetheless cost-effective. The desired system would provide contracting parties with assurance, which, in turn, will encourage even more frequent e-commerce transactions.

Below, we provide a summary of several services operating which relate to use of the Internet for online dispute resolution. The content published at the URLs for the web sites provided and United States patents no. 6,375,466, 6,502,081, 6,330,551 and 5,895,480 are hereby incorporated by reference.

Cybersettle (www.cybersettle.com) is an example of a company that offers mediation or settlement services based on a settlement algorithm. Cybersettle uses a settlement algorithm which essentially compares two competing offers to settle and if they are within 20% of each other finds the case is settled by requiring one party to increase it offer by 10% and the other to decrease its demand by 10%.

NAM (www.clicknsettle.com) uses a web enabled case management system. It does not use the web for submission of evidence and actual dispute resolution.

National Arbitration Forum (www.arb-forum.com) is essentially a traditional arbitration service. It resolves disputes through traditional face to face hearings.

PrivateJudge (www.privatejudge.com) allows for online submission of documents and online chats. It lacks a comprehensive set of governing procedures and assumes the parties have already resolved all issues of forum and choice of law before bringing the
dispute to it. PrivateJudge uses traditional fee for service pricing.

Mar (www.resolvemydispute.com) allows for online submission of documents. It does not appear to allow for online chats. It lacks a comprehensive set of governing procedures and substantive law, such as the Uniform Commercial Code, and the basis of both procedural and substantive decisions are unknown to the parties when they begin the arbitration process.

iCourthouse (www.icourthouse.com) is primarily a site used by lawyers to get feedback on cases heading to trial. It allows volunteer online jurors to make decisions. It lacks a comprehensive set of governing procedures and assumes the parties have already resolved all issues of forum and choice of law before bringing the dispute to it.

Nova Forum (www.novaforum.com) is a service that allows submission of case documents through the internet and provides private dispute resolution rooms. It possesses a set of governing procedures, but allows the parties to alter the procedures as they see fit. This feature presents an obstacle to binding arbitration since the parties may not agree to the rules and thus abandon the process. The service lacks substantive law, such as the Uniform Commercial Code, and by this omission prevents the process from going forward until the parties agree as to what law applies. Essentially the service only is applicable to parties which are predisposed to selecting rules they want to use and the law which will apply.

RECOGNIZED IN THE INVENTION

It is recognized in the present invention that certainty in matters involving transactions is generally advantageous to an internet company achieving its potential. A desired system and method for resolving on-line disputes would allow parties to be assured that if they become involved in a dispute regarding their transaction, that dispute will be resolved in accordance with established and efficient rules of procedure.

It is further recognized herein that the desired dispute resolution system would be independent and authoritative, e.g., created and run by academicians, lawyers, and/or Internet experts to serve parties involved in either an existing dispute arising out of an e-commerce transaction, or who generally engage in transactions over the Internet. The desired system would also provide an inexpensive and convenient on-line forum to resolve disputes in a fair and efficient manner by those independent and authoritative legal experts.

It is further recognized herein that the desired system would provide resolution of disagreements arising from transacting business over the Internet with the correspondingly
similar ease and time-saving convenience as entering into those on-line transactions in the first place. It would be advantageous to get disagreements heard and adjudicated as quickly as possible and from the convenience of the parties' own computers. It is desired that the parties should be able to do so before an independent, impartial tribunal without having to resolve expensive and time-consuming issues of where the dispute should be heard (which state or country?) or which particular law should apply (federal or state, if state, which state, or perhaps even foreign law).

SUMMARY OF THE INVENTION

In view of the above, a system, software and method of electronically adjudicating a dispute are provided, the method including selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute, and electronically processing the adjudicating of the dispute in accordance with the selected level. The electronic processing preferably results in a final resolution that is documented in a judgment award permitting reduction to an enforceable judgment. Alternatively or in addition, an enforceable judgment award may be documented. The electronic processing may form part of an e-commerce transaction, wherein payment involved in the e-commerce transaction includes funding of the adjudicating of the dispute to resolution. It may be agreed upon in advance of finalizing an e-commerce transaction giving rise to a dispute to select the level and electronically process the dispute resolution by electronic agreement. The level selecting step may include a mutual agreement by parties involved in the dispute to a particular level for adjudicating the dispute before or after the transaction is finalized. In disputes involving smaller amounts, a level of reduced procedural options may be used such that the parties involved in the dispute are limited to the vendor and purchaser of one or more products.

A system, software and method of electronically adjudicating a dispute are further provided, the method including selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute, and electronically processing the adjudicating of the dispute in accordance with the selected level including electronic filing of each of a complaint, an answer to the complaint, and final argument submissions by parties involved in the dispute.

The electronic processing may further include an electronic summons being communicated to a defendant. The electronic processing may also include electronic
submission of an extension of time. The electronic processing preferably includes generating a dispute resolution web page accessible by parties involved in the dispute and an internet adjudicator. A final judgment rendered by a internet adjudicator may be posted to the dispute resolution web page.

Any of the following may depend on, or vary depending on, the selected level:
a maximum permitted length of one or more of the complaint, the answer to the complaint and the final argument submissions may vary depending on the selected level;
whether sub-paragraphs containing specific factual allegations are permitted in the complaint;
whether defendant is required to pay for follow-up notice when defendant fails to acknowledge receipt of electronic summons in a predetermined time;
whether the answer may include pre-answer motions or other responses than the answer;
whether the answer may include cross-claims against co-parties;
whether the answer may include counterclaims, and when counterclaims are permitted and included in the answer, the maximum permitted length of the reply to the counterclaims in the answer may vary depending on the selected level;
whether any motions other than extraordinary motions are permitted;
whether any motions other than extraordinary motions and motions to compel discovery are permitted;
whether amendments to the pleadings are permitted;
whether an internet adjudicator may direct parties involved in the dispute to partake in one or more pre-final argument submission e-conferences;
whether a motion for summary judgment is permitted;
whether case law submissions are permitted as attachments to the final submission;
whether objections to evidence are permitted;
whether expert opinion evidence is particularly admissible;
whether recovery of fees by defendant vendor is permitted;
whether reconsideration of final judgment permitted;
the criteria for the internet adjudicator to use in determining whether to grant of an extension of time may vary depending on the selected level; and
whether extraordinary circumstances are included in criteria for the internet adjudicator to use in determining whether to grant an extension of time.
A system, software and method of electronically adjudicating a dispute are further provided, the method including selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute, and electronically processing the adjudicating of the dispute in accordance with the selected level, including generating a dispute resolution web page accessible by parties involved in the dispute and a internet adjudicator.

The electronic processing may include posting discovery at the dispute resolution web page. The electronic processing may further include electronic negotiation between the parties involved in the dispute at a private chat location of the dispute resolution web page. The electronic processing further including electronic mediation between the parties involved in the dispute and an impartial mediator at a mediation location of the dispute resolution web page.

Whether voluntary discovery is permitted at all may depend on the selected level. When voluntary discovery is permitted at the selected level, whether depositions are permitted voluntary discovery may depend on the selected level. Moreover, when voluntary discovery is permitted at the selected level, a maximum number of permitted written interrogatories, requests for admissions and/or requests for production of documents and/or tangible items may depend on the selected level.

A system, software and method of electronically adjudicating a dispute are further provided, the method including selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute, and electronically processing the adjudicating of the dispute in accordance with the selected level. The electronic processing includes electronically receiving submissions from parties involved in the dispute, electronically communicating results of the electronic receiving step to an impartial review entity for administering a resolution of the dispute, and electronically reporting the resolution of the dispute. The electronic reporting may include publishing a decision relating to resolution of the dispute.

A system, software and method of electronically adjudicating a dispute are further provided, the method including selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute, and electronically processing the adjudicating of the dispute in accordance with the selected level. The electronic processing includes electronically receiving submissions from parties involved in the dispute, electronically communicating results of the
electronic receiving step to a party involved in the dispute for taking further action based on one or more submissions, and electronically reporting a result of action taken by the party based on the one or more submissions.

A system, software and method of electronically adjudicating a dispute are also provided, the method including selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute, and electronically processing the adjudicating of the dispute in accordance with the selected level. The level selecting is based on at least one of an amount in dispute and a decision by one or more parties involved in the dispute to adjudicate at the selected level.

The method may further include determining an amount in dispute. The amount in dispute may be determined based on a purchase price for products sold. The purchase price may or may not include costs of the transaction and/or interest from the time of the transaction. The purchase price may also be defaulted as an amount on an invoice corresponding to the transaction. The determining of the amount in dispute may involve determining a value of an e-commerce transaction giving rise to the dispute, and it may involve determining an amount prayed for in relief with a filing of a complaint. The level may also be selected at the time of an e-commerce transaction.

A software-based system for adjudicating a dispute includes multiple computer processors communicating over a network and running software that provides multiple levels of electronic dispute adjudication providing various extents of procedural options involved in the adjudicating of the dispute and corresponding to at least one of an amount in dispute and a decision by one or more parties involved in the dispute to adjudicate at the selected level. The adjudicating is electronically processed. The multiple levels include a first level corresponding to a first range of amounts in dispute, and a second level corresponding to a second range of amounts in dispute higher than the first range. The second level provides enhanced procedural options to parties involved in the dispute compared with the first level.

The software may also provide instructions to one or more of the processors to select one of the electronic dispute adjudication levels of the multiple levels, and to electronically process the adjudication of the dispute in accordance with the selected level. The level selection may correspond to one or more of an amount in dispute and a decision by one or more parties involved in the dispute to adjudicate at the selected level. The electronic processing may include electronically filing each of a complaint, an answer to the complaint,
and final argument submissions by parties involved in the dispute. The electronic processing may include electronically receiving submissions from parties involved in the dispute, electronically communicating results of the electronic receiving step to an impartial review entity for administering a resolution of the dispute, and/or electronically reporting the resolution of the dispute. The electronic processing may also include generating a dispute resolution web page accessible by parties involved in the dispute and a internet adjudicator.

The enhanced procedural options provided at the second level may include any of: providing counterclaims in an answer to a complaint; motions to compel discovery other than in a extraordinary motion; voluntary discovery;
attaching case law to a final argument submission;
raising objections to evidence;
motion for reconsideration of a final judgment; and
requesting for extension of time not requiring extraordinary circumstances.

A software-based system for adjudicating a dispute is also provided including multiple computer processors communicating over a network and running software that provides multiple levels of electronic dispute adjudication providing various extents of procedural options involved in the adjudicating of the dispute and corresponding to at least one of an amount in dispute and a decision by one or more parties involved in the dispute to adjudicate at the selected level. The adjudication is electronically processed. The multiple levels include a first level corresponding to a first range of amounts in dispute, a second level corresponding to a second range of amounts in dispute higher than the first range, and a third level corresponding to a third range of amounts in dispute higher than the first and second ranges. The second level provides enhanced procedural options to parties involved in the dispute compared with the first level, while the third level provides enhanced procedural options to parties involved in the dispute compared with the first and second levels.

The multiple levels may further include a fourth level corresponding to a fourth range of amounts in dispute higher than the first, second and third ranges. The fourth level may provide enhanced procedural options to parties involved in the dispute compared with the first, second and third levels. The procedural options provided at the fourth level may correspond substantially to options provided by the federal rules of civil procedure.

The software may also provide instructions to one or more of the processors to select one of the electronic dispute adjudication levels of the multiple levels, and to electronically
process the adjudication of the dispute in accordance with the selected level. The level selection may correspond to one or more of an amount in dispute and a decision by one or more parties involved in the dispute to adjudicate at the selected level. The electronic processing may include electronically filing each of a complaint, an answer to the complaint, and final argument submissions by parties involved in the dispute. The electronic processing may include electronically receiving submissions from parties involved in the dispute, electronically communicating results of the electronic receiving step to an impartial review entity for administering a resolution of the dispute, and/or electronically reporting the resolution of the dispute. The electronic processing may also include generating a dispute resolution web page accessible by parties involved in the dispute and a internet adjudicator.

The enhanced procedural options provided at the second level may include any of:

- providing counterclaims in an answer to a complaint;
- motions to compel discovery other than in a extraordinary motion;
- voluntary discovery;
- attaching case law to a final argument submission;
- raising objections to evidence;
- motion for reconsideration of a final judgment; and
- requesting for extension of time not requiring extraordinary circumstances.

The enhanced procedural options provided at the third level may include any of:

- filing pre-answer motions;
- filing cross-claims in an answer to a complaint;
- amending pleadings;
- holding a pre-final argument submission hearing;
- taking depositions;
- making motions for summary judgment;
- providing expert opinion testimony; and
- recovery of fees by defendant vendor.

The enhanced procedural options provided at the second level are preferably also provided at the third level, and these options may be provided at the third level and not the second level. Moreover, the enhanced procedural options provided at the third level may also be provided at the second level. One or more of the enhanced procedural options of the second and third levels may be provided at the first level and/or at a fourth or higher level.
BRIEF DESCRIPTION OF THE DRAWINGS

Figure 1 illustrates steps in adjudicating a dispute according to a first preferred embodiment.

Figure 2 illustrates steps in adjudicating a dispute according to a second preferred embodiment.

Figure 3 illustrates steps in adjudicating a dispute according to a third preferred embodiment.

Figure 4 illustrates steps in adjudicating a dispute according to a fourth preferred embodiment.

Figure 5 illustrates steps in adjudicating a dispute according to a fifth preferred embodiment.

Figure 6 schematically illustrates a computer network according to a preferred embodiment.

Figure 7 illustrates differences in procedural options between levels 1 and 2 according to a preferred embodiment.

Figure 8 illustrates differences in procedural options between levels 2 and 3 according to a preferred embodiment.

Figure 9 illustrates differences in voluntary discovery options between levels 2 and 3 according to a preferred embodiment.

Figure 10 illustrates differences in lengths of documents between levels 1, 2 and 3 according to a preferred embodiment.

DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENT

What follows is a description of the preferred embodiments beginning with an overview of features. Next, a description of the preferred methods and systems according to the preferred embodiments are described with reference to Figures 1-10. Finally, detailed sets of preferred rules for levels 1-3 are provided.

OVERVIEW OF FEATURES

The preferred embodiments described below provide dispute resolution systems and methods through which parties involved in an e-commerce dispute may arbitrate using
specific rules of procedure and specific rules of substantive law. The parties generally will agree in advance of finalizing an e-commerce transaction to use the dispute resolution system and method, as each possesses a motivation at the outset of the transaction to settle any dispute that may arise with a fair, speedy and inexpensive resolution. The parties may otherwise agree after the transaction and before the arbitration.

For example, an advance agreement to arbitrate can be according to a page at the vendor web-site associated with a transaction such as the following:

"SIGNING THE AGREEMENT TO ARBITRATE. Please understand that you are deemed to have "signed" the Agreement to Arbitrate once you click 'I Agree.' when prompted, and as a result you are bound by the Agreement set forth below. This means that you are giving up your right to have this case heard by a competent state or federal court and instead are agreeing to have your dispute resolved in accordance with our rules. Note that both parties must sign the Agreement to arbitrate for it to have effect (a vendor may have already agreed to arbitrate and posted this for purchasers at its site)

THE AGREEMENT TO ARBITRATE

☐ By Clicking "I Agree" When Prompted, the Parties Are Putting Their Official Legal Signatures on the Following Agreement to Arbitrate.

☐ Those "Electronic Signatures" Mean that the Parties Are Legally Bound by This Agreement to Arbitrate and the Applicable Arbitration Provisions and Rules of Adjudicative Procedure.

☐ By Providing Their Signatures, The Parties Certify That They Understand This Agreement, and that They Understand that the Following Definitions and the Rules of Adjudicative Procedure Will Be Applicable to Any Dispute that May Occur Between Them Arising Out of Their Internet Transaction.

Your electronic signature means that you are stating the following to your co-party and to us:
By entering into this Agreement over the Internet, I, as a buyer or seller in an e-commerce transaction, promise and agree that any and all disputes which may arise out of, or as a result of, my e-commerce transaction shall be resolved through the use of the legal rules provided herein as they appear on this website.

A copy of the Definitions and Rules and applicable charges are posted on this website, together with an explanation as to how someone can avoid use of the Arbitration services and applicable provisions and rules, if desired. The Agreement to Arbitrate will appear on the vendor website and can be entered into by the purchaser and vendor from either site."

A dispute resolution system and method according to a preferred embodiment provides specific known and/or acceptable rules of procedure for dispute resolution, specific, known and/or acceptable rules of substantive law to be applied in dispute resolution, and an independent electronic forum through which the resolution of disputes can fairly take place. The rules of procedure are preferably based on the Federal Rules of Civil Procedure. There will be various levels of complexity to the rules depending on the monetary amount in dispute or corresponding to a level selected by one or more parties to the dispute. The substantive rules dealing with the sale of goods and services and transfer of funds will be preferably based on a version of the Uniform Commercial Code. All rules of procedure and substantive rules are preferably posted at a dedicated website.

LEVELS OF PROCEDURAL RULES

There are preferably two to four levels of procedural rules, although there may be more, and there may also be only a single streamlined level of rules. In the preferred embodiment, there are three levels having successively reduced procedural options compared with a fourth level corresponding substantially to the federal rules of civil procedure. Some preferred distinctions between the levels are illustrated at Figures 7-10 and described below, while the specifically preferred rules that make up these three levels are provided further below herein. The amount in dispute preferably scales with the amount of procedural options available to the parties involved in the dispute and the internet adjudicator. One or more
parties may alternatively agree to arbitrate at a different level that has been deemed appropriate to the amount in dispute. For example, the first level may be used for disputes involving up to $5,000 in value. The second level may be used with disputes involving between $5,000 and $25,000. The third level may be used with disputes involving between $25,000 and $75,000. The fourth level may be used for disputes involving over $75,000. These four categories of rules are preferably based on the Federal Rules of Civil Procedure. The first set of rules will be the most streamlined and will resolve the most commonly encountered disputes in consumer transactions. The rules become increasingly complex with each increase in jurisdictional amount. The final set are the most complex and the most like the Federal Rules.

COST AND SUBMISSION OF EVIDENCE

There are a few alternative ways that costs for resolution of the dispute will be preferably paid. A preferred way is to have the vendor and purchaser agree in advance that a small percentage of the purchase price will be allocated to dispute resolution. The vendor may agree to pay this percentage in advance, allocate some amount of it to the purchase price, and require the purchaser to agree to arbitrate according to the form above, or similar click-through form. In the event that a dispute must later be resolved, then no additional costs or nominal or relatively low costs will be further needed to resolve the dispute. The dispute resolution choice of law and forum, as well as the agreement to pay the small percentage of the purchase price, can all be provided at a vendor site. This small, additional cost will be reflected in the price of the product sold and/or as an expense of the vendor. Alternatively, parties can mutually agree to resolve a dispute using the System, and in this case, costs may be paid equally by all participants. The cost would be based on the amount in dispute. The more in dispute, the more the cost. An effort will be preferably made to accurately determine fixed costs which accurately reflect the true cost of the dispute resolution. Fixed costs, as contrasted to hourly costs, will allow potential advisories to properly determine the cost of dispute resolution and weigh the pragmatics of going forward. Certain forms of dispute resolution will be separately priced, e.g., open-ended mediation, or fourth level dispute resolution involving, e.g., a full, in person evidentiary hearing. At least the majority of the dispute resolution procedure will be conducted on-line with advisories submitting evidence and arguments through the Internet.

There is a cost to one or more parties for using the system and method of the preferred
embodiment, just as there is a cost to using most courts in the industrialized world. Before beginning a case, parties should consider whether the amount they will be spending is worth the amount they stood to save or recover in the case. The System will determine the respective rights and obligations of parties, deciding which party, if any, possesses a right to recovery. At the end of the dispute, if a party receives a favorable decision, the party will receive a judgment that can be used to collect any money owed to it by the other party.

A cost-effective and predictable option is for parties to purchase dispute resolution "insurance" for each Internet, e-commerce transaction. For less than 1% per transaction, the parties will be assured that if a dispute arises, the system and method of the preferred embodiment will be available to resolve the dispute at little or no additional cost.

DISCOVERY

Discovery will be limited as it currently is under the Federal Rules. Unlike the Federal Rules the party seeking the specific form of discovery will be responsible for paying the full cost of the discovery, particularly if and when certain forms of voluntary discovery are permitted. As an example, in the event one party chooses to take a deposition, which is permitted at level 3 in the exemplary rules provided below, that party will be responsible for all costs of the deposition, including furnishing the adverse party with a copy of the transcript or video tape. The extent to which certain forms of discovery are permitted and the maximum allowed extent, length or amount of such discovery will generally depend on the level of adjudication.

MECHANISM OF DISPUTE RESOLUTION

The vast majority of disputes are finally resolved by one arbitrator in the System and method. The majority of disputes and all conventional disputes will be resolved through submission of documents and statements the parties are required to submit and may wish to submit in cases where such submissions are allowed. There will be specific deadlines for submissions. Many disputes, and all conventional disputes, can be resolved through review of the documents and statements. Human nature is such, however, particularly on the part of someone who takes the position of an aggrieved consumer, it would be therapeutic and in the interest of providing the opportunity for full presentation to allow each party the opportunity
for brief oral argument and testimony which can take place in a manner similar to an Internet chat room, or can take place through a telephone conference call. The oral presentations will be subject to time constraints. For disputes resolved under levels one through three of the rules a party can request more than one arbitrator - three, five or seven - with the party requesting the additional arbitrators paying the cost, unless, of course, the parties agree to split the cost.

In general, however, formal submissions such as the complaint, summons, answer, motions, requests, discovery submissions, final argument submissions, etc., will be submitted electronically and stored at a dedicated dispute resolution web site. They will be submitted preferably over the Internet or other network, and all submissions and communications will be preferably in a common language such as English. Cases originating from countries all over the world can be handled by the System. Likewise, submission of all writings, evidence and oral presentations of the parties will be in English or the designated language for that dispute. If a writing was originally created in another language, the party submitting the writing shall provide a proper translation. Translation services may be provided by the System.

**IMPARTIAL ARBITRATOR/INTERNET ADJUDICATOR**

The System will be generally run by a private corporate entity. It will structure the procedural and substantive rules and enter into one or more contracts with such entities as the Institute of Administrative Justice at McGeorge School of Law, which will handle the arbitration. The Institute of Administrative Justice or other such entity will be preferably responsible for actually adjudicating the disputes. The software and hardware necessary to the function of the program and its maintenance, hosting, etc., will be handled by the private corporate entity in consultation with the IAJ for consideration of their needs. As an independent body, IAJ will be insulated from the economic pressures and other influence which could adversely affect adjudication. The IAJ will be compensated for providing its services.

The IAJ or other entity will provide Internet adjudicators who will resolve the disputes on-line through the system of the preferred embodiment. The IAJ is preferred to be the entity for providing the internet adjudicators because it has gained national recognition as a leading expert on dispute resolution practices. It provides administrative hearings, training
and consultation for among others, the United States Department of Agriculture, Department of Transportation, National Institute of Justice, Social Security Administration, and United States Army. It provides the same work for State of California Department of Education, Department of Food and Agriculture, Department of General Services, Department of Motor Vehicles and numerous other agencies. It also does similar work for the City of New York, Massachusetts Department of Social Services, Washington State Department of Social and Health Services and the New York State Court System. It employs a professional staff of attorneys aided by highly trained support personnel to conduct all aspects of dispute resolution. The Internet adjudicators are not employees of the private corporate entity responsible for the maintenance and hosting of the electronic and software-based system of the preferred embodiment, but are contracted through the IAJ to provide their dispute resolution services to parties wishing to resolve a dispute. This expertise and independence assures all parties involved that their disputes will be handled by experts with many years of successful experience in dispute resolution who are independent and without conflicts of interest.

APPEALS

Generally, appeals is permitted under certain appellate rules to a panel of three, with the party seeking the appeal paying the full cost of the appeal. A provision could exist allowing any party dissatisfied with a level three decision the right to apply into a specific U.S. Federal District Court. The court's review, however, will be limited to determining whether the procedures were properly followed, and as such little would be accomplished, except to advise the parties each were heard pursuant to the rules each agreed to.

ADVANTAGES

Some advantages of the system of the preferred embodiment include the provision of online mediation and online full resolution arbitration for disputes. Such disputes may be over small or large amounts and may involve any of a wide range of values to parties. Such disputes may arise from sale of goods, or mixed goods and services, such as airline tickets, taking place on the Internet. The system of the preferred embodiment is moreover provided entirely or substantially online.
The system of the preferred embodiment is governed by a distinct, comprehensive set of procedural rules based on the Federal Rules of Civil Procedure which vary in complexity, including multiple sets of rules that are streamlined from the Federal Rules, generally dependent on the value of the transaction at issue. Alternative rules may be dependent on the parties and the nature of the dispute before it. Further alternatives would allow the parties to select the rules to be used, but at the expense of uniformity and predictability of result.

The system of the preferred embodiment includes a codified set of rules of evidence which allow submission of all or substantially all evidence electronically (generally not including tangible evidence). Any alternative system lacking a set of rules governing submission of evidence would also lack predictability of result.

The system of the preferred embodiment segments market elements from the dispute resolution process. The principal marketing, pricing and revenue generation is accomplished through one entity, while actual decisions regarding resolution of disputes are accomplished through an independent entity or Internet Adjudicator, e.g., the Institute for Administrative Justice based on the campus of the University of Pacific’s McGeorge School of Law. By being isolated from the marketing of the service and the actual generation of revenue, the Institute for Administrative Justice is shielded from commercial pressures that may otherwise influence its decisions. For example, the dispute resolution entity will be preferably unaware of which of the parties before it in a dispute, if any, may be principally responsible for paying its fees. As such it is a step further from economic pressures exerting influence on its decisions than an alternatively integrated economic-adjudicative entity might be.

The system of the preferred embodiment is preferably funded principally by a small percentage charged for each transaction of a participating vendor and buyer. An alternative would be a fee for service based system. In some respects, it is like an insurance premium charged on each transaction. Since the premium is levied on the transaction it is ‘charged’ to neither the seller nor buyer, but is simply a cost of the transaction bore by both.

ILLUSTRATIVE SYSTEM AND METHODS

Figure 1 illustrates steps in adjudicating a dispute according to a first preferred embodiment. A first step 10 in resolving a dispute according to the first preferred embodiment is selecting a dispute resolution level from among multiple levels that provide various extents of procedural options. The multiple levels are illustrated at Figures 7-10 and
corresponding descriptions below, and as gradations 1, 2 and 3 further below. Following the first step 10, the next step 20 is to electronically process the resolution of the dispute according to the selected level. This step 20 preferably involves the filing of electronic formal documents such as the complaint, answer and final submissions, as well as electronic communication of a summons to the defendant. Step 20 may involve the generation of a dedicated dispute resolution web-site where the documents and discovery may be posted, as well as discovery requests and motions, and decisions of the internet adjudicator. Step 20 may include further electronic processing steps described elsewhere herein. Step 30 involves final resolution of the dispute, preferably including documenting a judgment award in accordance with the final resolution permitting reduction to an enforceable judgment, and alternatively documenting an enforceable judgment award in accordance with the final resolution.

Figure 2 illustrates steps in adjudicating a dispute according to a second preferred embodiment. This embodiment begins with the step 10 of selecting the dispute adjudication level. A next step 22 involves the electronic processing of the dispute according to the selected level. This step 22 generally includes a step 22a involving the electronic filing and/or receiving of a complaint, a step 22b involving the electronic filing and/or receiving of an answer, and a step 22c involving the electronic communication of final argument submissions by parties involved in the dispute. The electronic processing step 22 preferably further includes a step 22d of electronically communicating a summons to the defendant. Further electronic processing steps described elsewhere herein are also preferably performed.

Figure 3 illustrates steps in adjudicating a dispute according to a third preferred embodiment. This embodiment also begins with the step 10 of selecting the dispute adjudication level. A next step 24 involves the electronic processing of the dispute according to the selected level. This step 24 generally includes a step 24a of generating a dispute resolution web page where formal documents such as the complaint and answer, discovery, final submissions, etc., may be posted, generated and/or communicated, as well as discovery requests and motions, and decisions of the internet adjudicator.

Figure 4 illustrates steps in adjudicating a dispute according to a fourth preferred embodiment. This embodiment also begins with the step 10 of selecting the dispute adjudication level. A next step 26 involves the electronic processing of the dispute according to the selected level. This step 26 generally includes a step 26a of electronically receiving submissions from parties involved in the dispute, a step 26b of electronically communicating
the received submissions to an impartial review entity for administering a resolution of the dispute and/or to other parties who must act based on the submission, and a step 26c electronically reporting at least one of the resolution of the dispute and results of actions taken by a party based on the submission.

Figure 5 illustrates steps in adjudicating a dispute according to a fifth preferred embodiment. This embodiment begins with the step 12 of selecting the dispute adjudication level. This step 12 generally involves either a step 12a including a decision by one or more parties to resolve the dispute at the selected level, or a step 12b including determining an amount in dispute and selecting the level based on the amount in dispute. Following the first step 12 involving either of steps 12a or 12b, the next step 20 is to electronically process the resolution of the dispute according to the selected level. This step 20 preferably involves the filing of electronic formal documents such as the complaint, answer and final submissions, as well as electronic communication of a summons to the defendant. Step 20 may involve the generation of a dedicated dispute resolution web-site where the documents and discovery may be posted, as well as discovery requests and motions, and decisions of the internet adjudicator. Step 20 may include further electronic processing steps described elsewhere herein. Step 30 involves final resolution of the dispute, preferably including documenting an enforceable judgment award.

Figure 6 schematically illustrates a computer network according to a preferred embodiment. The computer network shown preferably involves communication of documents, requests, motions, decisions, discovery, etc., using the internet 40 or other network. A vendor 42 or first party and a purchaser 44 or second party, as well as an internet adjudicator 46, have access to computing devices that in turn can access the internet 40. A server 48 (or other computing device) preferably hosts a web site containing dispute resolution pages and software that either runs on the server 48 or is downloaded from the server 48 to another server, e.g., to become part of vendor sites. The vendor device 42, purchaser device 44 and internet adjudicator device 46 will have browser capabilities for accessing the site. The server 48 or other server or other computing device includes the stored software 49 and electronic storage and communication capacity that provides the dispute resolution backbone such as rules, forms, discovery storage spaces, communication protocols, etc., for each of the dispute resolution levels.
Figure 7 illustrates differences in procedural options between levels 1 and 2 according to a preferred embodiment. Note that Figure 7 is illustrative as are corresponding gradations 1 and 2 described further below. The distinctions between levels 1 and 2, as well as between levels 2 and 3, 3 and 4, etc., may be altered and modified from the illustrative examples provided herein either generally, or in some cases, according to customized dispute resolution rules designed for particular vendor sites or even for particular disputes. The selected distinctions are advantageous, however, as streamlining the process where appropriate for simplified adjudication at lower levels, and as providing enhanced procedural options where appropriate to allow, e.g., more in-depth fact-finding and/or greater access to motions, requests, hearings, etc., at higher levels. Note that at least in most cases, where a distinction is drawn between level 1 and level 2, higher levels such as levels 3 and 4 will also include the enhanced procedural options pointed out as being available at level 2 compared with level 1. In some cases, levels 3 and/or 4 will in addition include further procedural options over and above those provided at level 2.

Figure 7 illustrates that level 1 may be streamlined such to not allow counterclaims to be provided in answering a complaint, while levels 2 and higher do allow counterclaims in the answer. Allowing counterclaims can generally add greater complexity to resolving the dispute if such counterclaims are presented by the defendant. When counterclaims are allowed, e.g., at levels 2 and higher, then defendant must bring them or be estopped from bringing them in a later action, whereas when counterclaims are not allowed, e.g., at level 1, then defendant may bring those counterclaims in its own action at another time if it wishes. Options may be made available to defendants who wish to adjudicate at, e.g., level 2, in order to get counterclaims into the case, in the event that the amount in dispute or previous agreement may provide for adjudication at level 1. For example, defendants may be allowed to pay a certain fee. Plaintiff may want to avoid a later suit based on the counterclaims, or provide a forum for collateral estoppel, and mutually agree with defendant or unilaterally decide to adjudicate at the higher level. In order to avoid this, a vendor may require that level 2 be the lowest level at which disputes arising from sales of vendor's products may be adjudicated, or simply that counterclaims will be allowed at level 1.

Figure 7 illustrates another streamlining of procedure at level 1 by allowing only extraordinary motions. Extraordinary motions are granted subject to the discretion of the internet adjudicator. In the example illustrated by the table of Figure 7, level 2 also includes limitations on motions that may be raised. Level 2 permits only extraordinary motions and
motions to compel discovery. As can be seen from Figure 8, level 3 is the first level at which many motions are permitted, such as most of the motions that persons accustomed to using the federal rules of civil procedure may be familiar with having available.

Another procedural limitation for streamlining the process at level 1 is that voluntary discovery is not permitted. Thus, depositions, interrogatories, and requests for documents, tangible items and admissions are not permitted at level 1, absent grant of an extraordinary motion to allow any of them. Figure 8 also illustrates that level 2 is somewhat limited compared with level 3, most significantly in that taking depositions is not permitted at level 2.

Another difference between level 1 and level 2 procedure that is illustrated at Figure 7 is that the content of final submissions of the parties varies in at least a couple of ways. First, case law may be attached to final submissions of the parties at level 2, but not at level 1. Attaching case law can complicate the process for the internet adjudicator who wants to be consistent with the prior decisions, unless the internet adjudicator simply disagrees with that prior decision, and must take care to distinguish the present facts if he or she will decide contra a properly decided prior case or case from a higher appellate or otherwise controlling authority. Second, objections to evidence are permitted at level 2, but not at level 1. At level 1, the internet adjudicator may simply look at all of the evidence and issues before him or her and resolve the dispute. At level 2, if evidentiary objections are made, the internet adjudicator must first decide which evidence may be used in making his or her decision, and then render the final judgment, thus turning a one step process into a two step process between level 1 and level 2.

Figure 7 also illustrates that a motion for reconsideration of final judgment is not allowed at level 1, whereas this motion is allowed at level 2. When such motion for reconsideration of the final judgment is made at level 2, the internet adjudicator must go back through the decision process with careful consideration being given to points raised in the motion. Moreover, at level 1, both extraordinary circumstances and good cause are required for a party to obtain upon request an extension of time for filing any papers, discovery, etc. At level 2, only good cause is required for obtaining an extension of time.

Figure 8 illustrates differences in procedural options between levels 2 and 3 according to a preferred embodiment. Note that Figure 8 is illustrative as are corresponding gradations 2 and 3 described further below. Note that at least in most cases, where a distinction is drawn between level 2 and level 3, higher levels such as level 4 will also include the enhanced
procedural options pointed out as being available at level 3 compared with level 2. Note
further that at least in most cases, where a distinction is drawn between level 2 and level 3,
lower levels such as level 1 will also not include the enhanced procedural options pointed out
as being available at level 3 compared with level 2. In some cases, level 4 will in addition
include further procedural options over and above those provided at level 3, and level 1 may
have additional procedural restrictions or reduced options compared with those available at
level 2.

Figure 8 first illustrates that no pre-answer motions, e.g., motions to dismiss such as
those available under federal rule 12(b), etc., are allowed at level 2 (or level 1), but such
motions are available at level 3. Not all motions available under the federal rules are
necessarily available at level 3, but they all may be or a selected group of them (see below
description of gradation 3) may be. Many motions are available at level 3 that are not
available at level 2 (or level 1) for raising concerns relating to the complaint, and particularly
its content, and if one or more of these motions are made and carefully considered, a dispute
resolution process at level 3 (or level 4) can be greatly extended and complicated compared
with level 2 (or level 1).

The procedural options available at level 3 that are not available at level 2 include the
provision of cross-claims at level 3. At level 2, the vendor and purchaser will generally
resolve the dispute between them, whereas at level 3, cross-claims can bring in distributors,
manufacturers, co-signors, etc., that can complicate the process greatly. However, with
generally more being at stake in a dispute being adjudicated at level 3 as opposed to level 2,
the addition of greater complexity may provide an improved ability for the internet
adjudicator to mete out justice.

At level 3, many motions are allowed throughout the process including and in
addition to the pre-answer motions discussed above. Such motions may include JMOV,
motions relating to discovery, summary judgment motions, etc. (see below description of
gradation 3). The consideration of such motions can add complexity and cost to a dispute
resolution process perhaps making sense with what is at stake in a level 3 adjudication and
perhaps not making sense with what is at stake in a level 2 proceeding. At level 2, in the
example illustrated at Figure 8, only extraordinary motions (also allowed at level 1) and
motions to compel discovery (not allowed at level 1) are permitted.

No amendments to the pleadings are allowed at level 2. In contrast, at level 3, the
pleadings may be amended. The allowance of pleadings amendments can extend adjudicative
procedures. Improperly drafted pleadings can be amended at level 3, whereas they may lead to a quicker process and even a different result at level 2. Different facts can surface during dispute resolution that can prompt an advantageous pleading amendment at level 3 that can also complicate the procedure compared with the fixed, non-amendable pleadings of a level 2 process.

In a level 3 process, the internet adjudicator can require pre-final submission hearings or conferences. No pre-final submission hearing or conference is available at level 2 (or level 1). The internet adjudicator may feel that the parties have an enhanced ability to reach an understanding as they prepare for and hold a pre-final submission hearing or conference. While this may be true, it also requires a great deal of additional time and effort for the parties and for the internet adjudicator. It is considered in the preferred embodiment that the additional time and effort is worth it with what is typically at stake in a level 3 dispute, and that it is not worth it given what is typically at stake in a level 2 dispute.

In a level 3 process, as illustrated at Figure 8, summary judgment motions may be made, whereas in contrast, level 2 does not permit summary judgment motions. A ruling on a summary judgment motion can often involve a great deal of time and effort in sorting through the legal issues, where no genuine issue of material fact exists in the dispute. At level 2, the process moves directly from discovery into preparation for final arguments.

At level 2, no opinion testimony is allowed, while at level 3, experts may weigh in and provide their expert opinions on a matter. Such expert testimony can be very important to the finder of fact when complicated science or medicine may be involved. When high stakes are involved, these talented, yet expensive, individuals can serve to greatly educate those involved in the process. From the perspective of a level 2 matter, and particularly considering the reduced amounts that are typically at stake there, the battle of the experts may prove too costly to one of the parties. This can lead to an unfair result.

Finally, at level 3, defendant vendor may move that plaintiff purchaser pay for defendant vendor’s fees. At level 2, this is not available to defendant vendor.

Figure 9 illustrates differences in voluntary discovery options between levels 2 and 3 according to a preferred embodiment. As mentioned above with reference to Figure 7, voluntary discovery is allowed at levels 2 and 3, although not at level 1. In the preferred embodiment, the extent to which voluntary discovery is permitted is more limited at level 2 than at level 3. Most significantly, depositions may be taken in a level 3 process, but not in a level 2 process. Deposition often involve a great deal of preparation and can be long question
and answer processes making them perhaps too burdensome for a level 2 process. Depositions can reveal important factual evidence from individuals having knowledge relating to one or more issues involved in the dispute, and so can be important fact gathering tools in level 3 processes. In addition, at level 2 the maximum numbers of interrogatories, requests for documents, tangible items and admissions are each significantly fewer than are permitted at level 3. These differences in maximum numbers of interrogatories and requests for certain items in voluntary discovery are matters of degree that are carefully scaled with the smaller amounts that are typically at stake in level 2 versus level 3 dispute resolution processes.

Figure 10 illustrates differences in lengths of documents between levels 1, 2 and 3 according to a preferred embodiment. As with the scaling with dispute resolution level of maximum numbers of permitted interrogatories and requests for certain items in voluntary discovery, Figure 10 illustrated the scaling of document sizes with dispute resolution level. The particular documents include the pleadings, or complaint, answer, and reply to counterclaims if applicable, as well as the final submissions of the parties. As a first matter, no sub-paragraphs with specific statements of fact are permitted in complaints filed in a level 1 matter. These sub-paragraphs are permitted in the complaint in a level 2 or higher level matter. Moreover, the maximum lengths of the complaint, answer, reply to counter-claims (if applicable) and final submissions are each scaled to the particular level of dispute adjudication. That is, the maximum lengths of each of the complaint, answer, reply to counter-claims and final submissions are lower at level 1 than level 2, but higher at level 3 than level 2. Reduced time and effort in review and reduced electronic storage space are then typically used for lower level adjudications, as makes sense given the reduced amounts that are stake in lower level matters.

While exemplary drawings and specific embodiments of the present invention have been described and illustrated, it is to be understood that that the scope of the present invention is not to be limited to the particular embodiments discussed. Thus, the embodiments shall be regarded as illustrative rather than restrictive, and it should be understood that variations may be made in those embodiments by workers skilled in the arts without departing from the scope of the present invention as set forth in the appended claims and structural and functional equivalents thereof.

For example, some alternative costs and fees and service options may be as follows:
SOME COSTS & FEES

1. Filing Fee for Complaint – RULE 3
   (C) Filing Fee. The cost of filing a complaint will require the plaintiff to pay either:
      (1) a filing fee of $100 to the System; or,
      (2) if the plaintiff has pre-purchased the System dispute resolution insurance, then the
          plaintiff shall pay only a $25 filing fee.

2. Negotiation/Mediation – RULE 11
   Negotiation cost: (2) Cost. The page will be provided free of charge for the first hour
   of on-line negotiation. After the first hour, there will be a one-time $30.00 flat fee that will
   allow the parties to continue to access the private, confidential chatroom and negotiate on-
   line as often as the parties deem necessary thereafter.
   Mediation cost: (1) Cost. The parties are free to use the mediation services as often as
   they deem necessary but the mediation sessions will cost the parties $50 per hour ($25 by
   each side).

SERVICE OPTION #1 – OPTION TO AUTHENTICATE ALL CORRESPONDENCE
BETWEEN THE PARTIES BEFORE ANY DISPUTE EVER ARISES.

(A) Option to Conduct Entire Transaction On-line through the System. Before any
dispute ever arises, the parties may elect to conduct their entire transaction on-line through
the System’s website. the System will create a special Dispute Resolution Page for the parties
to exchange all information and correspondence relating to their transaction such as the offer,
acceptance, terms of contract, invoices, request for payment, proof of payment, request for
delivery, proof of delivery, complaints of non-conforming/damaged goods, attempts to cure,
etc. Because this will be conducted on-line, in the event a dispute ever arises between the
parties, all such written information will automatically become the official, authenticated
factual written record of the dispute that the Internet adjudicator/arbitrator will consider. If
the parties elect to use this service, the parties will not contact each other by phone or any
other means other than by e-mail through their the System special website.

(B) Submission of Related Documents to the Transaction. Any outside documentation
that is not correspondence but relates to the transaction and a party wishes to become an
official part of the record must be provided on the site as soon as it becomes available.

(C) Cost. The cost of the service will be a one-time $50.00 flat fee, regardless of whether a dispute arises or not. Each document when submitted will become a "PDF" "read-only" file that cannot later be altered or changed in any manner in order to prevent fraud or manipulation of the documentary record should a dispute later arise.

Service option #2 would include an option to have the System help draft standard e-commerce norms and policies for vendors and business to business e-commerce.

Some corresponding rules may vary from level to level. These same differences may be applied to a different level. For example, if at level 2 certain costs may be paid in a certain way such as in a per transaction fee program or otherwise as agreed upon by one or more parties or at level 1 it is mentioned that the level selection criteria may be otherwise than according to the preferred amount in dispute ranges, then such alternative cost structure also applies as an alternative to other levels and/or other cost structures.

In some places, the terms "must" and "shall" and similar terms denoting requirements may appear. These terms are preferably used in rules that will actually be applied and be posted at the System site or vendor site or otherwise made available to parties. Note that for the purposes of the present application, the actual item that is designated with this term may be merely preferred and not absolutely required in the sense of making it a part of the rules that will be applied. In many cases, once selected to be part of the rules of a system in actual use, the selected item will be required during the proceedings. Likewise, in some places herein, such as in the exemplary rules, it may be stated that a certain step or item is merely preferred, which is the case with respect to a preferred embodiment of the present invention. However, when parties are actually resolving a dispute in accordance with the preferred embodiment, those rules may be typically requirements of the parties and/or the process. That is, one can build a system or set of rules governing the system according to the preferred embodiment and/or various alternatives within the scope of the invention. The system in place for on-line dispute resolution will require certain steps or items that may have been selected from various alternatives when the system was built and/or the rules were selected.

For example, the preferred embodiment requires English-only documents and payments in U.S. dollars, whereas one could build a system that uses, e.g., Euros and French within the scope of the invention. Either way, the system in use will generally require a certain language for documents, so that the parties and internet adjudicator can all read the pleadings, evidence, discovery requests, motions, etc., involved in the case and/or so that the burden is
on the party submitting the document to ensure that it is in a language that the other party and internet adjudicator can read. Many alternatives to the preferred rules are set forth herein and many others will be understood by those skilled in the art, each being in accordance with the present invention as set forth in the claims below.

Specific venues and arbitration entities, languages, choices of law and currencies may be provided in the rules. The rules will preferably set forth these terms specifically. However, the actual venues and arbitration entities, languages, choices of law and currencies may be according to many available options depending on the System(s), vendors and purchasers who will host and/or utilize the system, generally and/or on a case-by-case basis.

In addition, in methods that may be performed according to preferred embodiments herein and that may have been described above and in the claims below, the operations have been described in selected typographical sequences. However, the sequences have been selected and so ordered for typographical convenience and are not intended to imply any particular order for performing the operations.
What is claimed is:

1. A method of electronically adjudicating a dispute, comprising the steps of:
   selecting an electronic dispute adjudication level from multiple levels providing
   various extents of procedural options involved in the adjudicating of the dispute;
   electronically processing the adjudicating of the dispute in accordance with the
   selected level, the electronic processing resulting in a final resolution; and
   documenting a judgment award in accordance with the final resolution.

2. The method of claim 1, said step of documenting a judgment award in accordance with the
   final resolution permitting reduction to an enforceable judgment.

3. The method of claim 2, the electronic processing forming part of an e-commerce
   transaction, payment involved in the e-commerce transaction including funding of the
   adjudicating of the dispute to a resolution.

4. The method of claim 2, further comprising selecting that said level selecting and electronic
   processing steps would be performed in the event of a dispute by electronic agreement prior
   to finalizing an e-commerce transaction giving rise to the dispute.

5. The method of claim 2, the level selecting step including mutual agreement by parties
   involved in the dispute to a particular level for adjudicating the dispute.

6. The method of claim 2, whether or not parties involved in the dispute is limited to vendor
   and purchaser of one or more products depends on the selected level.

7. A method of electronically adjudicating a dispute, comprising the steps of:
   selecting an electronic dispute adjudication level from multiple levels providing
   various extents of procedural options involved in the adjudicating of the dispute; and
   electronically processing the adjudicating of the dispute in accordance with the
   selected level including electronically filing of each of a complaint, an answer to the
   complaint, and final argument submissions by parties involved in the dispute.
8. The method of claim 7, wherein the maximum permitted length of one or more of the complaint, the answer to the complaint and the final argument submissions depends on the selected level.

9. The method of claim 7, whether or not sub-paragraphs containing specific factual allegations are permitted in the complaint depends on the selected level.

10. The method of claim 7, the electronic processing further including an electronic summons being communicated to defendant.

11. The method of claim 10, whether or not defendant is required to pay for follow-up notice when defendant fails to acknowledge receipt of electronic summons in a predetermined time depends on the selected level.

12. The method of claim 7, whether or not the answer may include pre-answer motions or other responses than the answer depends on the selected level.

13. The method of claim 7, whether or not the answer may include cross-claims against co-parties depends on the selected level.

14. The method of claim 7, whether or not the answer may include counterclaims depends on the selected level.

15. The method of claim 14, when counterclaims are permitted and included in the answer, the maximum permitted length of the reply to the counterclaims in the answer depends on the selected level.

16. The method of claim 7, whether or not any motions other than extraordinary motions are permitted depends on the selected level.

17. The method of claim 7, whether or not any motions other than extraordinary motions and motions to compel discovery are permitted depends on the selected level.
18. The method of claim 7, whether or not amendments to the pleadings are permitted depends on the selected level.

19. The method of claim 7, whether or not a internet adjudicator may direct parties involved in the dispute to partake in one or more pre-final argument submission e-conferences depends on the selected level.

20. The method of claim 7, whether or not a motion for summary judgment is permitted depends on the selected level.

21. The method of claim 7, whether or not case law submissions are permitted as attachments to the final submission depends on the selected level.

22. The method of claim 7, whether or not objections to evidence are permitted depends on the selected level.

23. The method of claim 7, whether or not expert opinion evidence is particularly admissible depends on the selected level.

24. The method of claim 7, the electronic processing including generating a dispute resolution web page accessible by parties involved in the dispute and a internet adjudicator, the method further comprising rendering of a final judgment by internet adjudicator and posting to said web page.

25. The method of claim 24, whether or not recovery of fees by defendant vendor is permitted depends on the selected level.

26. The method of claim 24, whether or not reconsideration of final judgment permitted depends on selected level.

27. The method of claim 7, the electronic processing including electronic submission of an extension of time.
28. The method of claim 27, the criteria for the internet adjudicator to use in determining whether to grant of an extension of time depending on the selected level.

29. The method of claim 27, whether or not extraordinary circumstances are included in criteria for the internet adjudicator to use in determining whether to grant an extension of time depends on the selected level.

30. A method of electronically adjudicating a dispute, comprising the steps of:
   selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute; and
   electronically processing the adjudicating of the dispute in accordance with the selected level, including generating a dispute resolution web page accessible by parties involved in the dispute and a internet adjudicator.

31. The method of claim 30, the electronic processing including posting discovery at the dispute resolution web page.

32. The method of claim 31, whether or not voluntary discovery is permitted depends on the selected level.

33. The method of claim 32, when voluntary discovery is permitted at the selected level, whether or not depositions are permitted voluntary discovery depends on the selected level.

34. The method of claim 32, when voluntary discovery is permitted at the selected level, a maximum number of permitted written interrogatories depends on the selected level.

35. The method of claim 32, when voluntary discovery is permitted at the selected level, a maximum number of permitted requests for production of documents depends on the selected level.

36. The method of claim 32, when voluntary discovery is permitted at the selected level, a maximum number of permitted requests for production of tangible items for inspection depends on the selected level.
37. The method of claim 32, when voluntary discovery is permitted at the selected level, a
maximum number of permitted requests for admissions relevant to the dispute depends on the
selected level.

38. The method of claim 30, the electronic processing further including electronic
negotiation between the parties involved in the dispute at a private chat location of the
dispute resolution web page.

39. The method of claim 30, the electronic processing further including electronic mediation
between the parties involved in the dispute and an impartial mediator at a mediation location
of the dispute resolution web page.

40. A method of electronically adjudicating a dispute, comprising the steps of:
    selecting an electronic dispute adjudication level from multiple levels providing
    various extents of procedural options involved in the adjudicating of the dispute; and
    electronically processing the adjudicating of the dispute in accordance with the
selected level, including:
        electronically receiving submissions from parties involved in the dispute;
        electronically communicating results of the electronic receiving step to an
impartial review entity for administering a resolution of the dispute; and
        electronically reporting said resolution of said dispute.

41. The method of claim 40, said electronic reporting step including publishing a decision
relating to resolution of the dispute.

42. A method of electronically adjudicating a dispute, comprising the steps of:
    selecting an electronic dispute adjudication level from multiple levels providing
    various extents of procedural options involved in the adjudicating of the dispute; and
    electronically processing the adjudicating of the dispute in accordance with the
selected level, including:
        electronically receiving submissions from parties involved in the dispute;
        electronically communicating results of the electronic receiving step to a party
involved in the dispute for taking further action based on one or more submissions; and
electronically reporting a result of action taken by the party based on the one or more submissions

43. A method of electronically adjudicating a dispute, comprising the steps of:
   selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute, the selecting being based on at least one of an amount in dispute and a decision by one or more parties involved in the dispute to adjudicate at the selected level; and
   electronically processing the adjudicating of the dispute in accordance with the selected level.

44. The method of claim 43, further comprising the step of determining an amount in dispute.

45. The method of claim 44, the amount in dispute being determined based on a purchase price for products sold.

46. The method of claim 45, the purchase price not including costs of the transaction.

47. The method of claim 46, the purchase price further not including interest from the time of the transaction.

48. The method of claim 45, the purchase price being defaulted as an amount on an invoice corresponding to the transaction.

49. The method of claim 44, the determining of the amount in dispute comprising determining a value of an e-commerce transaction giving rise to the dispute.

50. The method of claim 44, the determining of the amount in dispute comprising the steps of:
   electronically filing a complaint; and
   praying for said amount in relief with said filing of said complaint.
51. The method of claim 44, the determining of the amount in dispute comprising selecting said level of electronic processing involved in the adjudicating of the dispute at the time of an e-commerce transaction.

52. A software-based system for adjudicating a dispute, comprising multiple computer processors communicating over a network and running software that provides multiple levels of electronic dispute adjudication providing various extents of procedural options involved in the adjudicating of the dispute and corresponding to at least one of an amount in dispute and a decision by one or more parties involved in the dispute to adjudicate at the selected level, the adjudicating being electronically processed, the multiple levels comprising:
   a first level corresponding to a first range of amounts in dispute;
   a second level corresponding to a second range of amounts in dispute higher than the first range, the second level providing enhanced procedural options to parties involved in the dispute compared with the first level.

53. The system of claim 52, the software providing instructions to one or more of the processors to select one of the electronic dispute adjudication levels of the multiple levels, the selecting being based on at least one of an amount in dispute and a decision by one or more parties involved in the dispute to adjudicate at the selected level; and for electronically processing the adjudicating of the dispute in accordance with the selected level.

54. The system of claim 52, the software providing instructions to one or more of the processors to select one of the electronic dispute adjudication levels of the multiple levels providing various extents of procedural options involved in the adjudicating of the dispute; and for electronically processing the adjudicating of the dispute in accordance with the selected level including electronically filing of each of a complaint, an answer to the complaint, and final argument submissions by parties involved in the dispute.

55. The system of claim 52, the software providing instructions to one or more of the processors to select one of the electronic dispute adjudication levels of the multiple levels providing various extents of procedural options involved in the adjudicating of the dispute; and for electronically processing the adjudicating of the dispute in accordance with the selected level, including:
electronically receiving submissions from parties involved in the dispute; 
electronically communicating results of the electronic receiving step to an 
impartial review entity for administering a resolution of the dispute; and 
electronically reporting said resolution of said dispute.

56. The system of claim 52, the software providing instructions to one or more of the 
processors to select one of the electronic dispute adjudication levels of the multiple levels 
providing various extents of procedural options involved in the adjudicating of the dispute; 
and for electronically processing the adjudicating of the dispute in accordance with the 
selected level, including generating a dispute resolution web page accessible by parties 
involved in the dispute and a internet adjudicator.

57. The system of claim 52, the enhanced procedural options provided at the second level 
including providing counterclaims in an answer to a complaint.

58. The system of claim 52, the enhanced procedural options provided at the second level 
including motions to compel discovery other than in a extraordinary motion.

59. The system of claim 52, the enhanced procedural options provided at the second level 
including voluntary discovery.

60. The system of claim 52, the enhanced procedural options provided at the second level 
including attaching case law to a final argument submission.

61. The system of claim 52, the enhanced procedural options provided at the second level 
including raising objections to evidence.

62. The system of claim 52, the enhanced procedural options provided at the second level 
including a motion for reconsideration of a final judgment.

63. The system of claim 52, the enhanced procedural options provided at the second level 
including requests for extension of time not requiring extraordinary circumstances.
64. A software-based system for adjudicating a dispute, comprising multiple computer
processors communicating over a network and running software that provides multiple levels
of electronic dispute adjudication providing various extents of procedural options involved in
the adjudicating of the dispute and corresponding to at least one of an amount in dispute and
a decision by one or more parties involved in the dispute to adjudicate at the selected level,
the adjudicating being electronically processed, the multiple levels comprising:

- a first level corresponding to a first range of amounts in dispute;
- a second level corresponding to a second range of amounts in dispute higher than the
  first range, the second level providing enhanced procedural options to parties involved in the
  dispute compared with the first level; and
- a third level corresponding to a third range of amounts in dispute higher than the first
  and second ranges, the third level providing enhanced procedural options to parties involved
  in the dispute compared with the first and second levels.

65. The system of claim 64, the software providing instructions to one or more of the
processors to select one of the electronic dispute adjudication levels of the multiple levels, the
selecting being based on at least one of an amount in dispute and a decision by one or more
parties involved in the dispute to adjudicate at the selected level; and for electronically
processing the adjudicating of the dispute in accordance with the selected level.

66. The system of claim 64, the software providing instructions to one or more of the
processors to select one of the electronic dispute adjudication levels of the multiple levels
providing various extents of procedural options involved in the adjudicating of the dispute;
and for electronically processing the adjudicating of the dispute in accordance with the
selected level including electronically filing of each of a complaint, an answer to the
complaint, and final argument submissions by parties involved in the dispute.

67. The system of claim 64, the software providing instructions to one or more of the
processors to select one of the electronic dispute adjudication levels of the multiple levels
providing various extents of procedural options involved in the adjudicating of the dispute;
and for electronically processing the adjudicating of the dispute in accordance with the
selected level, including:

- electronically receiving submissions from parties involved in the dispute;
electronically communicating results of the electronic receiving step to an impartial review entity for administering a resolution of the dispute; and electronically reporting said resolution of said dispute.

68. The system of claim 64, the software providing instructions to one or more of the processors to select one of the electronic dispute adjudication levels of the multiple levels providing various extents of procedural options involved in the adjudicating of the dispute; and for electronically processing the adjudicating of the dispute in accordance with the selected level, including generating a dispute resolution web page accessible by parties involved in the dispute and a internet adjudicator.

69. The system of claim 64, the enhanced procedural options provided at the third level including pre-answer motions.

70. The system of claim 64, the enhanced procedural options provided at the third level including providing cross-claims in an answer to a complaint.

71. The system of claim 64, the enhanced procedural options provided at the third level including amending pleadings.

72. The system of claim 64, the enhanced procedural options provided at the third level including a pre-final argument submission hearing.

73. The system of claim 64, the enhanced procedural options provided at the third level including taking depositions.

74. The system of claim 64, the enhanced procedural options provided at the third level including motions for summary judgment.

75. The system of claim 64, the enhanced procedural options provided at the third level including providing expert opinion testimony.
76. The system of claim 64, the enhanced procedural options provided at the third level including recovery of fees by defendant vendor.

77. The system of claim 64, the multiple levels further comprising a fourth level corresponding to a fourth range of amounts in dispute higher than the first, second and third ranges, the fourth level providing enhanced procedural options to parties involved in the dispute compared with the first, second and third levels.

78. The system of claim 77, the procedural options provided at the fourth level corresponding substantially to options provided by the federal rules of civil procedure.

79. One or more processor readable storage devices having processor readable code embodied thereon, said processor readable code for programming one or more processors to perform a method of electronically adjudicating a dispute, the method comprising the steps of:

   selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute;
   electronically processing the adjudicating of the dispute in accordance with the selected level, the electronic processing resulting in a final resolution; and
   documenting a judgment award in accordance with the final resolution.

80. The storage devices of claim 79, the step of documenting a judgment award in accordance with the final resolution permitting reduction to an enforceable judgment.

81. The storage devices of claim 79, the electronic processing forming part of an e-commerce transaction, payment involved in the e-commerce transaction including funding of the adjudicating of the dispute to a resolution.

82. The storage devices of claim 79, further comprising selecting that said level selecting and electronic processing steps would be performed in the event of a dispute by electronic agreement prior to finalizing an e-commerce transaction giving rise to the dispute.
83. The storage devices of claim 79, the level selecting step including mutual agreement by parties involved in the dispute to a particular level for adjudicating the dispute.

84. The storage devices of claim 79, whether or not parties involved in the dispute is limited to vendor and purchaser of one or more products depends on the selected level.

85. One or more processor readable storage devices having processor readable code embodied thereon, said processor readable code for programming one or more processors to perform a method of electronically adjudicating a dispute, the method comprising the steps of:

    selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute; and
    electronically processing the adjudicating of the dispute in accordance with the selected level including electronically filing of each of a complaint, an answer to the complaint, and final argument submissions by parties involved in the dispute.

86. The storage devices of claim 85, wherein the maximum permitted length of one or more of the complaint, the answer to the complaint and the final argument submissions depends on the selected level.

87. The storage devices of claim 85, whether or not sub paragraphs containing specific factual allegations are permitted in the complaint depends on the selected level.

88. The storage devices of claim 85, the electronic processing further including an electronic summons being communicated to defendant.

89. The storage devices of claim 88, whether or not defendant is required to pay for follow-up notice when defendant fails to acknowledge receipt of electronic summons in a predetermined time depends on the selected level.

90. The storage devices of claim 85, whether or not the answer may include pre-answer motions or other responses than the answer depends on the selected level.
91. The storage devices of claim 85, whether or not the answer may include cross-claims against co-parties depends on the selected level.

92. The storage devices of claim 85, whether or not the answer may include counterclaims depends on the selected level.

93. The storage devices of claim 92, when counterclaims are permitted and included in the answer, the maximum permitted length of the reply to the counterclaims in the answer depends on the selected level.

94. The storage devices of claim 85, whether or not any motions other than extraordinary motions are permitted depends on the selected level.

95. The storage devices of claim 85, whether or not any motions other than extraordinary motions and motions to compel discovery are permitted depends on the selected level.

96. The storage devices of claim 85, whether or not amendments to the pleadings are permitted depends on the selected level.

97. The storage devices of claim 85, whether or not a internet adjudicator may direct parties involved in the dispute to partake in one or more pre-final argument submission e-conferences depends on the selected level.

98. The storage devices of claim 85, whether or not a motion for summary judgment is permitted depends on the selected level.

99. The storage devices of claim 85, whether or not case law submissions are permitted as attachments to the final submission depends on the selected level.

100. The storage devices of claim 85, whether or not objections to evidence are permitted depends on the selected level.
101. The storage devices of claim 85, whether or not expert opinion evidence is particularly admissible depends on the selected level.

102. The storage devices of claim 85, the electronic processing including generating a dispute resolution web page accessible by parties involved in the dispute and a internet adjudicator, the method further comprising rendering of a final judgment by internet adjudicator and posting to said web page.

103. The storage devices of claim 102, whether or not recovery of fees by defendant vendor is permitted depends on the selected level.

104. The storage devices of claim 102, whether or not reconsideration of final judgment permitted depends on selected level.

105. The storage devices of claim 85, the electronic processing including electronic submission of an extension of time.

106. The storage devices of claim 105, the criteria for the internet adjudicator to use in determining whether to grant of an extension of time depending on the selected level.

107. The storage devices of claim 105, whether or not extraordinary circumstances are included in criteria for the internet adjudicator to use in determining whether to grant an extension of time depends on the selected level.

108. One or more processor readable storage devices having processor readable code embodied thereon, said processor readable code for programming one or more processors to perform a method of electronically adjudicating a dispute, the method comprising the steps of:

- selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute; and
- electronically processing the adjudicating of the dispute in accordance with the selected level, including generating a dispute resolution web page accessible by parties involved in the dispute and a internet adjudicator.
109. The storage devices of claim 108, the electronic processing including posting discovery at the dispute resolution web page.

110. The storage devices of claim 109, whether or not voluntary discovery is permitted depends on the selected level.

111. The storage devices of claim 110, when voluntary discovery is permitted at the selected level, whether or not depositions are permitted voluntary discovery depends on the selected level.

112. The storage devices of claim 110, when voluntary discovery is permitted at the selected level, a maximum number of permitted written interrogatories depends on the selected level.

113. The storage devices of claim 110, when voluntary discovery is permitted at the selected level, a maximum number of permitted requests for production of documents depends on the selected level.

114. The storage devices of claim 110, when voluntary discovery is permitted at the selected level, a maximum number of permitted requests for production of tangible items for inspection depends on the selected level.

115. The storage devices of claim 110, when voluntary discovery is permitted at the selected level, a maximum number of permitted requests for admissions relevant to the dispute depends on the selected level.

116. The storage devices of claim 108, the electronic processing further including electronic negotiation between the parties involved in the dispute at a private chat location of the dispute resolution web page.

117. The storage devices of claim 108, the electronic processing further including electronic mediation between the parties involved in the dispute and an impartial mediator at a mediation location of the dispute resolution web page.
118. One or more processor readable storage devices having processor readable code embodied thereon, said processor readable code for programming one or more processors to perform a method of electronically adjudicating a dispute, the method comprising the steps of:

selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute; and electronically processing the adjudicating of the dispute in accordance with the selected level, including:

- electronically receiving submissions from parties involved in the dispute;
- electronically communicating results of the electronic receiving step to an impartial review entity for administering a resolution of the dispute; and
- electronically reporting said resolution of said dispute.

119. The storage devices of claim 118, said electronic reporting step including publishing a decision relating to resolution of the dispute.

120. One or more processor readable storage devices having processor readable code embodied thereon, said processor readable code for programming one or more processors to perform a method of electronically adjudicating a dispute, the method comprising the steps of:

selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute; and electronically processing the adjudicating of the dispute in accordance with the selected level, including:

- electronically receiving submissions from parties involved in the dispute;
- electronically communicating results of the electronic receiving step to a party involved in the dispute for taking further action based on one or more submissions; and
- electronically reporting a result of action taken by the party based on the one or more submissions.

121. One or more processor readable storage devices having processor readable code embodied thereon, said processor readable code for programming one or more processors to
perform a method of electronically adjudicating a dispute, the method comprising the steps of:

selecting an electronic dispute adjudication level from multiple levels providing various extents of procedural options involved in the adjudicating of the dispute, the selecting being based on at least one of an amount in dispute and a decision by one or more parties involved in the dispute to adjudicate at the selected level; and

electronically processing the adjudicating of the dispute in accordance with the selected level.

122. The storage devices of claim 121, further comprising the step of determining an amount in dispute.

123. The storage devices of claim 122, the amount in dispute being determined based on a purchase price for products sold.

124. The storage devices of claim 123, the purchase price not including costs of the transaction.

125. The storage devices of claim 124, the purchase price further not including interest from the time of the transaction.

126. The storage devices of claim 123, the purchase price being defaulted as an amount on an invoice corresponding to the transaction.

127. The storage devices of claim 122, the determining of the amount in dispute comprising determining a value of an e-commerce transaction giving rise to the dispute.

128. The storage devices of claim 122, the determining of the amount in dispute comprising the steps of:

electronically filing a complaint; and

praying for said amount in relief with said filing of said complaint.
129. The storage devices of claim 122, the determining of the amount in dispute comprising selecting said level of electronic processing involved in the adjudicating of the dispute at the time of an e-commerce transaction.
SELECTING AN ELECTRONIC DISPUTE ADJUDICATION LEVEL

ELECTRONICALLY PROCESSING THE ADJUDICATING OF THE DISPUTE

DOCUMENTING A JUDGMENT AWARD

FIGURE 1
SELECTING AN ELECTRONIC DISPUTE ADJUDICATION LEVEL

ELECTRONICALLY PROCESSING THE ADJUDICATING OF THE DISPUTE

FILING OF A COMPLAINT

COMMUNICATING AN ELECTRONIC SUMMONS TO DEFENDANT

FILING AN ANSWER TO THE COMPLAINT

FILING FINAL ARGUMENT SUBMISSIONS

FIGURE 2
SELECTING AN ELECTRONIC DISPUTE ADJUDICATION

ELECTRONICALLY PROCESSING THE ADJUDICATING OF THE DISPUTE

GENERATING A DISPUTE RESOLUTION WEB PAGE

POSTING DISCOVERY AT THE DISPUTE RESOLUTION WEB PAGE

FIGURE 3
SELECTING AN ELECTRONIC DISPUTE ADJUDICATION LEVEL

ELECTRONICALLY PROCESSING THE ADJUDICATING OF THE DISPUTE

ELECTRONICALLY RECEIVING SUBMISSIONS

ELECTRONICALLY COMMUNICATING RESULTS OF RECEIVING THE SUBMISSIONS

ELECTRONICALLY REPORTING THE RESOLUTION OF THE DISPUTE OR ACTION BASED ON COMMUNICATION OF RESULTS

FIGURE 4
SELECTING AN ELECTRONIC DISPUTE ADJUDICATION LEVEL

BASED ON AN AMOUNT IN DISPUTE

ELECTRONICALLY PROCESSING THE ADJUDICATING OF THE DISPUTE

BASED ON DECISION BY ONE OR MORE PARTIES

FIGURE 5
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<th>LEVEL 1</th>
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<tbody>
<tr>
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<td>ONLY EXTRAORDINARY MOTIONS AND MOTIONS TO COMPEL DISCOVERY ALLOWED</td>
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FIGURE 7
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FIGURE 8
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<td>INCREASES FROM LEVEL 2 TO LEVEL 3</td>
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**FIGURE 9**
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**FIGURE 10**
**INTERNATIONAL SEARCH REPORT**

**A. CLASSIFICATION OF SUBJECT MATTER**

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<th>US CL</th>
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<td>705/80</td>
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According to International Patent Classification (IPC) or to both national classification and IPC

**B. FIELDS SEARCHED**

Minimum documentation searched (classification system followed by classification symbols)

U.S.: 705/1, 80; 707/2-5

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)

**C. DOCUMENTS CONSIDERED TO BE RELEVANT**

<table>
<thead>
<tr>
<th>Category</th>
<th>Citation of document, with indication, where appropriate, of the relevant passages</th>
<th>Relevant to claim No.</th>
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<tbody>
<tr>
<td>A</td>
<td>US 5,495,412 A (THIESSEN) 27 February 1996 (27.02.1996), all.</td>
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<td>A</td>
<td>US 5,895,450 A (SLOO) 20 April 1999 (20.04.1999), figures 3-9.</td>
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<td>A</td>
<td>US 6,144,726 A (CROSS) 07 November 2000 (07.11.2000), all.</td>
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</table>

☐ Further documents are listed in the continuation of Box C.  ☐ See patent family annex.

- "A" Special categories of cited documents:
  - "T" later document published after the international filing date or priority date and so in conflict with the application but cited to understand the principle or theory underlying the invention
  - "X" document of particular relevance, the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone
  - "Y" document of particular relevance, the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art
  - "F" document member of the same patent family
  - "O" document referring to an oral disclosure, use, exhibition or other means
  - "L" document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)

Date of the actual completion of the international search: 19 August 2003 (19.08.2003)

Date of mailing of the international search report: 05 FEB 2004

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