

25-7093

Docket No. *

In the
SUPREME COURT OF THE UNITED STATES

SHAWN OLALI,
Petitioner/Plaintiff/Appellant

Vs

CVS INCORPORATED,
Defendant/Appellee

FILED

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SUPREME COURT, U.S.

ORIGINAL

*On Petition for Writ of Certiorari From
The United States Court of Appeals for the Fifth Circuit,
Civil Action No. 25-10445*

PETITION FOR WRIT OF CERTIORARI

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Date: December 30, 2025

QUESTIONS PRESENTED FOR REVIEW

The Fifth Circuit Court of Appeals incorrectly and without due cause stated that when the arbitration award is dismissed in its entirety, in effect, it cannot be set aside for lack of finality. The question is presented to the US Supreme Court appropriately and in the arbitrator's own words. The Plaintiff will not adopt language not found in the arbitrator's own award, as the Fifth US Court of Appeals has done, and hence the question presented is straightforward.

1. Whether an arbitration award is "mutual, final, and definite" upon the matter submitted under 9 U.S.C. § 10(a)(4) when it purports to dispose of "all [specified] claims," yet explicitly states submission of alternative or fewer claims than those actually submitted to the arbitration and analyzes only said specified claims and the award's own reasoning shows that the all-dispositive language rests on analysis that did not reach an omitted, submitted claim; and whether a court may confirm by inference or must vacate or remand for clarification.
2. Whether an arbitrator bound by an agreement to apply substantive law and to award only remedies available in court "exceeds [her] powers" under 9 U.S.C. § 10(a)(4) when the award departs from those directives.

3. Whether an arbitrator “exceeds [her] powers,” 9 U.S.C. § 10(a)(4), by resolving a dispositive issue principally/ultimately by reference to prior arbitral awards or arbitral custom rather than applying the governing substantive law required by the parties’ agreement.

4. Whether the constituents of “manifest disregard of the law” remain a cognizable basis for vacatur under the FAA—either as a judicial gloss on, or conduct encompassed by, 9 U.S.C. § 10(a)(2)–(4)—and, if so, how that standard should be applied to an arbitration award.

PARTIES TO THE PROCEEDING AND RELATED CASES

Pursuant to the Rules of the US Supreme Court, the undersigned certifies that the following listed persons and entities as described in Local Rule 14(1)(b) are parties to the proceedings and have an interest in the outcome of this case.

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Pursuant to Local Rules 14(1)(b) of the US Supreme Court, the undersigned certifies that the following proceedings in federal trial and appellate courts identified below are directly related to the above-captioned case in this court.

Shawn Olali v. CVS Inc. , No. 25-10445, United States Court of Appeals for the
Fifth Circuit Court of Appeals. Judgement Entered September 9, 2025

Shawn Olali v. CVS Inc. , No. 4:24-cv-00203-P, United States District Court
for the Northern District of Texas. Judgement Entered March 24, 2025

Signed on December 30, 2025



PLAINTIFF / APPELLANT

TABLE OF CONTENTS

QUESTIONS PRESENTED FOR REVIEW	ii
PARTIES TO THE PROCEEDING AND RELATED CASES	iv
TABLE OF CONTENTS	vi
TABLE OF AUTHORITIES	viii
OPINIONS CITED IN THIS CASE	1
STATEMENT OF JURISDICTION	1
STATEMENT OF RELEVANT CONSTITUTIONAL PROVISIONS, STATUTES, REGULATIONS, ETC	4
INTRODUCTION	5
STATEMENT OF THE CASE	6
REASONS FOR GRANTING THE PETITION FOR CERTIORARI BY THE US SUPREME COURT	14
I. AN INCOMPLETE ARBITRATION AWARD LACKING A DECISION ON A SUBMITTED CLAIM IS NOT “FINAL” UNDER THE FAA, AND THE FIFTH CIRCUIT’S CONTRARY HOLDING CONFLICTS WITH OTHER COURTS’ TREATMENT OF AMBIGUOUS OR INCOMPLETE AWARDS (9 U.S.C. § 10(A)(4))	15
II. THE FIFTH CIRCUIT’S DECISION ERODES CONTRACTUAL LIMITS ON ARBITRAL AUTHORITY, CONTRARY TO THE FAA AND THIS COURT’S PRECEDENTS REQUIRING THAT ARBITRATION AWARDS DRAW THEIR ESSENCE FROM THE PARTIES’ AGREEMENT	22

III.	THE DECISION BELOW UPHOLDS AN ARBITRATOR'S RELIANCE ON "ARBITRAL PRECEDENT" OVER GOVERNING LAW, HIGHLIGHTING A SERIOUS DEVIATION FROM THE EXPECTED ADHERENCE TO LAW AND CONTRIBUTING TO THE NEED FOR CLARIFICATION OF THE STANDARD FOR VACATUR	25
IV.	THE COURTS OF APPEALS ARE SHARPLY DIVIDED OVER THE CONTINUING VITALITY OF "MANIFEST DISREGARD OF THE LAW" AS A BASIS FOR VACATING AWARDS, AND THE QUESTIONS RAISED BY THIS CASE ILLUSTRATE THE NEED FOR THIS COURT TO RESOLVE THAT CONFLICT (9 U.S.C. § 10(A)(2-4)	30
	PRAYER	35
	CERTIFICATE OF SERVICE	38
	CERTIFICATE OF COMPLIANCE	39
 APPENDIX		
A.	FIFTH CIRCUIT COURT OF APPEALS ORDER DENYING REHEARING	41
B.	FIFTH CIRCUIT COURT OF APPEALS OPINION	43
C.	CVS ARBITRATION AGREEMENT	49
D.	AAA EMPLOYMENT DUE PROCESS PROTOCOLS	52
E.	AMERICAN ARBITRATION ASSOCIATION (AAA)'S ARBITRATION AWARD	58
F.	DISTRICT COURT ORDER AND OPINION CONFIRMING THE AWARD	71
G.	DISTRICT COURT ORDER IN REHEARING	78

H.	DISTRICT COURT ORDER STAYING PROCEEDINGS	81
I.	PLAINTIFF'S ARBITRATION DEMAND.....	86
J.	PLAINTIFF'S SURREPLY	89

TABLE OF AUTHORITIES

Cases

<i>Abbott v. Law Office of Patrick J. Mulligan</i> , 440 F. App'x 612 (10th Cir. 2011)	33
<i>Affymax, Inc. v. Ortho-McNeil-Janssen Pharms., Inc.</i> , 660 F.3d 281 (7th Cir. 2011)	31
<i>Badgerow v. Walters</i> , 142 S. Ct. 1310 (2022)	15
<i>Bell Aerospace Co. Div. of Textron, Inc. v. Local 516, Int'l Union, United Auto., Aerospace & Agric. Implement Workers of Am. (UAW)</i> , 500 F.2d 921 (2d Cir. 1974)	18
<i>Brown v. Witco Corp.</i> , 340 F.3d 209 (5th Cir. 2003)	21
<i>Citigroup Glob. Mkts., Inc. v. Bacon</i> , 562 F.3d 349 (5th Cir. 2009)	31
<i>Coast Trading Co., Inc. v. Pacific Molasses Co.</i> , 681 F.2d 1195 (9th Cir. 1982)	24, 25
<i>Coffee Beanery, Ltd. v. WW, L.L.C.</i> , 300 F. App'x 415 (6th Cir. 2008)	32
<i>Colonial Penn Ins. Co. v. Omaha Indem. Co.</i> , 943 F.2d 327 (3d Cir. 1991)	19, 20
<i>Comedy Club, Inc. v. Improv West Assocs.</i> , 553 F.3d 1277 (9th Cir. 2009)	33
<i>Edstrom Indus., Inc. v. Companion Life Ins. Co.</i> , 516 F.3d 546 (7th Cir. 2008)	18, 19, 23
<i>Epic Sys. Corp. v. Lewis</i> , 138 S. Ct. 1612 (2018)	6
<i>Frazier v. CitiFinancial Corp., LLC</i> , 604 F.3d 1313 (11th Cir. 2010)	31
<i>General Re Life Corp. v. Lincoln Nat'l Life Ins. Co.</i> , 909 F.3d 544 (2d Cir. 2018)	19
<i>Hall Street Assocs., L.L.C. v. Mattel, Inc.</i> , 552 U.S. 576 (2008).....	30, 31, 32, 33

<i>Henry Schein, Inc. v. Archer & White Sales, Inc.</i> , 139 S. Ct. 524 (2019)	15
<i>In re Romanzi</i> , 31 F.4th 367 (6th Cir. 2022)	32
<i>Kashner Davidson Sec. Corp. v. Mscisz</i> , 601 F.3d 19 (1st Cir. 2010)	33
<i>Kuznesoff v. The Finish Line, Inc.</i> , 2015 U.S. Dist. LEXIS 71388 (M.D. Pa. June 3, 2015)	9, 10
<i>Medicine Shoppe Int'l, Inc. v. Turner Invs., Inc.</i> , 614 F.3d 485 (8th Cir. 2010)	31
<i>Merck & Co. v. United Steelworkers of Am., Local 4-575</i> , 2012 U.S. Dist. LEXIS 173007 (D.N.J. Dec. 5, 2012)	29
<i>Morgan v. Sundance, Inc.</i> , 142 S. Ct. 1708 (2022)	15
<i>Oxford Health Plans LLC v. Sutter</i> , 569 U.S. 564 (2013)	29
<i>Rent-A-Center, Inc. v. Barker</i> , 633 F. Supp. 2d 245 (W.D. La. 2009)	23
<i>Rocket Jewelry Box, Inc. v. Noble Gift Packaging, Inc.</i> , 157 F.3d 174 (2d Cir. 1998)	17
<i>Schwartz v. Merrill Lynch & Co.</i> , 665 F.3d 444 (2d Cir. 2011)	32
<i>Selden v. Airbnb, Inc.</i> , 4 F.4th 148 (D.C. Cir. 2021)	33
<i>Stolt-Nielsen S.A. v. AnimalFeeds Int'l Corp.</i> , 559 U.S. 662 (2010)	23, 25, 27, 28, 29, 30, 35
<i>Sutter v. Oxford Health Plans LLC</i> , 675 F.3d 215 (3d Cir. 2012)	33
<i>Totes Isotoner Corp. v. Int'l Chem. Workers Union Council</i> , 532 F.3d 405 (6th Cir. 2008)	18
<i>United Steelworkers of Am. v. Enterprise Wheel & Car Corp.</i> , 363 U.S. 593 (1960)	23
<i>Volt Info. Scis., Inc. v. Bd. of Trs. of Leland Stanford Jr. Univ.</i> , 489 U.S. 468 (1989)	23

Wachovia Sec., LLC v. Brand, 671 F.3d 472 (4th Cir. 2012) 32

Weiss v. Sallie Mae, Inc., 939 F.3d 105 (2d Cir. 2019) 32

US Codes

9 U.S.C. § 10 (FAA) 4, 30, 32, 34, 36, *

9 U.S.C. § 10(a) 4, 12, 16, 31, *

9 U.S.C. § 10(a)(2) 5, 30, 35

9 U.S.C. § 10(a)(3) 5, 12, 13, 30, 34, 35, *

9 U.S.C. § 10(a)(4) 5, 12, 15, 16, 20, 21, 23, 28, 30, 32, 33, 34, 35, *

42 U.S.C. § 2000e (Title VII) 1, 2, 4

US Constitution – Jurisdiction

U.S. Const. Art. III.S2.C1 1

US Codes - Jurisdiction

28 U.S.C. § 41 (Number And Composition Of Circuits) 3

28 U.S.C. § 124(2) (Texas) 1

28 U.S.C. § 1254 (Courts of appeals; certiorari; certified questions) 3

28 U.S.C. § 1291 (Final Decisions Of District Courts) 3

28 U.S.C. § 1331 (Federal question) 1

28 U.S.C. § 1332 (Diversity of citizenship; amount in controversy; costs) 1, 2

28 U.S.C. § 1391 (Venue generally) 1

28 U.S.C. § 2101(c) (Supreme Court; time for appeal or certiorari; docketing; stay)
..... 3, 4

42 U.S.C. § 2000e-5(f)(3) (Enforcement provisions) 1

Tex. Civ. Prac. & Rem. Code § 16.004 (Four-year Limitations Period) 2

Rules

Fed. R. App. P. 3 2

Fed. R. App. P. 4 2

Sup. Ct. R. 10 15

Sup. Ct. R. 13.1 4

OPINIONS CITED IN THIS CASE

The Opinion of the United States Court of Appeals for the Fifth Circuit ("5th Cir."), appears at Appendix A.B to the Petition and is unpublished. Shawn Olali v. CVS Inc., No. 25-10445 (5th Cir. September 9, 2025).

The Opinion of the United States District Court for the Northern District of Texas ("NDTX") Dismissing the case appears at Appendix A.F to the Petition and is unpublished. Shawn Olali v. CVS Inc., No. 4:24-cv-00203-P (N.D. TX March 24, 2025).

STATEMENT OF JURISDICTION

The Federal courts retain jurisdiction through the US Constitution in Article III of Section 2 of Clause 1 and the Judiciary Act of 1789. Congress later amended the lower federal courts with additional jurisdiction via amendments Title 28 USC 1332 (Diversity of citizenship; amount in controversy; costs) and federal question jurisdiction via Title 28 USC 1331 (Federal question).

Venue is proper in the Federal District Court for the Northern District of Texas as defined in 28 U.S. Code § 1391 (Venue generally) and 42 U.S. Code § 2000e-5(f)(3) (Enforcement provisions) as the events/discrimination and where the plaintiff would have worked are out of the Judicial District of said court as proscribed in 28 U.S. Code § 124(2) (Texas), which defines the composition of the Federal Judicial District in Texas by County specifically the NDTX Forth Worth Division due to

having occurred at 2051 Hall-Johnson Rd of Grapevine, Texas which is in Tarrant County.

More specifically, the Federal District Court for the Northern District of Texas retains jurisdiction as the matters involve clear federal law (ex: 42 U.S. Code § 2000e) (Equal Employment Opportunities – aka. Title VII Civil Rights Act). Jurisdiction is also proper through diversity jurisdiction as proscribed in 28 USC 1332 (Diversity of citizenship; amount in controversy; costs) as CVS Pharmacy Inc (aka. CVS Inc) is headquartered in Rhode Island and the Plaintiff is a resident of Texas and the controversy exceeds \$75,000.

The claim of discrimination pursuant to 42 U.S Code § 2000e was timely filed in 01/2024 after the cause of action on 09/2023 in Tarrant County 85 days after right to sue letter and 130 days after the cause arose. The claim for breach of contract was timely filed in arbitration within the four year statute of limitations in Texas pursuant to Tex. Civ. Prac. & Rem. Code § 16.004 (Four-year Limitations Period).

Thus the Federal District Court for the Northern District of Texas has jurisdiction and is proper.

The Federal District Court for the Northern District of Texas issued a final judgement that was made on 03/24/2025 and, in accordance with Rule 3 and 4 of the Federal Rules of Appellate Procedure, the Plaintiff timely filed a notice of appeal for the final judgement and post-judgement motions on 03/24/2025 immediately after the ruling which is within 30 days of the final judgement.

The Fifth Circuit Court of Appeals has appellate jurisdiction of this case because the Federal District issued a final decision as conferred by 28 U.S. Code § 1291 (Final Decisions Of District Courts) which defines judicial matters that the Federal Circuit Courts have jurisdiction to review/adjudicate.

28 U.S. Code § 41 (Number And Composition Of Circuits) proscribes the Fifth Circuit Court of Appeals judicial geographical composition. As the events happened within the judicial geography conferred by Congress, which comprises Texas, the Fifth Circuit Court of Appeals retains proper jurisdiction over an appeal from the Federal District Court for the Northern District of Texas.

Thus the Federal Fifth Circuit Court of Appeals has jurisdiction of the appeal and is proper.

The Federal Circuit Court for the Fifth Circuit denied the Petitioner/Plaintiff timely motion for rehearing that upheld the district court decision on 09/09/2025.

Pursuant to 28 U.S. Code § 1254 (Courts of appeals; certiorari; certified questions) and 28 U.S. Code § 2101(c) (Supreme Court; time for appeal or certiorari; docketing; stay), the Plaintiff/Petitioner files this Writ of Certiorari in the US Supreme Court seeking review of the erroneous judgement of the Circuit Court upholding the decision of the lower district court.

The Writ for Certiorari in the United States Supreme Court was timely presented to the clerk on December 2, 2025 which is within 90 days of the denial of

rehearing in the 5th Cir Court and thus the US Supreme Court properly retains jurisdiction of this appeal from the lower Federal 5th Circuit Court. (28 U.S. Code § 2101(c)) (Supreme Court; time for appeal or certiorari; docketing; stay) (US Supreme Court Rule 13.1) (Review on Certiorari: Time for Petitioning). This corrected petition is timely filed within the time proscribed.

**STATEMENT OF RELEVANT CONSTITUTIONAL PROVISIONS, STATUTES,
REGULATIONS, ETC.**

The principal statutory provision involved is the Federal Arbitration Act (“FAA”), 9 U.S.C. § 10. Section 10 of the FAA provides for the limited grounds on which a court may vacate an arbitration award; and 42 U.S.C. § 2000e- which is Title VII of the civil rights act of 1964.

Federal Arbitration Act (9 U.S.C. § 10(a)) (Same; vacation; grounds; rehearing): (a) In any of the following cases the United States court in and for the district wherein the award was made may make an order vacating the award upon the application of any party to the arbitration—

- “(1) where the award was procured by corruption, fraud, or undue means;
- (2) where there was evident partiality or corruption in the arbitrators...;
- (3) where the arbitrators were guilty of misconduct in refusing to postpone the hearing, upon sufficient cause shown, or in refusing to hear evidence pertinent

and material to the controversy; or of any other misbehavior by which the rights of any party have been prejudiced; or

(4) where the arbitrators exceeded their powers, or so imperfectly executed them that a mutual, final, and definite award upon the subject matter submitted was not made.”

(b) If an award is vacated and the time within which the agreement required the award to be made has not expired, the court may, in its discretion, direct a rehearing by the arbitrators.

(c) The United States district court for the district wherein an award was made that was issued pursuant to section 580 of title 5 may make an order vacating the award upon the application of a person, other than a party to the arbitration, who is adversely affected or aggrieved by the award, if the use of arbitration or the award is clearly inconsistent with the factors set forth in section 572 of title 5.

(Relevant text of the FAA is set out verbatim above.) clear.

INTRODUCTION

Arbitration is no longer a niche alternative to litigation. It is now a dominant channel through which American workers and consumers must pursue statutory and contractual rights, often as a condition of employment or participation in basic consumer markets. One widely cited survey finds that 56.2% of private-sector, nonunion employees are subject to mandatory employment arbitration—an

estimated 60.1 million workers who “no longer have access to the courts” for workplace legal rights and must proceed in arbitration instead. (A. Colvin, *The growing use of mandatory arbitration* (Sept. 27, 2017), cited by this Court in *Epic Systems*). That prevalence expands the stakes of the FAA: even small divergences in vacatur standards, contractual-limit enforcement, and “finality” rules can shape outcomes across enormous swaths of the labor market.

Arbitration now sets the ground rules for dispute resolution at a population level. When arbitration clauses are ubiquitous, fidelity to that principle becomes essential.

Because FAA review is intentionally narrow, it heightens—rather than diminishes—the importance of clear, administrable guardrails.

Arbitration governs an ever-growing share of disputes that would otherwise be litigated in public courts, the Court’s guidance here would have immediate and broad systemic effect: it would clarify the minimum conditions under which an award may be confirmed, reinforce that arbitration remains contract-bound adjudication (not an alternate legal order), and restore uniformity to a body of FAA law that is increasingly consequential to the national economy and the enforcement of federal statutory rights.

STATEMENT OF THE CASE

Petitioner, Shawn Olali, filed a lawsuit against his former employer, CVS Inc., in the Northern District of Texas in 2024. Petitioner alleged that CVS had engaged in unlawful racial discrimination during his employment (and breach of contract, as discussed below). As part of his employment onboarding, Petitioner was presented with a broad arbitration agreement with CVS, which provided that an array of employment-related claims must be resolved by binding arbitration and that the arbitrator “will follow the substantive law applicable to the case and may award only those remedies that would have been available had the matter been heard in court”. The arbitration agreement further specified that all claims are subject to the same statutes of limitations applicable in court and that a demand for arbitration must be timely filed “within the applicable statute of limitations. Otherwise, the claim would be waived as provided for by . . . law”.

In May 2024, the parties jointly moved to stay litigation and submit all claims to arbitration pursuant to the agreement. The district court granted the motion to compel, but denied the motion to stay and, instead, dismissed the court action without prejudice. The Petitioner then filed a motion for new trial and notice of appeal to the 5th Circuit Court of Appeals and the District Court filed an indicative order. Upon receipt of the District Court’s indicative order, the Fifth Circuit Court remanded the case and, in accordance, the District Court stayed the proceeding pending the arbitration. Petitioner then proceeded to arbitrate his claims before an American Arbitration Association (AAA) arbitrator, asserting (1) a Title VII discrimination claim, and (2) a breach-of-contract claim (alleging that CVS’s conduct

violated obligations in an employment contract); However, the arbitrator admittedly misrepresented the breach-of-contract claim as a wage claim as shown in the arbitrator's award:

“ . . . to the extent Claimant's Demand for Arbitration can be construed to assert independent claims for unpaid wages under Texas or federal law”

[Page: 12 of award]

The two claims (Title VII and Breach of Contract) were within the scope of the submission to arbitration – a fact acknowledged by both parties and not disputed in the lower courts opinions.

Arbitration Proceedings and Award

In the arbitration, CVS moved to dismiss Petitioner's claims on the ground that the AAA arbitration demand was not filed within 90 days of Petitioner's EEOC right-to-sue notice despite having timely filed his claim in the federal district court.

The Petitioner argued, however, that his timely filing of the federal lawsuit (which was later stayed for arbitration) should have equitably tolled the limitations period because the arbitrator was required to apply applicable substantive law and tolling should have applied through common-law and substantive principles. He also urged that dismissing his claims in arbitration on limitations grounds would conflict with the governing “substantive law” and corresponding substantive legal principles regarding tolling as applied and practiced in federal courts, local courts and the policies of Title VII and the FAA.

In the arbitrator's written award, the arbitrator expressly concluded that Petitioner's demand for arbitration was untimely under the 90-day limitations period governing Title VII actions and found that arbitral cases in similar situations would deem the demand untimely despite some form of equitable tolling in accordance with common-law for the period during which Petitioner's court lawsuit was pending. The arbitrator found that the arbitration agreement required that the arbitrator apply applicable law in regards to the statute of limitations and found that tolling was applicable as interpreted by the agreement and acknowledged that tolling as applied in courts would have made the claim timely in a court in accordance with substantive legal principles:

*"Prior arbitration decisions also demonstrate that Claimant's claim is untimely . . . Even if the Arbitrator concludes that the ninety-day statutory time limit for filing a claim was tolled while Claimant pursued his claim in court, Claimant's Title VII claim is still untimely because he waited too long after the court compelled him to arbitration to file his Demand for Arbitration with the AAA Kuznesoff, 2015 U.S. Dist. LEXIS 71388, at *7. Even if equitable tolling applied, "the statute of limitations was only equitably tolled during The period when the lawsuit was pending in federal court," and the remaining days of the statute Of limitations began to run again when the lawsuit was terminated. . . . [In another arbitral case of Arbitration II at *5. The arbitrator . . . Most notably, when rejecting the claimant's "equitable tolling" argument, the arbitrator expressed doubt whether the doctrine even applied, yet went on to explain: "[a]pplication of the tolling doctrine, however, only extends the time limit by the amount of time the matter was pending in Circuit Court before the motion to compel was granted . . . The same reasoning applied in Arbitration II and Kuznesoff should apply here"*

Specifically, in *Kuznesoff v. Finish Line Inc.*, the arbitrator, who is bound by the agreement to follow substantive law, found that, in accordance with substantive

law in a court, the statute of limitations is tolled while the matter is pending in Federal District Court.

The arbitrator rejected tolling "indefinitely" regardless of any applicable substantive legal principles (such as laches, etc.) and instead opted for instructions from other arbitral cases which regarded the motion to compel as the terminating point and rejected the practice/interpretation as applied in the substantive and common law of governing courts and many other cited arbitral cases for which there were few to no exceptions.

Accordingly, the arbitrator ultimately agreed with CVS and dismissed Petitioner's claims with prejudice as time-barred.

Notably, in explaining her decision, the arbitrator cited several supportive federal district court opinions but ultimately made her decision based on other arbitral awards for instruction on timeliness and without adhering strictly to substantive legal principles. The arbitrator deferred to prior arbitral norms effectively adopting the reasoning of those earlier arbitration awards as the basis for her ruling despite legal court decisions and substantive legal principles to support her interpretation of the limitations issue. The arbitrator refused to strictly follow controlling federal, state, and local authority on whether a prior timely court filing tolls the limitations period because the outcome would, in her opinion, be unfair. Petitioner contends that, by doing so, the arbitrator failed to independently apply the governing "substantive law" of the courts, as required by the arbitration

agreement requiring waiver by applicable law, and instead substituted a kind of *lex arbitri* – i.e., the norms of other arbitrators – in resolving the dispute.

Even more concerning, the arbitrator’s written award excluded any resolution of Petitioner’s breach-of-contract claim. The award affirmatively stated that only two claims (presumably the Title VII-based claim and admittedly misrepresented wage claim) were submitted and decided. It was an affirmative representation in the award that effectively and affirmatively disregarded one of the two submitted claims and thus not a mere silence on reasoning as suggested by the 5th Circuit. The arbitrator in the introduction of the award stated as follows:

“Respondent terminated Claimant’s employment in September 2023. In his Demand for Arbitration, Claimant alleges that Respondent terminated him based on his race. Claimant also alleges that Respondent failed to pay him while he was actively employed and did not pay him until after his termination, when he filed a complaint with the “State Department.” Claimant asserts claims against Respondent for race discrimination under Title VII and for unpaid wages in violation of federal and state law”

[Pages: 1, 2 of award]

Although the award explicitly misrepresented the breach-of-contract claim as a wage claim.

“Accordingly, to the extent Claimant’s Demand for Arbitration can be construed to assert independent claims for unpaid wages under Texas or federal law ”

[Page: 12 of award]

The 5th Circuit Court decided that, nonetheless, the dispositive paragraph of the award broadly decreed that “all claims” (misquoted) were dismissed with

prejudice despite the arbitrator's explicit representation to only those two claims and the foregoing reasons:

"III. FINAL ORDER Based upon the foregoing, the Arbitrator finds and concludes that,"

[Page: 12 of award]

Petitioner argued that this contradicted the explicit intent and wording in the award and left him without any decision on the merits of the breach-of-contract claim – an issue that had been submitted before the arbitrator and that such a fact of submission was uncontested by both parties and the district and circuit courts. This rendered the award so imperfectly executed on all issues submitted that a mutual, final, and definite award upon the subject matter submitted was not made.

Post-Arbitration Proceedings in the Lower Courts

Petitioner moved to reopen his case in the district court and filed a motion to vacate the arbitration award pursuant to the Federal Arbitration Act, 9 U.S.C. § 10(a). He asserted three principal grounds: (1) that the arbitrator "exceeded [her] powers" under § 10(a)(4) by disregarding explicit contractual provisions (namely, the mandate to apply substantive court law) and by failing to adhere solely to the governing law, instead relying on arbitral precedent in lieu thereof; (2) that the arbitrator denied him a fair hearing under § 10(a)(3) by applying procedural rules and time bars in a fundamentally unfair or discriminatory manner; and (3) that the award "lacks finality" under § 10(a)(4) because the arbitrator left his breach-of-contract claim unresolved. The district court (District Judge Mark T. Pittman)

denied Petitioner's motions, and confirmed the arbitration award. The court then dismissed Petitioner's action with prejudice.

In a brief per curiam decision, the Fifth Circuit affirmed the district court's judgment. It addressed each of Petitioner's arguments in turn and ruled against Petitioner on all points:

On the "exceeded powers" argument (failure to follow contractually mandated law): The Fifth Circuit held that Petitioner had shown no basis to conclude the arbitrator exceeded her authority. The arbitration agreement's instruction to apply substantive law did not forbid the arbitrator from applying arbitral precedent in lieu of substantive law for the ultimate decision as long as the arbitrator relied, in part, on federal district court opinions even if ultimately relying on arbitral precedent. The court noted that the arbitrator did identify and apply the Title VII's 90-day statute of limitations, citing federal case law for the rule, and also by ultimately referencing arbitration decisions. Petitioner had cited "no contrary authority" and could point to no language in the agreement prohibiting the use of arbitral precedent. Accordingly, the Fifth Circuit found "no evidence that the arbitrator exceeded her powers or acted beyond those granted by the arbitration agreement" in this respect.

On the fair hearing argument: The Fifth Circuit found this contention "similarly unsubstantiated." It observed that Petitioner was not deprived of an opportunity to present his case; to the contrary, the record showed he was allowed to file an opposition to CVS's motion to dismiss, a surreply brief, and he was permitted

to present oral argument to the arbitrator. Thus, the court rejected any claim of arbitrator misconduct under § 10(a)(3) as unsupported.

On the “final and definite award” argument: The Fifth Circuit acknowledged that Petitioner contended the award was not final because the arbitrator had “left unresolved his breach-of-contract claim”. However, the court disagreed, finding that * “[t]here’s no dispute that all claims were submitted to the arbitrator; nor is there a dispute that the arbitrator heard Olali’s arguments regarding a breach-of-contract claim before dismissing all his claims with prejudice”*. In the Fifth Circuit’s view, “[t]hat the arbitral award doesn’t expressly list a breach-of-contract claim does not render the award non-final or unenforceable” under the FAA. The court noted that there was an adequate basis for the arbitrator’s decision and that the omission was at most an ambiguity not warranting vacatur. In a footnote, the panel cited its own precedent for the propositions that “ambiguity is not enough to vacate an award” and that arbitrators are not required to explain every reason or list every claim, so long as the award’s outcome is clear.

REASONS FOR GRANTING THE PETITION FOR CERTIORARI BY THE US SUPREME COURT

This case presents important questions concerning the statutory limits of arbitral awards and the proper standards for judicial review under the FAA. The Fifth Circuit’s decision conflicts with decisions of other courts of appeals on multiple significant issues, and it implicates an acknowledged split over the continuing role

of the “manifest disregard of law” doctrine. This Court in recent years has frequently taken cases to clarify arbitration law (e.g., *Morgan v. Sundance, Inc.*, 142 S. Ct. 1708 (2022); *Badgerow v. Walters*, 142 S. Ct. 1310 (2022); *Henry Schein, Inc. v. Archer & White Sales, Inc.*, 139 S. Ct. 524 (2019)), ensuring the FAA is correctly and uniformly applied. The questions presented – on the finality of awards and the scope of arbitral authority – are comparably significant and are recurring in the law of arbitration but have not been addressed by the Court in decades (if ever directly). The decision below departs from settled expectations about the arbitral process and undermines important federal rights and policies. In accordance with Supreme Court Rule 10, the Court should grant certiorari to resolve these conflicts and to clarify the scope of arbitrators’ powers and the proper grounds for vacating an arbitration award.

I. AN INCOMPLETE ARBITRATION AWARD LACKING A DECISION ON A SUBMITTED CLAIM IS NOT “FINAL” UNDER THE FAA, AND THE FIFTH CIRCUIT’S CONTRARY HOLDING CONFLICTS WITH OTHER COURTS’ TREATMENT OF AMBIGUOUS OR INCOMPLETE AWARDS

The FAA permits vacatur of an award “where the arbitrators exceeded their powers, or so imperfectly executed them that a mutual, final, and definite award upon the subject matter submitted was not made.” 9 U.S.C. § 10(a)(4) ensures that an arbitration award must completely and definitively resolve all the claims that were submitted to arbitration. An award that leaves a submitted claim entirely undecided – or so unclear – is not truly “final” or “definite.” A court faced with such

an award should refuse confirmation and either vacate the award or remand for clarification or the completion of the award.

The arbitrator must actually decide the issues submitted. The Fifth Circuit concluded that the arbitrator's general statement that "for these [explicit] reasons, Claimant's Demand for Arbitration should be dismissed in its entirety" was enough to infer that the omitted claim was also rejected, and that any "ambiguity is not enough to vacate" the award. This approach is at odds with the approach taken by other courts and undermines the expectation that arbitration as a constitutionally appropriate forum. The District Court and the Fifth Circuit Court incorrectly departed from the intent, reasoning, and wording found in the arbitrator's award in upholding the award on other grounds. The District and Circuit Court incorrectly held that the reasoning in the award was simply not complete, nor comprehensive because, according to the parties, the claim was submitted which contradicts the arbitrator's explicit representation that the arbitrator's award was indeed fairly comprehensive and complete and that the dismissal was based solely on the explicated reasons in the award:

"Claimant's Title VII claim should be dismissed as untimely. Finally, Claimant concedes in his Response that he is not asserting claims under the Texas Payday Law, Chapter 61 of the Texas Labor Code, or the FLSA. Accordingly, for these reasons, Claimant's Demand for Arbitration should be dismissed in its entirety. III. FINAL ORDER Based upon the foregoing, the Arbitrator finds and concludes that, . . . Claimant did not timely file his claims in this arbitration. Further, Claimant concedes that he is not asserting claims under the Texas Payday Act. . . . Accordingly, the Motion to Dismiss is . . ."

[Page: 12 of award]

To the Fifth Circuit Court, the arbitrator's explicit determination of submission did not render the award non-final because this explicit representation did not exclude the arbitrator from having considered all "three" claims despite their only being two (Title VII & Breach-of-contract):

"Respondent terminated Claimant's employment in September 2023. In his Demand for Arbitration, Claimant alleges that Respondent terminated him based on his race. Claimant also alleges that Respondent failed to pay him while he was actively employed and did not pay him until after his termination, when he filed a complaint with the 'State Department.' Claimant asserts claims against Respondent for race discrimination under Title VII and for unpaid wages in violation of federal and state law "

[Pages: 1, 2 of award]

Therefore the District and Circuit Courts regarded it as an ambiguity due to "omission". To the contrary, this was not a mere oversight or ambiguity; the award explicitly enumerated only those two claims (Unpaid Wages & Title VII) as being at issue and provided comprehensive and supportive reasoning as to those two claims, affirmatively and effectively indicating that the arbitrator failed to resolve the breach-of-contract claim. Such an award fails the core requirement of finality and completeness set forth in 9 U.S.C. § 10(a)(4).

The Second Circuit has emphasized that "lack of finality can support a decision to vacate an arbitration award" under § 10(a)(4). In *Rocket Jewelry Box, Inc. v. Noble Gift Packaging, Inc.*, for example, the Second Circuit explained that an arbitration award is considered "final" only if it "resolve[s] all issues submitted to arbitration, and determine[s] each issue fully so that no further litigation is

necessary to finalize the obligations of the parties.”. The very purpose of arbitration is to provide a definitive resolution of the entire dispute; * “[a]n award which does not fulfill this purpose is unacceptable.”* (quoting *Bell Aerospace Co. v. Local 516, UAW*, 500 F.2d 921 (2d Cir. 1974)). In other words, if an arbitrator leaves a submitted claim undecided, the parties are left with an unresolved dispute – precisely the outcome arbitration is supposed to avoid.

The arbitrator’s award affirmatively represented a wage claim and, in accordance, the arbitrator could only decide/adjudicate the matters submitted such as wages.

The Plaintiff asserts that the 5th Circuit Courts opinion on this matter is not based on the award nor the reasoning supplied in the award and is independent of the arbitrator’s intent in the award. (*Arbitration Award AAA – Olali v. CVS*) (to the “extent Claimant’s Demand for Arbitration can be construed to assert independent claims for unpaid wages”) (The arbitrator’s explicit representations) (The arbitrator stated the claimant “asserts claims . . . for race discrimination under Title VII and for unpaid wages”) (*Totes Isotoner Corp. v. Int’l Chem. Workers US COA 6th Circuit*) (“This is not a typical appeal where this Court may affirm for any reason supported by the record, even if the opinion below did not rely on such grounds. To do so would be to impermissibly replace the judgment of this Court for that of the arbitrator) (*Edstrom Industries, Inc. v. Companion Life Ins.*, 516 F. 3d 546 – Court of Appeals, 7th Circuit 2008) (It might be replied that had the arbitrator not written an opinion, and he was not required to do so, we would attribute to him whatever interpretive

path might lead to a conclusion that the statute was indeed inapplicable . . . we could not enforce his award on the ground that had he said nothing we would imagine what he might have said to make it seem that he was).

Other federal courts of appeals have recognized that when an arbitration award fails to address a claim or issue that was submitted, the proper course is to withhold confirmation and obtain clarification – not to simply confirm by inference. For example, the Second Circuit recently joined several other circuits in holding that arbitrators “retain their authority to clarify” an award when the award is ambiguous or incomplete, such as **“where an arbitral award fails to address a contingency that later arises or when the award is susceptible to more than one interpretation.”** In *General Re Life Corp. v. Lincoln National Life Insurance Co.*, the Second Circuit confronted an arbitral award whose remedial order was unclear about how certain payments should be handled in the event of a future contingency. *General Re Life Corp. v. Lincoln Nat. Life Ins. Co.*, 909 F.3d 544 (2d Cir. 2018). Rather than treat the ambiguous award as “final” by guessing the arbitrators’ intent, the Second Circuit approved a limited remand to the arbitrators to **“clarify that award.”** The court expressly recognized an exception to the common-law *functus officio* doctrine in cases of ambiguity or omission, joining the Third, Fifth, Sixth, Seventh, and Ninth Circuits in that recognition. Likewise, the Third Circuit has held that a district court may remand an award to the arbitrator for clarification where the award fails to resolve how a remedy should be implemented – for instance, if the award leaves “a contingency that later arises” unaddressed, or

is so vague that it permits multiple interpretations. In *Colonial Penn Ins. Co. v. Omaha Indemnity Co.*, the Third Circuit approved remand because the arbitration award did not clearly allocate certain damages, making judicial enforcement impossible without further clarification (and thus the award was not “definite”). These courts understand that an award must clearly decide all issues submitted, and that courts should not confirm an award based on guesswork about an arbitrator’s unintended intentions.

The Fifth Circuit’s decision cannot be reconciled with those principles. It is uncontested that Petitioner’s breach-of-contract claim was properly before the arbitrator. By the award’s own terms, the arbitrator’s analysis was explicitly limited to whether the Title VII claim was time-barred & mootness of a wage claim; no reasoning or other ground was given (and none was even considered) regarding the breach-of-contract-based claim. No dispositive issues implicitly or explicitly adjudicated regarding such. The award then explicitly decreed that for the reasons stated in the award the “claims” were dismissed, with prejudice. The Fifth Circuit assumed that this all-encompassing language disposed of the contract claim by implication and found the award “final,” refusing to allow any inquiry into the omission. In doing so, the Fifth Circuit created a clear conflict with the Second and Third Circuits’ approach (among others). Under the rule applied by those courts, failure to adjudicate an entire claim would render an award not “definite” on its face, warranting a remand or other relief to ensure the award truly resolved everything submitted. Indeed, even the Fifth Circuit itself has previously

recognized that arbitrators may clarify an ambiguous award when necessary. See *Brown v. Witco Corp.*, 340 F.3d 209, 216 (5th Cir. 2003) (per curiam) (holding that arbitrators “had authority to clarify the award” where a party sought clarification within a reasonable time). Yet, the Fifth Circuit effectively deprived Petitioner of any resolution (reasoned or otherwise) on that cause of action.

Saying that all the claims that were mentioned/stated are dismissed with prejudice is not the same as deciding the legal and factual issues of all other claims. Here, Petitioner’s breach-of-contract claim raised a separate theory of liability (and potentially different relief) from the Title VII discrimination claims. By ignoring that claim, the arbitrator left the parties – and now the courts – without any determination as to that issue. The Fifth Circuit’s insistence that this omission was merely an “ambiguity” in the award brushes aside a substantive failure in the adjudicative process and contradicts the explicit award and its reasoning as explained.

The FAA’s text explicitly contemplates vacatur where the arbitrators “so imperfectly executed” their powers that no final, definite award “upon the subject matter submitted” was made (emphasis added). Petitioner submits that the arbitrator imperfectly executed her authority by failing to render an award upon one of the submitted claims. The Fifth Circuit’s refusal to acknowledge this error as a ground for relief was misplaced. Its reliance on general statements that arbitrators need not explain their reasoning misses the point: while an arbitrator need not write a treatise or even any rationale, she must at least decide each issue

clearly. Not requiring a detailed rationale for an outcome is very different from not requiring an outcome at all on a claim.

The Fifth Circuit's rule blesses a form of arbitral incompleteness that other courts would not accept.

Confirming an award that plainly fails to decide a portion of the dispute undermines the mutual expectations of the parties and raises due process concerns. By resolving this split, the Court can make clear that arbitrators must actually decide all claims submitted, and that if they fail to do so, the award is not truly "mutual, final, and definite" upon the subject matter submitted under the FAA. At a minimum, a court in such a situation should remand the matter to the arbitrator for an additional award or clarification, as several circuits have held, rather than guessing at what the arbitrator intended.

II. THE FIFTH CIRCUIT'S RULING CONFLICTS WITH OTHER CIRCUITS' APPROACHES TO ARBITRATORS EXCEEDING THEIR POWERS, AND IT ERODES THE OBLIGATION OF ARBITRATORS TO APPLY THE AGREED-UPON LAW

The second question presented asks this Court to delineate the boundary between an arbitrator's mere legal error (which, under the FAA, generally must be accepted by courts) and an arbitrator's acting ultra vires – beyond the authority conferred by the parties' agreement or the submission of issues. This is a subject of significant debate, especially in the context of an arbitrator allegedly ignoring or deviating from governing law. The Fifth Circuit in this case took an exceedingly

deferential view: arbitrator's decisions must be confirmed even if the arbitrator did not strictly adhere to the provision of the contract and "failed to adhere solely to the substantive law," to waive the claim as Petitioner complained. In doing so, the Fifth Circuit's approach conflicts with the standards employed by other federal courts. It also sits uneasily with this Court's own recognition that arbitrators derive their powers from the contract and exceed those powers if they decide matters or fashion remedies in a way that the contract does not authorize. (*Volt Info. Sciences, Inc. v. Bd. of Trustees of Leland Stanford Jr. U.*, 489 US 468 -Supreme Court 1989) (so too may they specify by contract the rules under which that arbitration will be conducted) (*Edstrom Industries, Inc. v. Companion Life Ins.*, 516 F. 3d 546 – Court of Appeals, 7th Circuit 2008) (the arbitrator can be directed to apply specific substantive norms and held to the application) (*Rent-A-Center, Inc. v. Barker*, 633 F. Supp. 2d 245 – Dist. Court, WD Louisiana 2009) (precisely because arbitration is a creature of contract, the arbitrator cannot disregard the lawful directions the parties have given them).

As this Court has repeatedly affirmed, "an arbitrator's task is to interpret and enforce a contract, not to make public policy." ***Stolt-Nielsen S.A. v. AnimalFeeds Int'l Corp.*, 559 U.S. 662, 672 (2010)**. Thus, when "an arbitrator strays from interpretation and application of the agreement and effectively 'dispense[s] his own brand of industrial justice,' ... his decision may be unenforceable." *Id.* (quoting *United Steelworkers v. Enterprise Wheel & Car Corp.*, 363 U.S. 593, 597 (1960)). In such a case, the award can and should be vacated

under § 10(a)(4) because the arbitrator has “exceeded [her] powers” by acting outside the contract and mandate given by the parties.

The Fifth Circuit erroneously rejected the petitioners arguments, holding that the arbitrator did not exceed her powers. The court emphasized the deference owed to arbitrators and erroneously found **“no evidence that the arbitrator exceeded her powers or acted beyond those granted by the arbitration agreement.”** But in doing so, the Fifth Circuit failed to give effect to the actual limits the contract placed on the arbitrator. The arbitrator’s award was ultra vires, because she relied on the fact that other arbitrators had dismissed similar claims, rather than engaging with the equitable doctrines that courts use. If the arbitrator’s approach is materially contradicts how a court would have applied the statute of limitations (and related tolling rules), then she did not “follow the substantive law” in the manner the contract demanded.

At a broader level, the Fifth Circuit’s apparent indifference to whether the arbitrator actually abided by the contract’s constraints conflicts with decisions in other circuits that take contractual limits on arbitral authority seriously. The Ninth Circuit, for example, has vacated an arbitration award when the arbitrators crafted a remedy that was not contemplated in the contract, thereby exceeding the powers granted by the parties’ agreement. See *Coast Trading Co. v. Pacific Molasses Co.*, 681 F.2d 1195 (9th Cir. 1982). In *Coast Trading*, the contract between the parties limited the remedies available, but the arbitrators fashioned a new remedy not provided for in the contract; the Ninth Circuit held that in doing so, “the arbitrators

exceeded the authority given them by the consent of the parties” and vacated the award. Similarly, the Seventh Circuit has emphasized that an arbitrator “has exceeded his powers when he ignores the contract’s plain language” and bases an award on notions outside the contract. Such cases reflect the same principle this Court expounded in *Stolt-Nielsen* and in earlier labor-arbitration precedents: arbitrators exceed their powers when they disregard or go beyond the contract that authorizes their actions.

The Fifth Circuit’s decision, by contrast, gives arbitrators a wide berth even when the arbitrator actually has strayed from the contract’s requirements. The decision below did not meaningfully engage with the language of the CVS arbitration agreement that imposed law-following and court-remedy limitations on the arbitrator. In essence, the Fifth Circuit treated those contractual directives as empty verbiage, so long as the arbitrator applied it in part. But treating contractual limits as unenforceable undermines parties’ freedom to structure arbitration as they see fit. Here, CVS and its employees agreed to arbitrate only on certain terms – including that the arbitrator must behave much like a judge with respect to law and remedies. If courts will not hold arbitrators to those terms, then the entire rationale of arbitration as a consensual, contract-bound process is constitutionally invalid.

III. THE DECISION BELOW UPHOLDS AN ARBITRATOR’S RELIANCE ON “ARBITRAL PRECEDENT” OVER GOVERNING LAW, HIGHLIGHTING A SERIOUS DEVIATION FROM THE EXPECTED ADHERENCE TO LAW AND

CONTRIBUTING TO THE NEED FOR CLARIFICATION OF THE STANDARD FOR VACATUR

Perhaps the most striking aspect of the arbitration award in this case is the arbitrator's reliance on prior arbitral awards and practices instead of on definitive legal rules. In explaining why she deemed Petitioner's claims time-barred, the arbitrator noted that multiple other arbitrators (in prior unrelated cases) had decided to dismiss claims as untimely in such circumstances. The arbitrator found that trend "persuasive," even though she acknowledged that none of those prior arbitral decisions were exactly on point. What the arbitrator did not do was ground her decision in any specific statute or controlling judicial precedent about timeliness. As the Fifth Circuit summarized, "[t]he arbitrator relied on several federal district court opinions but [ultimately on] other arbitral awards in reaching th[e] conclusion" that Petitioner's demand was time-barred. In effect, the arbitrator resolved a dispositive legal issue by reference to arbitral custom rather than by applying the governing law that the parties' contract and the FAA demand.

When parties bargain for an arbitrator to apply "substantive law," they expect the arbitrator to do what a court would do – i.e., to look to the statutes, precedents, and legal standards that control the dispute. They do not expect the arbitrator to treat prior arbitration rulings (which have no precedential weight in our legal system) as if they were controlling authority. Yet, in this case, this is exactly what happened. The award's reasoning elevates non-binding "arbitral precedent" to a primary role, effectively subordinating the actual governing law

(Title VII and contract law) to the arbitrator's perception of what other arbitrators have done.

The Fifth Circuit saw no problem with this. The court noted that Petitioner "cites no contrary authority", and bafflingly stated that "nothing in the arbitration agreement" *"prohibit[ed] the use of arbitral precedent."* From the Fifth Circuit's perspective, her mixture of district court cases and prior arbitration decisions was an acceptable basis for the award. But that reasoning misses the forest for the trees. The role of an arbitrator bound to apply substantive law is not to be a common-law judge of an autonomous arbitral legal system – it is to faithfully apply the positive law that courts would apply. While prior arbitral awards might be informative, they cannot substitute for actual legal authority. Here, the controlling law included Title VII's statute of limitations and federal equitable tolling doctrines. Instead, the arbitrator ultimately cited other arbitrators' decisions, which do not constitute binding law in any court and in essence "proceeded as if [s]he had the authority of a common-law court" to adopt what she viewed as a sound policy or consensus approach. That is precisely what this Court condemned in *Stolt-Nielsen*, where the arbitral panel, confronted with a contract silent on class arbitration, chose to follow the perceived "post-Bazzele arbitral consensus" favoring class procedures, instead of identifying any grounding in the FAA or applicable law for allowing class arbitration. The Supreme Court held that by "impos[ing] its own conception of sound policy" rather than adhering to a rule derived from the FAA or maritime contract law, the *Stolt-Nielsen* arbitrators exceeded their powers. The parallels to

the present case are strong: the arbitrator likewise appears to have chosen what she saw as a reasonable policy (dismissal of stale claims) based on other arbitrators' examples, instead of rigorously applying or even identifying the rule of law that should govern the situation.

In *Stolt-Nielsen* the arbitrators failed to perform a choice-of-law analysis and ignored the governing law of contracts (custom and usage). Although this Court took a slightly different analytical path in *Stolt-Nielsen* (treating it under § 10(a)(4)), the core idea is the same: an arbitrator cannot justify a decision by saying "other arbitrators have done so" if doing so is not supported and grounded in the choice-of-law the parties agreed on.

When a contract requires the arbitrator to follow substantive law, the arbitrator is bound to apply the legal authorities (statutes, regulations, court precedents) that constitute that law. In such cases, arbitrators should not treat prior arbitral awards as if they were legal precedents that override binding law. While arbitrators might find prior awards informative, those awards are not "substantive law." The arbitrator exceeds their authority if an arbitrator substitutes another arbitrator's reasoning or a so-called "industry practice" for the governing legal rule. The U.S. Supreme Court made this clear in *Stolt-Nielsen*, where the arbitrators relied on a supposed consensus of other arbitration decisions about class arbitration rather than grounding their decision in any contract term or law. The Supreme Court admonished that arbitrators have no authority to craft new rules simply by following previous arbitrators' views; doing so is inconsistent

with adhering to substantive law under the FAA. (*Stolt-Nielsen S. A. v. AnimalFeeds Int'l Corp.*, 559 U.S. 662 (2010)) (the arbitrators' proper task was to identify the rule of law governing in that situation. Instead, the panel based its decision on post-Bazzele arbitral decisions without mentioning whether they were based on a rule derived from the FAA or on maritime or New York law. Rather than inquiring whether those bodies of law contained a "default rule" permitting an arbitration clause to allow class arbitration absent express consent, the panel proceeded as if it had a common-law court's authority to develop what it viewed as the best rule for such a situation. Finding no reason to depart from its perception of a post-Bazzele consensus among arbitrators that class arbitration was beneficial in numerous settings, the panel simply imposed its own conception of sound policy and permitted class arbitration) (*Merck & Co. v. United Steel Workers of Am., Local 4-575*) (Although such evidence could in certain circumstances be used to find a "binding past practice" that would in effect create an additional implied term of the contract, it cannot do so where the express terms of the contract itself either contradict such an implied term or clearly and unambiguously foreclose that result). *Oxford Health Plans LLC v. Sutter*, 569 U.S. 564, 569–73 (2013) (deference applies only when the arbitrator is arguably construing the contract).

When parties stipulate that an arbitrator must apply certain law, the arbitrator's award must demonstrate fidelity to that law – and that a decision ultimately based on prior arbitrators' rulings or generalized practices, instead of the governing legal rule, is a decision in excess of the arbitrator's powers or in

manifest disregard of the law. The Fifth Circuit's permissive stance – effectively shrugging at the arbitrator's use of arbitral lore – is flawed and cannot be reconciled in the FAA. It suggests that as long as an arbitrator strings together some citations (even non-precedential ones), a court will confirm the award without scrutinizing whether the arbitrator truly followed the law or instead created a de facto “arbitral common law.” This could encourage arbitrators to rely on insular arbitral norms or prior awards, rather than grounding their decisions in statutes and precedents.

IV. THE COURTS OF APPEALS ARE SHARPLY DIVIDED OVER THE CONTINUING VITALITY OF “MANIFEST DISREGARD OF THE LAW” AS A BASIS FOR VACATING AWARDS, AND THE QUESTIONS RAISED BY THIS CASE ILLUSTRATE THE NEED FOR THIS COURT TO RESOLVE THAT CONFLICT (9 U.S.C. § 10(A)(2-4))

Finally, this petition calls on the Court to address the long-running, perplexing question of whether the doctrine of “manifest disregard of the law” remains a valid ground for vacating an arbitration award under the FAA. The Court nearly confronted this issue in *Hall Street Associates, L.L.C. v. Mattel, Inc.*, 552 U.S. 576 (2008), and noted it again in *Stolt-Nielsen* in 2010, but ultimately left the question open. In the interim, the lower courts have fractured on this issue. In the wake of *Hall Street*, with some circuits holding that manifest disregard did not survive that decision, and others holding that it did (either as an independent ground or as a “judicial gloss” on the existing statutory grounds). In some circuits (including the Fifth Circuit, below), a claim that an arbitrator willfully ignored clearly governing law is not cognizable at all, no matter how egregious the

arbitrator's error. In other circuits, the same claim can be a basis to vacate or remand an award in those rare instances where the record shows the arbitrator knew the law but chose to disregard it.

This Circuit split is well developed and acknowledged by courts. Four circuits (at least) have explicitly rejected manifest disregard as a valid doctrine in the wake of Hall Street. For example, the Fifth Circuit stated in no uncertain terms that, "under the FAA, the statutory provisions are the exclusive grounds for vacatur" and therefore "manifest disregard of the law as an independent, non-statutory ground for setting aside an award must be abandoned and rejected." *Citigroup Glob. Mkts., Inc. v. Bacon*, 562 F.3d 349, 358 (5th Cir. 2009). The Seventh Circuit is in agreement, holding that the FAA's § 10(a) list "is exclusive" and that "manifest disregard of the law" is not a ground on which a court may reject an arbitrator's award" under that exclusive list. *Affymax, Inc. v. Ortho-McNeil-Janssen Pharms., Inc.*, 660 F.3d 281, 285 (7th Cir. 2011). The Eighth Circuit and Eleventh Circuit have taken the same position, flatly refusing to recognize manifest disregard after Hall Street. See, e.g., *Medicine Shoppe Int'l, Inc. v. Turner Invs., Inc.*, 614 F.3d 485, 488 (8th Cir. 2010) (claims that an arbitrator "disregarded the law" "are not included among those specifically enumerated in § 10 and are not cognizable" under the FAA); *Frazier v. CitiFinancial Corp.*, 604 F.3d 1313, 1323 (11th Cir. 2010) ("our judicially-created bases for vacatur [including manifest disregard] are no longer valid in light of Hall Street"). These courts read Hall Street as essentially

foreclosing any extra-statutory grounds, and they do not accept “manifest disregard” even as a reinterpretation of § 10’s existing terms.

On the other hand, several other circuits have continued to apply manifest disregard in some form. The Second Circuit stands as a leading proponent of the doctrine’s survival. That court has reaffirmed post-Hall Street that “manifest disregard remains a valid ground for vacating arbitration awards,” and it has treated the doctrine as either a judicial gloss on § 10 or a sort of common-law ground that Hall Street did not extinguish (the Second Circuit has sometimes left the precise characterization open, since it reaches the same result either way). *Weiss v. Sallie Mae, Inc.*, 939 F.3d 105, 109 (2d Cir. 2019) (manifest disregard survives, primarily as a gloss on § 10); *Schwartz v. Merrill Lynch & Co.*, 665 F.3d 444, 451–52 (2d Cir. 2011). The Fourth Circuit likewise has said that manifest disregard endured Hall Street. In *Wachovia Securities, LLC v. Brand*, 671 F.3d 472, 483 (4th Cir. 2012), the Fourth Circuit held “manifest disregard continues to exist either as an independent ground for review or as judicial gloss on the enumerated grounds” of § 10. Although a recent Fourth Circuit panel questioned whether manifest disregard should now be viewed only as a gloss and not an independent ground, that court has not overruled its prior precedent recognizing the doctrine. The Sixth Circuit similarly continues to assume manifest disregard is available. It treats the manifest disregard standard as “part and parcel of the statutory prohibition against the arbitrators ‘exceeding their powers’” in § 10(a)(4). *In re Romanzi*, 31 F.4th 367, 375 (6th Cir. 2022); see also *Coffee Beanery, Ltd. v. WW, L.L.C.*, 300 F. App’x 415,

418–19 (6th Cir. 2008) (after *Hall Street*, “[w]e acknowledge the Supreme Court’s hesitation to reject the ‘manifest disregard’ doctrine in all circumstances... Accordingly, this Court will... continue to employ the ‘manifest disregard’ standard.”). At least one other circuit (the Ninth) has explicitly held that “after *Hall Street*... manifest disregard of the law remains a valid ground for vacatur because it is a part of § 10(a)(4).” *Comedy Club, Inc. v. Improv West Assocs.*, 553 F.3d 1277, 1290 (9th Cir. 2009).

Finally, a few circuits, like the First, Third, Tenth, and D.C. Circuits, have acknowledged the debate but declined to take a firm stance, often because the outcome of the case before them did not require it. For instance, the First Circuit noted that *Hall Street* called manifest disregard into doubt, but “we have not squarely determined” if our prior precedent was overruled; yet the First Circuit has hinted that manifest disregard is likely “no longer available” in light of *Hall Street*. *Kashner Davidson Sec. Corp. v. Mscisz*, 601 F.3d 19, 22–23 & n.3 (1st Cir. 2010). The Third Circuit has treated it as an open question but suggested manifest disregard may survive only as a gloss. *Sutter v. Oxford Health Plans LLC*, 675 F.3d 215, 220 n.2 (3d Cir. 2012). The Tenth Circuit has expressly “decline[d] to decide” whether manifest disregard still exists, given lack of guidance from this Court. *Abbott v. Law Office of Patrick J. Mulligan*, 440 F. App’x 612, 620 (10th Cir. 2011). The D.C. Circuit has taken a similar “assume without deciding” approach (and often finds that even assuming manifest disregard applies, the high bar was not met on the facts). *Selden v. Airbnb, Inc.*, 4 F.4th 148, 160 n.6 (D.C. Cir. 2021).

The issues presented here incorporate the essence of a manifest disregard inquiry. The current scenario combines two elements often cited as examples of manifest disregard: (a) an arbitrator's failure to decide a claim that the law required her to decide (akin to ignoring the law that obligates resolution of all claims), and (b) an arbitrator's decision methodology that gave primacy to something other than the governing law (akin to refusing to apply clearly applicable law in favor of other considerations). An arbitrator acts in "manifest disregard" when they consciously choose not to apply the law the parties agreed to, or willfully refuse to adjudicate a portion of the case. Petitioner's case thus vividly illustrates why the availability of the manifest disregard as a safeguard enshrined in 10 of the FAA (or lack thereof) can determine the outcome. In the Second Circuit, for example, Petitioner's arguments might have been framed in terms of manifest disregard (e.g. "the arbitrator knew she was supposed to apply tolling to Title VII claim, but ignored well defined governing legal principles regarding Title VII tolling law"), and a court would have analyzed whether those failures met the stringent manifest-disregard standard. In the Fifth Circuit, however, a party like Petitioner must try to force those concerns into the narrow language of § 10(a)(3) or (a)(4).

Petitioner argued that the arbitrator exceeded her powers by failing to follow the contract's choice-of-law directive (to apply "the substantive law applicable to the case," meaning the actual statutes and court precedents). By basing her decision in part on other arbitrators' awards – essentially treating de facto arbitral precedents as authoritative – the arbitrator departed from the contemplated

contractual adjudicative directives/limitations (which was to decide the tolling of Title VII limitations issue as a court would). Petitioner contends that this was a transgression of the authority conferred by the arbitration agreement.

Other circuits view such a failure to apply the agreed law as a form of manifest disregard. The arbitrator knew of a clearly governing legal principle (here, equitable tolling doctrines and the effect of a prior timely lawsuit) but chose to follow a different approach because some prior arbitrators did so: the arbitrator “knew of a governing legal principle that controlled the outcome of the dispute but nonetheless willfully flouted the governing law by refusing to apply it.” (quoting *Stolt-Nielsen S.A. v. AnimalFeeds Int’l Corp.*, 559 U.S. 662, 672 (2010)).

If the Court believes that manifest disregard can be read as a gloss on § 10 (for instance, as a shorthand for when an arbitrator so exceeds her powers or so refuses to hear pertinent law that § 10(a)(3) & (4) & (2) is implicated), then the Court’s guidance on how to properly incorporate that standard is equally important.

PRAYER

WHEREFORE, For the reasons set forth here in, the petition for a writ of certiorari should be granted. The Supreme Court’s review is warranted to ensure the fundamental guarantees under the Federal Arbitration Act and the rights of parties who submit their claims to arbitrators are guaranteed, by the FAA, that the arbitrator will remain faithful to the parties’ agreements and the law.

The Plaintiff asserts that vacatur under the act is warranted and proper pursuant to the Federal Arbitration Act USC Title 9 § 10. The plaintiff's right to due process and to bring claims and seek redress in an alternative forums are enshrined in the FAA.

The Federal Circuit Court for the Fifth District's errors have deprived the Plaintiff of a just and proper resolution in accordance with the laws as stated prior hereto.


The United States Supreme Court should properly correct the aforementioned errors and adjudicate a proper judgement in accordance:

- 1) The United States Supreme Court should reverse and vacate the decision of the Federal Fifth Circuit Court in affirming the judgement of the Federal District Court for the Northern District of Texas.
- 2) The United States Supreme Court should vacate the final judgement of the Federal District Court in dismissing the case.
- 3) The United States Supreme Court should vacate the final judgement of the Federal District Court in affirming the award; and
- 4) Render the arbitrator's award as null and void as written by the arbitrator; or, in the alternative

- 5) Remand the case for further proceedings in accordance with the opinion and reconsideration under the appropriate legal standard.
- 6) Grant such other and further relief as is just and proper.

Dated this 30th day of December, 2025.

Respectfully submitted,



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