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## NEWS RELEASE

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Contact: Jake Parent (202) 588-7779  
Angela Bradbery (202) 588-7741

### **New eBay User Policy Is Underhanded, Conflicts With Company's Commitment to Openness, Letter and Petition Say**

#### ***Company Should Remove New Forced Arbitration and Anti-Class Action Clauses From User Agreement***

WASHINGTON, D.C. – eBay Inc. should remove from its terms of service new language that forces users to give up their right to go to court and prevents people from banding together in class actions, Public Citizen President Robert Weissman said in a letter sent today to the San Jose, Calif.-based company.

The forced arbitration and anti-class action clauses that eBay recently added to its terms of service disproportionately favor the company in disputes, Weissman said. Most eBay users accept the take-it-or-leave-it contract language without reviewing it, and most don't understand that the forced arbitration clause means they will be shut out of court if they are harmed by company misconduct, particularly when large numbers of users each suffer small-dollar losses.

Worse, the only way people can opt out of eBay's new forced arbitration clause is by signing and sending a letter by traditional snail-mail – a strange requirement for a company whose entire business platform is online, the letter said.

“To put it charitably, eBay's requirement that opt-outs be submitted through traditional mail raises questions about the sincerity of its commitment to permitting users to protect themselves,” Weissman said.

On Sept. 15, eBay emailed users notifying them about unilateral changes eBay made to its terms of use on Aug. 21. These changes include an Agreement to Arbitrate, which forces users to accept binding arbitration as their exclusive means to resolve disputes with eBay and permits them to pursue claims against eBay on an individualized basis only, unless they opt out by Nov. 9.

Public Citizen is launching a petition drive to inform users of the new terms of service language as well as gather their support against it. As part of this launch, Public Citizen will help facilitate the opt-out process by providing a form that can be easily filled out online and then printed for sending.

Public Citizen calls on eBay to remove the forced arbitration and anti-class action language from the terms of service immediately.

If the company refuses to remove the forced arbitration language, it should at least eliminate the anti-class action provisions, because they make it virtually impossible for users to recover money lost in low-dollar disputes. The company also should provide an online opt-out option.

Public Citizen also asks eBay to forward to users a message from Public Citizen explaining why users should exercise their opt-out rights.

“Companies that respect and value their consumers don’t trick them into giving up their rights.” Weissman said. Adding, “eBay should drop its plans to keep aggrieved users from banding together and bringing their claims in court.”

To read the letter and petition, visit  
[http://action.citizen.org/p/dia/action/public/?action\\_KEY=11720](http://action.citizen.org/p/dia/action/public/?action_KEY=11720)

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Public Citizen is a national, nonprofit consumer advocacy organization based in Washington, D.C. For more information, please visit [www.citizen.org](http://www.citizen.org).