A Practice Note explaining how to enforce arbitral awards in Pennsylvania, including procedural considerations and the grounds on which a party may challenge enforcement under federal and Pennsylvania law. This Note examines the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, the Federal Arbitration Act (FAA), and the Pennsylvania Uniform Arbitration Act (PUAA). The Note also explains briefly the procedure for vacating, modifying, or correcting an arbitral award.

SCOPE OF THIS NOTE

The prevailing party in an arbitration may need to enforce the arbitration award if the losing party fails to pay or comply voluntarily. In the arbitration context, enforcement generally refers to judicial confirmation of an arbitration award and entry of a judgment. This Note explains how a party may enforce an arbitration award in either the federal or state courts in Pennsylvania. It describes the relevant state and federal statutes, jurisdictional and venue considerations, the procedure for confirmation of an award in the state and federal courts, and the potential challenges to enforcement. This Note also briefly explains the legal standards and procedure for vacating an arbitration award in state or federal court in Pennsylvania. It does not cover debt collection.

STATUTORY FRAMEWORK

To enforce an arbitration award in Pennsylvania, a party must first determine which law governs the enforcement procedure. There are two possibilities:

- The Federal Arbitration Act (FAA) (see Federal Arbitration Act).

FEDERAL ARBITRATION ACT

US arbitration law greatly favors the enforcement of arbitration awards, including those rendered outside US territory. The FAA is the federal statute that governs arbitration. The FAA specifically:

- In Chapter 1, governs domestic US arbitrations and applies to maritime disputes and contracts involving commerce, which is defined broadly (9 U.S.C. §§ 1 to 16).

The scope of awards to which the FAA applies is exceedingly broad (see Citizens Bank v. Alafabco, Inc., 539 U.S. 52 (2003)). Together with the New York Convention, the FAA covers the enforcement of most arbitral awards in the US. For more information on the FAA, see Practice Note, Understanding the Federal Arbitration Act (0-500-9284).

Domestic Arbitrations Under the FAA

Chapter 1 of the FAA applies to domestic US arbitration awards, maritime awards, and foreign or interstate commerce awards not governed by the New York Convention (see New York Convention). For more information on enforcing domestic arbitration awards under Chapter 1 of the FAA, see Practice Note, Enforcing Arbitration Awards in the US: Enforcement of Arbitration Awards Under Chapter 1 of the FAA for Non-New York Convention Awards (9-500-4550).

New York Convention

Chapter 2 of the FAA implements the New York Convention and provides federal court jurisdiction for the enforcement of international awards under the New York Convention (9 U.S.C. §§ 201 to 208). It applies to arbitration agreements and awards arising...
out of a legal commercial relationship, whether or not contractual, including a transaction, contract, or agreement described in Chapter 1 of the FAA (9 U.S.C. § 2). The New York Convention applies to international disputes even when the arbitration is held in the US (see Bergesen v. Joseph Muller Corp., 710 F.2d 928, 932 (2d Cir. 1983) and Indus. Risk Insurers v. M.A.N. Gutehoffnungshutte GmbH, 141 F.3d 1434, 1441–42 (11th Cir. 1998)).

However, an arbitration based on an agreement arising out of a relationship entirely between US citizens does not fall under the New York Convention, unless that relationship:
- Involves property located abroad.
- Contemplates performance or enforcement abroad.
- Has some other reasonable relation to one or more foreign states. (9 U.S.C. § 202.)

If there is a conflict between the New York Convention and the FAA, the New York Convention applies (9 U.S.C. § 208). An arbitration award issued in a country that is a signatory to the New York Convention is generally enforceable in the US, subject to the New York Convention’s provisions for refusal of enforcement and recognition (see Article, Fifty Years of the New York Convention on Arbitral Awards: Success and Controversy (9-384-4388)).

For more information on enforcing international arbitration awards under the New York Convention, see Practice Note, Enforcing Arbitration Awards Under Chapter 2 of the FAA Implementing the New York Convention (9-500-4550).

Panama Convention

Chapter 3 of the FAA implements the Panama Convention and provides federal courts with subject matter jurisdiction for the enforcement of arbitration awards that are governed by the Panama Convention (9 U.S.C. §§ 203 and 302). The Panama Convention applies to arbitrations arising from a commercial relationship between citizens of nations that have signed the Panama Convention if, with certain exceptions, the parties are not all US citizens (9 U.S.C. §§ 301 to 307). When both the Panama Convention and New York Convention apply to an international arbitration, the New York Convention controls unless:
- The parties expressly agree that the Panama Convention applies.
- A majority of the parties to the arbitration agreement are citizens of a nation or nations that:
  - have ratified or acceded to the Panama Convention; and
  - are member states of the Organization of American States. (9 U.S.C. § 305.)

Because parties most often enforce arbitration awards under the New York Convention or the FAA’s domestic arbitration provisions, this Note does not contain a detailed analysis of the Panama Convention.

Pennsylvania Arbitration Law

The Pennsylvania statutory scheme governing arbitration is set out in Chapter 73 of the Pennsylvania Judicial Code (42 Pa. Cons. Stat. §§ 7301 to 7362). The statute includes:

Courts presume that a Pennsylvania arbitration is governed by the common law, unless the parties’ arbitration agreement or a subsequent agreement between them:
- Is in writing.

Interplay Between Federal and Pennsylvania Arbitration Law

Federal law preempts conflicting state law only “to the extent that it stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress” (Volt Info. Scis., Inc. v. Bd. of Trs. of Leland Stanford Junior Univ., 489 U.S. 468, 476-77 (1989) (there is no federal policy favoring arbitration under a certain set of procedural rules; the federal policy behind the FAA is simply to ensure that arbitration agreements are enforceable)).

The state’s procedural rules governing arbitration are beyond the reach of the FAA, and therefore the FAA does not preempt the procedural rules governing arbitration in state courts (Moscatiello v. Hiliard, 939 A.2d 325, 329 (Pa. 2007). Similarly, the standards for vacating an arbitration award under Section 10 of the FAA do not preempt the standards of review contained in Pennsylvania’s arbitration acts, because Pennsylvania’s arbitration laws “facilitate rather than impede” the goals of the FAA (Trombetta v. Raymond James Fin. Servs., Inc., 907 A.2d 550, 569 (Pa. Super. Ct. 2006); see also Moscatiello, 939 A.2d at 329 (“Because Pennsylvania’s arbitration acts provide for the enforcement of arbitration of contract and other disputes, they foster the federal policy favoring arbitration enforcement.”)).

Confirming Awards

To confirm an arbitration award under either the FAA or the Pennsylvania arbitration statutes, a party must file a petition or motion to confirm the award. A confirmation action is intended to be a summary expedited proceeding and is usually faster than a regular lawsuit on the merits, particularly if no party challenges the award.

Confirming Awards Under the FAA

Section 9 of the FAA governs confirmation of arbitral awards. For the FAA to apply to the enforcement proceedings, the parties’ agreement must:
- State that a court may enter judgment on the award.
- Specify the court. (9 U.S.C. § 9.)

If the parties’ agreement satisfies both requirements, any party may apply to the court within one year after issuance of the arbitration award to confirm the award (9 U.S.C. § 9). For more information on confirming an arbitration award in federal court, see Practice Note, Enforcing Arbitration Awards in
the US: General Confirmation Procedure: Application by Motion or Petition (9-500-4550). For a sample petition to confirm an arbitration award in federal court, see Standard Document, Petition to Confirm Arbitration Award (Federal) (w-000-5309). For a sample petition to enforce an international award under the New York Convention, see Standard Document, Petition to Confirm Foreign Arbitration Award (Federal) (w-000-7469).

**Standard for Confirmation Under the FAA**

The court must confirm an arbitration award unless the court finds grounds to vacate, modify, or correct the award (9 U.S.C. §§ 10 and 11). On an application to vacate an award, the court begins with the presumption that the award is enforceable and may vacate it only under the “exceedingly narrow circumstances” listed in Section 10(a) (Freeman v. Pittsburgh Glass Works LLC, 709 F.3d 240, 251 (3d Cir. 2013)). The US Court of Appeals for the Third Circuit sets “an extremely high bar” for vacating an arbitration award on the grounds of arbitrator misconduct (9 U.S.C. § 10(a)(3); BSC-C JV v. Louis Berger Grp., Inc., 2014 WL 3516246, at *4 (D. N.J. July 15, 2014)). Courts do not vacate awards on the grounds of the arbitrator exceeding his powers unless the arbitrator:

- Decides an issue not submitted to arbitration.
- Grants relief in a form that cannot be rationally derived from the parties’ arbitration agreement and submissions.
- Issues an award that is so completely irrational that it lacks support altogether.


**Federal Court Jurisdiction**

Although the FAA creates federal substantive law that requires parties to honor arbitration agreements, Chapter 1 of the FAA does not create any independent federal question jurisdiction (see Southland Corp. v. Keating, 465 U.S. 1, 16 n.9 (1984) (citing Moses H. Cone Mem’l Hosp. v. Mercury Constr. Corp., 460 U.S. 1 (1983))). Before a federal court may enforce awards governed by Chapter 1 of the FAA, the petitioner must establish either:

- Diversity jurisdiction.
- Federal question jurisdiction.

(See Vaden v. Discover Bank, 556 U.S. 49 (2009).)

Federal courts have subject matter jurisdiction over enforcement proceedings for arbitration awards governed by the New York Convention or Panama Convention (9 U.S.C. §§ 203 and 302).

Under the FAA, once the moving party serves a notice of a petition for confirmation on all parties, the federal court in the district where the award was made or in the district specified in the award as the forum for enforcement has personal jurisdiction over the parties as though the parties had appeared generally in the proceeding (9 U.S.C. § 9).

**Federal Venue**

If the arbitration agreement provides that a particular court enter judgment on the award, the moving party must file the application for judicial confirmation in that court. If the agreement does not identify a particular court for entry of judgment on the award, the party may file the application in a district court in the district where the arbitrator issued the award. (9 U.S.C. § 9.)

Under the New York and Panama Conventions, a party may file a petition for judicial confirmation in any court either:

- Where the underlying dispute may have been brought if there had been no agreement to arbitrate.
- In the location designated for arbitration in the arbitration agreement if that location is within the US. (9 U.S.C. §§ 204 and 302.)

Arbitration agreements may contain forum selection clauses that specify the forum for enforcement of an arbitral award. The FAA, New York Convention, and Panama Convention give effect to the forum the parties select (9 U.S.C. §§ 9, 204, and 302).

**Confirmation Procedure in Federal Court**

A party applies for judicial confirmation of an arbitration award by serving and filing in the federal district court either:

- **A petition to confirm.** A party uses a petition if there is no lawsuit regarding the arbitration already pending. A petition to confirm an arbitration award allows the petitioner to request that the court confirm an award without first filing a complaint. When a party commences an action in federal court by filing a petition without an accompanying complaint, the court treats the petition as a motion to confirm an arbitration award. (9 U.S.C. § 6; D.H. Blair & Co. v. Gottlieber, 462 F.3d 95 (2d Cir. 2006).)

- **A motion to confirm.** If a lawsuit involving the arbitration is already pending (for example, because a party moved to compel or stay arbitration at the start of the case), a party seeking to confirm the arbitration award does not need to start a new proceeding by filing a petition to confirm. The party instead returns to the court where the case is already pending and files a motion to confirm the award.

The party seeking confirmation must also file with the petition or motion:

- The arbitration agreement, including the parties’ agreement, if any, on:
  - selecting an arbitrator; and
  - extensions of time, such as an agreement extending the deadline for the arbitrator to issue the award.
- A copy of the award.
- Any documents a party submitted in connection with any application to modify or correct the award.

The moving party must serve notice of the confirmation application on the adverse party, at which point the court assumes jurisdiction over the adverse party as though the adverse party had appeared generally in the proceeding. If the adverse party is:

- **A resident of the district in which the award was made,** the moving party must serve either the party or the party’s attorney in the same manner that a party must serve notice of a motion in that court.
- **A non-resident of the district,** the moving party must serve the party in the same way as it serves any other process. (9 U.S.C. § 9.)
An application to confirm an arbitration award is a summary proceeding. The court may hear argument but does not hold a hearing, and the parties do not present evidence. The court confirms the arbitration award based on the parties’ submissions and argument, if any. If no party challenges the enforcement and the court finds no grounds for modification or vacatur, the court confirms the award and enters judgment on it (see Vacating, Modifying, or Correcting Awards Under the FAA).

Timing Under the FAA

A party seeking to confirm an arbitration award under Chapter 1 of the FAA may apply for an order confirming the award at any time within one year after the arbitrator makes the award (9 U.S.C. § 9). The federal circuit courts of appeal are split on the interpretation of this provision. Some courts, including the US Court of Appeals for the Second Circuit, have interpreted Section 9 as a strictly enforced one-year statute of limitations (see Photopoint Techs., LLC v. Smartlens Corp., 335 F.3d 152 (2d Cir. 2003)). Other circuits, including the US Courts of Appeals for the Fourth and Eighth Circuits, have relied on the ordinary meaning of “may” to conclude that the one-year limitations period is permissive (Sverdrup Corp. v. WHC Constructors, Inc., 989 F.2d 148 (4th Cir. 1993); Val-U Constr. Co. of S.D. v. Rosebud Sioux Tribe, 146 F.3d 573 (8th Cir. 1993)). The Third Circuit has not ruled on this issue.

Any party seeking confirmation of an arbitral award governed by the New York or Panama Conventions must apply within three years from when the arbitrator makes the award (9 U.S.C. §§ 207 and 302).

CONFIRMING AWARDS UNDER THE PENNSYLVANIA ARBITRATION STATUTES

A party seeking to confirm an arbitration award in Pennsylvania state court must file a petition or motion to confirm (see Pennsylvania Confirmation Procedure).

Standard for Confirmation in Pennsylvania

The same standard applies for confirmation of PUAA arbitration awards and common law arbitration awards. If no party moves to vacate, modify, or correct the award within 30 days after the arbitrator issues the award, the court must grant a party’s application to confirm the award. (42 Pa. Cons. Stat. §§ 7313 and 7342(b); see Vacating, Modifying, or Correcting Awards Under the Pennsylvania Arbitration Statutes.)

Pennsylvania Court Jurisdiction

The parties consent to the jurisdiction of Pennsylvania courts to enforce any award that an arbitrator issues if both:

- The arbitration was based on an arbitration agreement the parties made in Pennsylvania.
- The parties’ agreement provides for arbitration in Pennsylvania. (42 Pa. Cons. Stat. § 7318.)

Pennsylvania Venue


The Pennsylvania rules regarding proper venue for confirmation proceedings apply to both PUAA and common law arbitrations (42 Pa. Cons. Stat. § 7342(a)). A party seeking to confirm an award should file the petition in the court located in the county where the arbitration hearing occurred (42 Pa. Cons. Stat. § 7319(1); Mikkilineni v. Ind. Cty. Comm’rs, 986 A.2d 185, 189 (Pa. Commw. Ct. 2009)) (“The arbitration hearing occurred in Westmoreland County, making that the proper venue for filing the petition to confirm the arbitration award.”).

If a party cannot file the petition to confirm an arbitral award in the court in the county where the hearing occurred, for example, because the hearing occurred in another state, the party should file the petition in a court where the adverse party either:

- Resides.
- Has a place of business.

(42 Pa. Cons. Stat. § 7319(2).)

If the adverse party has no residence or place of business in Pennsylvania, the petitioner may file the petition in a court in any Pennsylvania county (42 Pa. Cons. Stat. § 7319(2)).

Pennsylvania Confirmation Procedure

To confirm an award governed by either the PUAA or the common law, a party must file a motion or petition with certified copies of both the arbitration award and the arbitration agreement. A party uses a petition if there is no lawsuit already pending involving the arbitration (42 Pa. Cons. Stat. § 7317). If there is a lawsuit already pending, the party seeking to confirm the award files a motion instead of a petition.

The motion or petition to confirm the award should:

- Identify the parties.
- Describe the arbitration agreement.
- Refer to the arbitration award.
- State the relief the applicant seeks.

If no party presents the court with grounds to vacate, modify, or correct the award, the court must:

- Grant the application requesting confirmation.
- Order confirmation.
- Enter judgment on the order.

(42 Pa. Cons. Stat. §§ 7316 and 7342(b).)

For information on commencing an action in Pennsylvania, see State Q&A, Commencing an Action: Pennsylvania (w-000-2854).

Timing Under Pennsylvania Law

A party seeking to confirm an arbitration award in Pennsylvania should file a petition or motion to confirm more than 30 days after the arbitrator issues the award (42 Pa. Cons. Stat. § 7313 (“On application of a party; the court shall confirm an award, unless within time limits imposed by this subchapter, grounds are urged for vacating or modifying or correcting the award.”); 42 Pa. Cons. Stat. § 7342(b) (“On application of a party made more than 30 days after an award is made by an arbitrator under section 7341 (relating to common law arbitration), the court shall enter an order confirming the award and shall enter a judgment or decree in conformity with the order.”)). There is no deadline by which a party must file a petition or motion to confirm.
VACATING, MODIFYING, OR CORRECTING AWARDS

Both the FAA and the Pennsylvania arbitration statutes contain provisions that permit a party to challenge or request modification or correction of an arbitration award. This section describes briefly the process for vacating, modifying, or correcting an award.

VACATING, MODIFYING, OR CORRECTING AWARDS UNDER THE FAA

A party dissatisfied with an arbitration may ask the court to vacate, modify, or correct the award.

For detailed information on vacating, modifying, or correcting arbitration awards in federal court, see Practice Note, Vacating, Modifying, or Correcting an Arbitration Award in Federal Court (w-000-6340). For a sample petition to vacate an arbitration award in federal court, see Standard Document, Petition to Vacate, Modify, or Correct Arbitration Award (Federal) (w-000-5608).

Standard for Vacatur Under the FAA

Under the FAA, a court may vacate an award on any of the following grounds:

- The prevailing party obtained the award by corruption, fraud, or undue means.
- Any of the arbitrators were partial or corrupt.
- The arbitrators were guilty of misconduct in:
  - refusing to postpone the hearing on sufficient cause shown;
  - refusing to hear evidence pertinent and material to the controversy; or
  - any other behavior by which the rights of any party have been prejudiced.
- The arbitrators exceeded their powers or so imperfectly executed them that they did not make a mutual, final, and definite award on the matters the parties submitted to arbitration. (9 U.S.C. § 10.)

Some US courts have held that courts may vacate arbitral awards governed by the FAA on the common law ground of manifest disregard of the law. The continuing viability of this ground for vacatur is uncertain in light of the US Supreme Court holding that the grounds for refusing to enforce an award listed in the FAA are exclusive and parties may not supplement them by agreeing to any expanded scope for judicial review of arbitral awards in their arbitration agreement (see Hall Street Assoc. LLC v. Mattel, Inc., 552 U.S. 576, 586 (2008)). The courts of appeals are divided on this issue, and the Third Circuit has expressly declined to decide whether manifest disregard remains a proper ground for vacatur after Hall Street (see Whitehead v. Pullman Grp. LLC, 811 F.3d 116, 120 (3d Cir. 2016)).

Procedure to Vacate Under the FAA

Under the FAA, a party seeking to vacate an arbitral award must serve a petition or motion on the adverse party or its attorney within three months after the filing or delivery of the award (9 U.S.C. § 12).

If a party previously filed a lawsuit relating to the arbitration, such as an application to compel arbitration or confirm the award, the party seeking to vacate the award must bring the vacatur application as a motion in the same court (see IDS Life Ins. Co. v. Royal All. Assoc., Inc., 266 F.3d 645, 653 (7th Cir. 2001)).

If there is no lawsuit already pending involving the arbitration, a party seeking to vacate, modify, or correct an arbitration award must start an action by filing a petition (see Confirmation Procedure in Federal Court). The same rules about jurisdiction and venue for confirmation applications apply (see Federal Court Jurisdiction and Federal Venue).

The application to vacate is a summary proceeding. The court may hear oral argument but does not hold a hearing. The court decides the application on the parties’ submissions and argument, if any. If the court finds sufficient grounds for vacatur and the time within which the agreement requires issuance of the award has not yet expired, the court may vacate the award and direct a rehearing by the same arbitrators (9 U.S.C. § 10(b)).

Standard to Modify or Correct Under the FAA

A court may modify or correct an arbitration award under Chapter 1 of the FAA if either:

- The award contains an evident material miscalculation of figures or an evident material mistake in the description of any person, thing, or property.
- The arbitrators awarded on a matter not submitted to them, unless it is a matter not affecting the merits of the decision on the matter submitted.
- The award is imperfect in matter of form not affecting the merits of the controversy. (9 U.S.C. § 11.)

The FAA also provides that the court may modify or correct an award to effect the intent of the award and promote justice between the parties (9 U.S.C. § 11).

Neither the New York Convention nor the Panama Convention identifies any grounds for modifying or correcting an award. One court noted that there may be some leeway to do so under the New York Convention but that leeway is “very small and is available only in limited circumstances so as not to interfere with the New York Convention’s clear preference for confirmation of awards” (Admart AG v. Stephen & Mary Birch Found., Inc., 457 F.3d 302, 309 (3d Cir. 2006)).

Procedure to Modify or Correct Under the FAA

A party seeking to modify or correct an arbitration award must serve a petition or motion on the adverse party or its attorney within three months after the arbitrator or arbitral institution delivers or files the award (9 U.S.C. § 12).

VACATING, MODIFYING, OR CORRECTING AWARDS UNDER THE PENNSYLVANIA ARBITRATION STATUTES

A party dissatisfied with an arbitration award governed by a Pennsylvania arbitration statute may apply to a Pennsylvania court to vacate, modify, or correct the award.

Standard for Vacatur Under the PUAA

Under the PUAA a court may vacate an arbitration award on the same grounds as those available under the FAA (42 Pa. Cons. Stat. § 7314(a)(1)(i)–(v); see Standard for Vacatur Under the FAA). The court...
may also vacate a PUAA award on the same grounds as those available under the Pennsylvania common law arbitration rules (see Standard for Vacatur Under Pennsylvania Common Law).

Even if the arbitrator awards relief that a court could not grant, this fact does not provide a ground for the court to vacate or refuse to confirm the award (42 Pa. Cons. Stat. § 7314(a)(2)).

**Standard for Vacatur Under Pennsylvania Common Law**

Under the Pennsylvania common law arbitration rules, a court may vacate an arbitration award only if the court finds that either:

- The party did not receive a hearing.
- Fraud, misconduct, corruption, or some other irregularity caused the arbitrator to render an award that is:
  - unjust;
  - inequitable; or
  - unconscionable.

(42 Pa. Cons. Stat. § 7341.)

An irregularity refers to the process the arbitrator employs in reaching the result of the arbitration, not the result itself, and may include the arbitrator determining a matter that the parties did not submit to arbitration (see *Gargano v. Terminix Int’l Co.*, L.P., 784 A.2d 188, 193 (Pa. Super. Ct. 2001)).

**Procedure to Vacate Under the PUAA and Common Law**

A party seeking to vacate either a PUAA or common law arbitration award must file a petition or motion to vacate within 30 days after the arbitrator issues the award (42 Pa. Cons. Stat. §§ 7314(b) and 7342(b); see also *Taylor-Winfield Corp. v. WS Liquidation Inc.*, 4 Pa. D. & C.5th 509, 512 (Pa. Ct. Com. Pl. Mercer Cty. 2008)). If the aggrieved party challenges the award based on corruption, fraud, misconduct, or other impropriety, the party must file the petition or motion to vacate within 30 days of the date the party knows or should know of the grounds (42 Pa. Cons. Stat. § 7314(b)). The same rules about jurisdiction and venue for confirmation applications apply (see Pennsylvania Court Jurisdiction and Pennsylvania Venue).

**Modifying or Correcting Under the Pennsylvania Arbitration Statutes**

A Pennsylvania court may modify or correct an arbitration award on the same grounds as those available under the FAA (42 Pa. Cons. Stat. § 7315(a)(1)-(3); see Standard to Modify or Correct Under the FAA). A party must apply to have the court modify an arbitration award within 30 days after the party receives a copy of the award (42 Pa. Cons. Stat. § 7315(a)). The same rules about jurisdiction and venue for confirmation applications apply (see Pennsylvania Court Jurisdiction and Pennsylvania Venue).

**AWARDS AND ORDERS SUBJECT TO APPEAL**

Both the FAA and the Pennsylvania arbitration statutes permit a party to appeal certain court orders relating to arbitration, including:

- An order:
  - confirming or denying a summary action to confirm an award;
  - modifying or correcting an award; or
  - vacating an award without directing a rehearing.
- A judgment or decree entered under the PUAA.

(42 Pa. Cons. Stat. §§ 7320(a)(1)–(6) and 7342(a); 9 U.S.C. §16.)