Arbitration Policy

A. Overview

Audience

This Arbitration Policy covers Best Buy and (a) all applicants for employment with Best Buy in the United States, (b) all Employees employed by Best Buy in the United States, and (c) all beneficiaries of Best Buy Employees who participate in Best Buy’s employee benefit plans.

For purposes of this Policy, “Best Buy” means Best Buy Co., Inc., and all of its direct and indirect subsidiaries and affiliates, including Best Buy Stores, L.P., and all employee benefit plans Best Buy sponsors. “Employees” means both current and former employees, as well as all beneficiaries of employees who participate in Best Buy’s benefits plans.

Summary

This Policy is a binding contract between Best Buy and Best Buy’s employment applicants and Employees. Any contractual disclaimers that Best Buy has regarding its other policies or otherwise do not apply to this Policy.

This Policy requires that employment applicants and Employees bring in arbitration, rather than in court, any past, present or future claims, disputes, or lawsuits of any kind (“Claims”) that they may have against Best Buy, on an individual basis only. Likewise, this Policy requires Best Buy to bring any Claims it has against any applicant or Employee in arbitration rather than in court, on an individual basis only. For Employees, this Policy is a mandatory condition of initial and continuing employment at Best Buy, and applies even after employment ends. By becoming or remaining employed after the effective date of this Policy, employees agree to this Policy’s terms. For applicants, this Policy is a mandatory condition of being considered for employment with Best Buy.

All disputes covered by this Arbitration Policy will be decided by an arbitrator in arbitration and not by way of a court or jury trial.

Purpose

This Policy implements Best Buy’s requirements that Best Buy and all employment applicants and Employees arbitrate all covered Claims on an individual basis.

B. Responsibilities

Applicants and Employees

- Read and understand the Policy
- Bring any covered Claims against Best Buy in arbitration on an individual basis as described in this Policy
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- Ask any questions about the Policy by contacting Employee Relations (Employees) or a Best Buy manager or recruiter (applicants)

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- Bring any covered Claims against an applicant or Employee in arbitration on an individual basis as described in this Policy

C. Requirements

All applicants for employment with Best Buy in the United States and all Best Buy Employees in the United States must bring any covered Claims they have against Best Buy in arbitration, rather than in court. This Policy applies to Claims brought prior to employment, during employment, and after employment ends.

All applicants for employment with Best Buy in the United States and all Best Buy Employees in the United States waive any and all rights to litigate covered Claims against Best Buy on a class or collective basis. Best Buy likewise waives any and all rights to litigate covered Claims against an Employee or applicant on a class or collective basis.

Separately, to the extent enforceable, the parties waive all rights to bring an action against each other on a representative basis.

There is no judge or jury in arbitration, but the arbitrator can award on an individual basis the same damages and remedies as a judge or jury could in court.

This Policy, its enforceability, and its implementation are governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16.

Covered Claims

Except as described in the “Claims not Covered” section, past, present or future Claims between an Employee/former Employee or applicant and Best Buy, that arise out of or relate in any way to the applicant’s or Employee’s employment application, employment and/or termination of employment with Best Buy are covered by this Policy. Covered Claims include, but are not limited to, Claims related to the applicant’s or Employee’s recruitment, background check, hire or non-hire, employment terms and conditions, wages and compensation, promotion or non-promotion, leaves of absence, benefits, and employment termination.

Covered Claims include Claims against individuals who are current or former Best Buy directors, officers, employees, fiduciaries of Best Buy’s employee benefit plans, third parties who provide administrative services to Best Buy’s employee benefit plans, or agents who acted on Best Buy’s behalf or as to whose actions the Employee or applicant seeks to hold
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Best Buy liable. Any of these individuals or entities may enforce this Policy as direct or third-party beneficiaries.

Except as otherwise provided in the “Claims not Covered” section, Claims covered by this Policy include Claims based on any statute, regulation, wage order, ordinance, or any other law or legal theory. Covered Claims include, but are not limited to, the following:

- Contract and promissory estoppel claims
- Tort claims such as defamation, negligent or intentional infliction of emotional distress, malicious prosecution, false imprisonment, assault, battery or invasion of privacy
- Wrongful discharge claims
- Fraud and misrepresentation claims
- Breach of fiduciary duty claims
- Negligence claims
- Discrimination, harassment, and retaliation claims
- Claims under any federal, state or local statute, regulation, wage order or ordinance, such as:
  - Title VII of the Civil Rights Act
  - The Americans with Disabilities Act
  - The Age Discrimination in Employment Act
  - The Equal Pay Act
  - The Genetic Information and Nondiscrimination Act
  - The Family and Medical Leave Act
  - The Fair Labor Standards Act
  - The Uniformed Services Employment and Reemployment Rights Act
  - The Worker Adjustment and Retraining Notification Act
  - The Employee Retirement and Income Security Act
  - The Fair Credit Reporting Act
  - The California Labor Code or any other state’s labor code
- Expense reimbursement claims
- Unfair business practice claims
- Claims for non-payment, incorrect payment or late payment of wages, overtime, commissions, bonuses, premium pay, penalty pay, split shift pay, reporting time pay, paid sick leave, Paid Time Off, vacation, or any other compensation, whether such claims are based on an alleged contract, any federal, state, or municipal law, or any other theory
- Claims alleging failure to provide seats
- Claims alleging noncompliant or missed meal or rest breaks

Claims Not Covered

This Policy does not apply to:
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- Claims that may not be subject to mandatory pre-dispute arbitration as provided by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable federal law

- Claims for benefits under Best Buy’s group health, disability, severance, vision, or dental employee benefit plans (all other claims of any kind under ERISA, including claims for breach of fiduciary duty, for equitable relief, or any claim with respect to Best Buy’s 401(k) plan, are covered by this Policy)

- Representative claims under California’s Private Attorney General Act, unless and until applicable law determines that the representative action waiver in this Policy is enforceable as to such claims

- Claims for workers’ compensation benefits

Right to File Administrative Charges/Complaints

This Policy does not prohibit an Employee or applicant from filing a report, charge or complaint with the U.S. Equal Employment Opportunity Commission, the National Labor Relations Board, the Department of Labor, the Occupational Safety and Health Commission, or any other federal, state, or local administrative agency, and this Policy does not prevent the agency from conducting an investigation. This Policy also does not prevent federal agencies from prosecuting, adjudicating, or awarding remedies based on any report, charge or complaint. An Employee or applicant may not file a lawsuit based on a government report, charge or complaint, but rather must file his or her Claims in arbitration under this Policy.

For any Claims where the law requires that an administrative procedure be followed before bringing an action in court (for example, filing an EEOC charge and receiving a right to sue, or filing an administrative claim for benefits under the terms of an employee benefit plan), a party (applicant, Employee, or Best Buy) must exhaust that procedure before bringing an arbitration Claim.

In accordance with applicable law, Best Buy will not retaliate against any applicant or Employee for filing a report, charge or complaint with a government agency or for exercising rights under Section 7 of the National Labor Relations Act.

Class and Collective Action Waiver

All covered Claims under this Arbitration Policy must be arbitrated on an individual basis. No party (Best Buy, Employee or applicant) may bring or participate in a class or collective action against the other. The parties (Employees, applicants, and Best Buy) waive any right to initiate or participate in a class action or collective action, and the arbitrator is prohibited from presiding over any class or collective action. Further, an individual’s Claims may not be joined or consolidated in arbitration with Claims
brought by other individuals, unless agreed to in writing by all parties. If a court determines that the class and/or collective action waiver in this paragraph is unenforceable for any reason, and orders that a class or collective action should proceed, such action may not proceed in arbitration, but rather must proceed in court.

An arbitrator’s authority to resolve disputes and make awards under this Policy is limited to Claims between: (1) an individual Employee, former Employee or applicant and Best Buy, and (2) an individual Employee, former Employee or applicant and any current or former Best Buy directors, employees, agents or other individuals or entities who are named as defendants or respondents because they acted on Best Buy’s behalf or as to whose actions the Employee, former Employee or applicant seeks to hold Best Buy accountable. No arbitration award or decision will have any preclusive effect as to issues or Claims in any dispute with anyone who is not a party to the arbitration.

Private Attorney General Act Claims

If applicable law in the future allows for enforcement of California Private Attorney General Act (PAGA) representative action waivers, the parties (Employees, applicants and Best Buy) in that case waive any right to initiate or participate in a PAGA representative action, and agree to bring all PAGA claims on an individual basis in arbitration, rather than in court. In any event, an arbitrator has no authority under this Policy to preside over any PAGA representative action.

An Employee, former Employee or applicant may bring PAGA claims in arbitration solely on his or her own behalf. The PAGA representative action waiver above is severable from this Policy if it is unenforceable under applicable law, and if that is the case, any PAGA representative action must proceed in court and not in arbitration.

Final and Binding Arbitration

Arbitration under this Policy will be instead of a court or jury trial. The arbitrator will make a written decision, which will include its legal and factual bases. The arbitrator’s award may be entered in any court of competent jurisdiction.

Filing an Arbitration Claim

An Employee, former Employee, applicant or Best Buy must initiate any arbitration Claim by filing it with the American Arbitration Association (AAA). Arbitration will be conducted in accordance with the Employment Arbitration Rules of the AAA in effect at the time the Claim is filed, to the extent such Rules are not inconsistent with this Policy’s terms. This Policy also adopts the AAA Optional Rules for Emergency Measures of Protection, to the extent not inconsistent with this Policy’s terms. Both the Employment Arbitration and Emergency Measures of Protection Rules may be found on the internet at www.adr.org. A copy of these Rules is also available upon request from Employee Relations at EmployeeRelations@bestbuy.com or 1-866-MY-BBY-HR (1-866-692-2947).
Arbitration Costs

Best Buy will pay the arbitration administrative fees and arbitrator fees, except that, if an applicant, Employee, or former Employee is the party initiating the Claim, such individual must pay the AAA filing fee. If the applicant, Employee or former Employee is unable to pay the fee and provides to Best Buy a statement signed under oath attesting to such inability, Best Buy will pay the fee and file the Claim on the applicant’s, Employee’s or former Employee’s behalf. Best Buy and the Employee/former Employee or applicant will pay their own attorneys’ fees, if any, incurred in connection with the arbitration, but the arbitrator will have authority to award attorneys’ fees if a contract, statute or other applicable law authorizes the award of attorneys’ fees to the prevailing party.

Arbitrability Questions

Any dispute as to arbitrability, including disputes about this Policy’s enforceability, unconscionability, validity and applicability to a particular Claim must be resolved by the arbitrator in arbitration and not by the court. However, the preceding sentence does not apply to the class and collective action waiver and/or representative action waiver. Any claim that the class and collective action waiver or representative action waiver is unenforceable for any reason must be decided by a court and not an arbitrator.

Severability

If any term of this Policy is determined to be unenforceable, it will be considered severed, and the remainder of this Policy will not be affected by such unenforceability. If the class and collective action waiver, or the PAGA representative action waiver, is found unenforceable in a particular case, it will be considered severed. In the case of such unenforceability, any class, collective or representative action must proceed in court and not in arbitration.