

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

IN THE COURT OF COMMON PLEAS
FOR CHARLESTON COUNTY

J. DANIEL MAHONEY,

CASE NO.: 2019-CP-10-178

Plaintiff,

v.

ORDER GRANTING DEFENDANTS'
MOTION TO STAY AND COMPEL
ARBITRATION

THE MUHLER COMPANY, INC. and
HENRY HAY, SR., in his individual
capacity,

Defendants.

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SC Court of Appeals

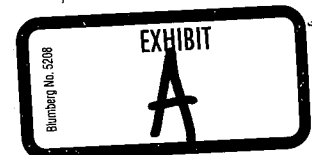
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JULIE J. ARMSTRONG
CLERK OF COURT

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Before the Court is a Motion to Stay the Case and Compel Arbitration filed by Defendants.

Having had the benefit of oral argument on May 31, 2019, as well as after reviewing materials provided by all parties at the hearing, the Court rules as follows:

1. Defendants' Motion is granted, and arbitration is compelled.
2. Based on the facts and circumstances of this dispute, I find Article XIII, Section 2 of the Amended Bylaws to the Muhler Company, Inc. regarding the selection of the arbitrators to be inequitable and therefore unenforceable. S.C. Code Ann. Section 15-48-10(a) ("A written agreement to submit any existing controversy to arbitration or a provision in a written contract to submit to arbitration any controversy thereafter arising between the parties is valid, enforceable and irrevocable, save upon such grounds as exist at law or in equity for the revocation of any contract.") I find Section 2 should be stricken.
3. Further, Article XIII, Section 8 contains a Severability clause meaning the remainder of the arbitration provision is valid and binding.
4. Having struck Article XIII, Section 2, the default arbitrator selection language of the South Carolina Uniform Arbitration Act applies: "If the arbitration agreement provides a method of appointment of arbitrators, this method is followed. In the absence thereof, there shall be three arbitrators with one chosen by the party making the demand for



arbitration, one chosen by the party against whom demand is made and the third being chosen by those two chosen by the parties." S.C. Code Ann. Section 15-48-40.

5. I will retain jurisdiction of this case to hear all matters once the arbitration is concluded.

IT IS SO ORDERED.

This 24th day of June, 2019


The Honorable Bentley Douglas Price
Circuit Judge