

RULES OF PROCEDURE FOR ARBITRATIONS

INTRODUCTION

These Rules are promulgated and shall be interpreted to promote a speedy and just resolution of disputes submitted to Perry Dampf Dispute Solutions, hereinafter “PDDS”, for arbitration.

1. RULES

These Rules apply to all arbitrations submitted to PDDS, and all parties to the arbitration are bound to follow these rules. These rules and any amendments or modification thereof shall apply in the form existing at the time arbitration is submitted to PDDS.

2. INITIATING AN ARBITRATION

To file an arbitration with PDDS, at least one party to a dispute shall furnish PDDS with a completed Request to Commence Arbitration form and Conflicts Checklist that includes the names and addresses of all parties and a brief description of the dispute. The date of filing is concurrent with receipt of the non-refundable deposit.

3. CONDUCT OF PROCEEDINGS

After the proper submission of a claim, PDDS will provide parties with administration and case management services during the arbitration process. This includes, but is not limited to, providing a method of selecting an Arbitrator or Arbitrators, communicating information, and distributing documents between the parties and the Arbitrator(s).

4. SELECTION OF AUTHORITY

The case will be decided by one Arbitrator, unless the parties require or agree to have it decided by a three-person panel. The case manager will send an Arbitration Panel Selection List from which the parties shall make their selection(s). Parties are urged to confer and agree to a particular Arbitrator or Arbitrators.

If the parties are unable to agree, a ranking of the neutrals will be required. Each party will indicate its order of preference by assigning a number (i.e. 1-17) and striking no more than two neutrals. The ranking of (1) is assigned to the most desired Arbitrator, while the ranking of (17) shall be the least desired. Write the ranking number in the small box to the left of the Arbitrator’s name. If the selection form is not returned to the case manager within 15 days of receipt by the party, all Arbitrators submitted will be deemed acceptable. Your ranking can be confidential and submitted to the case manager only. The Arbitrator with the lowest score will be appointed as Arbitrator once a conflicts check is completed. In the event of a tied score, PDDS will use its discretion in assigning one of the preferred Arbitrators. In the event that all parties fail to return the selection list within the allotted time, PDDS will select the Arbitrator(s)

from the list. PDDS shall select an Arbitrator based on the preferences of those parties that have timely returned the selection list.

If a three-member panel of Arbitrators is required or agreed upon by the parties, the Case Manager shall give notice to each party requiring that it designate in writing the name of its selected Arbitrator within five business days. If any party fails to designate its selected Arbitrator within the allotted time, PDDS will appoint an Arbitrator from the selection list. The two Arbitrators will then select the third panel member, who will serve as the chairman of the panel.

5. ARBITRATORS

Arbitrators are independent contractors and not agents or employees of PDDS.

6. ARBITRATOR AUTHORITY

The Arbitrator has the maximum authority allowed by the applicable state or federal statutes. Upon receipt of a case, the Arbitrator has broad authority to conduct the arbitration process in any manner deemed reasonable to reach a just determination. This authority includes, but is not limited to, the following:

- a. To conduct pre-hearing conferences and order briefs and memoranda;
- b. To be the sole judge of the admissibility and weight of the evidence offered by the parties, including affidavits;
- c. To issue subpoenas, rulings and orders concerning all points of controversy in the dispute;
- d. To order and supervise pre-hearing discovery and impose sanctions and penalties to the extent deemed necessary by the Arbitrator.

The parties acknowledge that the Arbitrator's authority does not extend to persons, firms, or corporations not parties to the contract.

7. CONFIDENTIALITY

All discovery and evidence presented in connection with arbitration proceedings are confidential to the extent allowed by law.

8. THE AMOUNT AND COLLECTION OF FEES

- a. A non-refundable deposit in the amount of \$600.00 shall serve as the initial filing fee. Hourly rates vary depending on the Arbitrator selected.
- b. The parties acknowledge that any agreement between them referring to payment of arbitration fees is not binding on PDDS. Therefore, PDDS reserves the right to charge the submitting party the appropriate filing fee, administrative fees and all hourly charges incurred prior to other parties agreeing to arbitrate.

- c. The Arbitrator's total fee shall be shared equally by the parties unless otherwise determined by an arbitration clause or assessed to one of the parties by the Arbitrator in an arbitration opinion. Said Arbitrator's fee shall be considered a solidary obligation of claimant and respondent in the event of non-payment within thirty (30) days of signing of the judgment.
- d. After other parties agree to arbitrate, PDDS reserves the right to charge any or all parties for all fees. PDDS reserves the right to require pre-payment of estimated fees before the arbitration hearing begins.
- e. If for any reason the parties do not proceed to arbitration after initiating a case and agreeing to arbitrate, PDDS shall be entitled to all fees incurred through the date of closing the matter, including non-refundable deposit, administrative and Arbitrator fees. In the event of overpayment by the parties, PDDS will issue refund(s) within 30 days of conclusion of the matter.

9. INTERLOCUTORY DISPUTES

During the pendency of the main claim, the parties may have disputes regarding issues such as discovery, medical examinations, etc. These interim disputes shall be submitted in writing to the Case Manager. The Case Manager shall refer the dispute to the Arbitrator and shall schedule a telephone conference between the Arbitrator and parties if necessary. If reasonably possible, the Arbitrator shall render a decision on the interim dispute during the telephone conference.

10. EX PARTE CONTACT AND IN-CAMERA INSPECTIONS

The parties are strictly prohibited from contact with the Arbitrator on matters concerning the dispute except in the presence of the other party. All contact with the Arbitrator and/or submissions of documents, and evidence shall be made through the Case Manager who will forward the matter to the Arbitrator.

In the instance that a party desires an in-camera inspection to discuss impeachment of evidence or other matters appropriate for such discussion, the party must submit this request to the Case Manager. The matter will then be turned over to the Arbitrator for a decision on whether to hold a private conference.

Other than mentioned herein, the Arbitrator is likewise prohibited from contact with the parties without the presence of all parties.

11. AWARDS

All arbitration awards will be made in writing.

12. WAIVER OF RULES OR APPLICABLE LAWS

Any party who proceeds with the arbitration after knowledge that any provision or requirement of these rules or any applicable laws has not been complied with, and who fails to state an objection thereto in writing, shall be deemed to have waived the right to object.

13. RULES MAY BE AMENDED OR MODIFIED

These rules may be amended or modified by PDDS at any time without notice but shall not be done so retroactively.

14. SEVERABILITY

In the event any of the Rules of Procedure are ruled unlawful by statute, the other Rules of Procedure are to remain in effect.

15. RECORDS RETENTION

Unless written notice is made to PDDS within 3 years of issuance of the arbitration decision or notice of settlement or dismissal of the arbitration, all records of the arbitration will be systematically purged.

The parties hereby acknowledge, after a review of these provisions, that they will abide by them unless a modification thereto is agreed upon in writing by all parties and Perry Dampf Dispute Solutions.