

ARBITRATION RULES

1. Definition of Arbitration

Arbitration is a process by which a third party neutral (Arbitrator) decides the outcome of a case based on the facts presented and the governing law.

2. Agreements to Arbitrate

An arbitration under these Rules may proceed in one of two ways:

- A. External Agreement to Arbitrate- Arbitration can be initiated pursuant to an agreement executed before the dispute arises. The McCammon Group (The Group) is available to provide the arbitration service in such situations if the following circumstances are satisfied even where one or more of the parties does not wish to participate.
- 1) The provision must specify that The Group will provide the arbitration service.
 - 2) The provision must specify that The Group's rules, or some alternative set of rules acceptable to The Group, will govern. If the external Agreement to Arbitrate is silent as to the use of any particular set of rules, The Group's rules shall govern. (The Group's rules referenced in this section will be those in effect at the time the claim is initiated with The Group.)
 - 3) One of the parties initiates the process by asking The Group in writing to proceed to administer the arbitration; with a copy of such writing and a copy of the executed pre-dispute Agreement to Arbitrate provided to the other party or parties involved in the dispute.
 - 4) All parties must have actual notice of the initiation of the arbitration process. If the non-initiating party is not responsive, there must be a showing by the initiating party that there was actual notice provided to the non-initiating party regarding the initiation of the arbitration.
 - 5) There are no known issues or conditions either in the Agreement to Arbitrate or in the surrounding circumstances that would threaten the fundamental fairness of the process.
 - 6) There are no arbitrability issues. All arbitrability issues will be referred to the trial court for determination.
 - 7) There must be adequate arrangements in place to pay for the services of The Group.
- B. The Group's Agreement to Arbitrate – In the absence of satisfying all the requirements under 2(A), the parties would be required to execute a new agreement to arbitrate satisfactory to The Group.

3. Case Management

Once an arbitration has been initiated, a Case Manager of The Group will handle all administrative matters in processing the dispute.

4. Determination of Geographic Locale

The parties may by agreement select a geographic locale for the hearing of the arbitration. Absent such agreement, the Case Manager will determine a geographic locale based on the convenience to all involved.

5. Selection of Arbitrator

The parties may by agreement select any of the available Members of The Group to serve as the Arbitrator. Information about the Members of The Group available to serve as Arbitrators will be provided by the Case Manager. If the parties are unable to agree on an Arbitrator, The Group will provide several potential Arbitrators and the parties in alternating sequence will strike candidates until only one remains. The remaining person will serve as the Arbitrator for the dispute. The number of potential Arbitrators included in the selection process will be determined by The Group, and they will be selected by The Group based on subject matter expertise, proximity and availability. The order of striking will be the claimant first and then each listed respondent.

6. Determination of Date, Time and Place

The parties may by agreement determine the date, time and place (specific office) for the arbitration hearing, subject to the availability of the Arbitrator. Absent agreement, the Case Manager will determine these matters or refer these issues to the Arbitrator for resolution.

7. Fees

- A. The amount of and the responsibility for paying the fees for the services of the Arbitrator will be determined by the Group's Fee Schedule applying at the time of the initiation of the arbitration. The Group requires that the representing attorney (and that attorney's law firms) shall be responsible for payment of the fees and expenses of The Group incurred on behalf of the client, or a retainer shall be provided by the party. The fees will be allocated equally among the parties in the dispute unless the parties otherwise agree.
- B. The Arbitrator's fees and expenses shall be paid pursuant to agreements reached by the parties and/or their attorneys. All other expenses, including attorney fees, incurred by the parties in this arbitration shall be borne by the party incurring such expenses and fees. The only exceptions to the foregoing are: _____

8. Pre-arbitration conference

A pre-arbitration conference will be scheduled as soon as is reasonable. The Arbitrator will preside. The participants will include the attorneys representing the respective parties. A party may participate even if a representing attorney is involved, and the party shall participate if there is no representing attorney. It will be necessary that the Agreement to Arbitrate be fully executed and in the possession of the Case Manager prior to the pre-arbitration conference. The agenda for the pre-arbitration conference may include the following:

- 1. Scheduling of any matters involved in the arbitration including the hearing.
- 2. Addressing any logistical matters.
- 3. Review of the substantive issues generally.
- 4. Review of the order to be followed in the hearing.
- 5. Any other matters outstanding.

All matters addressed in the pre-arbitration conference will be resolved by agreement of the parties or their counsel; and if not, then by the discretion of the Arbitrator.

9. Discovery

No discovery will be allowed except by the agreement of the parties or by authority of governing law. However, in cases arbitrated pursuant to an Agreement to Arbitrate executed before the dispute arose, limited discovery will be allowed subject to the discretion of the Arbitrator.

10. Hearing

The hearing shall be commenced and conducted by the Arbitrator. All relevant evidence shall be admissible subject to the discretion of the Arbitrator. The general order of these proceedings shall be similar to that used in courts, subject to the discretion of the Arbitrator. Hearings, as well as all other activities, will be convened privately. The Arbitrator may proceed with the hearing if a party is absent without good cause. The Arbitrator shall administer an oath to each witness to tell the truth. Continuances may be granted by the Arbitrator only for good cause as determined by the discretion of the Arbitrator.

11. Recording the Hearing

Any party may at its own expense procure appropriate services to record the proceedings of the arbitration hearing.

12. Venue

The actual or potential venue of the dispute will not be a factor in the Arbitrator's Award unless all parties, or their counsel, agree otherwise.

13. The Award

The Arbitrator shall send to the parties or their counsel by regular mail or facsimile a written Award as soon as is reasonable after the conclusion of the hearing. The award shall be based on the governing law as applied to the facts. The Award of the Arbitrator shall be binding upon the parties without any right of appeal except for any appeal allowed by governing law.

14. Enforcement of the Award

Judgment may be entered on the Award rendered in this case, and such judgment may be enforced pursuant to processes available under governing law.

15. Statute of Limitations

All applicable statutes of limitations shall be tolled for the purposes of this arbitration no later than the day that the claim is received by The Group.

16. Role of Arbitrator

The Arbitrator occupies the role of a neutral. The Arbitrator is an independent contractor of The McCammon Group. The Arbitrator and/or The Group (including its independent contractors, employees, officers, and shareholders) shall not be liable to the parties for any act or omission relating to this arbitration. Nor shall the Arbitrator and/or The Group (including its independent contractors, employees, officers, and shareholders) be subject to subpoena or other process in any judicial or regulatory proceedings relating to this arbitration.

17. Communications with Arbitrator

No private communications with the Arbitrator shall be allowed. All communications with the Arbitrator by any party or by a party's attorney shall be made at a hearing or in a conference call with all opposing parties or their attorneys having been given reasonable opportunity to participate. All such conference calls shall be arranged by the Case Manager of The Group. All written communications with the Arbitrator shall also be made through the Case Manager unless the Arbitrator or the Case Manager directs otherwise. Copies of all written communications shall be sent by a party or their counsel to all other parties, or their counsel, by the same means and at the same time as the original communication is sent to The Group.

18. “High – Low Agreements”

The parties may agree that any Award rendered in the process shall not be enforceable beyond the limits established in a “High-Low” Agreement. Such an agreement may be provided to the Case Manager, but in no event will the existence or the substance of the “High-Low” Agreement be revealed to the Arbitrator before the expiration of thirty days after the issuance of the award. (See sample “High-Low” Agreement.)

19. Modification of Rules

The Rules may be modified by written agreement by all the parties to a dispute subject to the discretion of The Group. The Group may modify the Rules from time to time. The version of the Rules that is in existence at the time of the initiation of the claim shall govern.

20. Interpretation of Rules

The administrative office of The Group will make any administrative interpretation that is needed in applying the Rules. The Arbitrator will make any substantive interpretation that is needed in applying the Rules. The Arbitrator will determine what issues are administrative and what issues are substantive, if any such dispute arises.

“High-Low” Agreement

Caption: _____

The parties wish to establish a “high-low” arrangement.

High = _____

Low = _____

Specifically, this means that if the Award is in an amount between or equal to the high and low stated above, then the Award shall be enforceable in the amount stated in the Award. If the Award exceeds the High, then the enforceability of the Award shall be limited to the amount stated as the High. If the Award is in an amount below the Low, including any Award wherein the claiming party is awarded nothing, then the Award shall be enforceable in the amount stated as the Low.

Claimant or Claimant’s Counsel Signature _____

Claimant or Claimant’s Counsel Signature _____

Claimant or Claimant’s Counsel Signature _____

Respondent or Respondent’s Counsel Signature _____

Respondent or Respondent’s Counsel Signature _____

Respondent or Respondent’s Counsel Signature _____