

**AMERICAN DISPUTE RESOLUTION CENTER, INC.
RULES OF LABOR ARBITRATION**

1. RULES

The Rules set forth herein shall be binding upon the parties whenever, in a collective bargaining agreement or submission, they have provided or mutually agreed in writing for arbitration to be administered by the American Dispute Resolution Center, Inc. (hereinafter “ADR Center”). The parties may, by agreement, agree to modify these Rules or to utilize alternative rules, administered by ADR Center.

2. INITIATION

Upon the parties initiating arbitration pursuant to these Rules, ADR Center shall assign a Case Manager to administer the arbitration proceedings. The request for arbitration (demand) may be filed with ADR Center by either party, in triplicate, with a copy of the collective bargaining agreement, including the arbitration provisions. Once the hearings have commenced, any requests for modifications, amendments, additions or deletions shall be granted only upon the arbitrator’s consideration of a written motion in which the basis for the modification is fully set forth and after the other party has had an opportunity to respond.

3. ANSWER

The party to which the arbitration demand was filed may, in its discretion, choose to file an answering statement within ten (10) days after notice from ADR Center, with a copy to the opposing party. If no answer is filed by the stated time, such shall be treated as a denial of the claim. A party must object to the jurisdiction of the arbitrator, or the arbitrability of a claim, no later than the filing of the answer to the claim that gives rise to the objection. The arbitrator may rule on such objections as a preliminary matter or as part of the final award.

4. LOCALE

The site of the hearing shall be as required by the collective bargaining agreement or submission, or as the parties may agree. Should no contract requirement exist and should the parties be unable to agree, ADR Center shall have the authority to set the hearing site, such decision to be final and binding.

5. ARBITRATOR APPOINTMENT

If the parties have not appointed an arbitrator and have not provided another method of appointment, the Case Manager, immediately after the filing of the demand or submission, shall provide the parties with an identical list of arbitrators Consisting of

15 names from ADR Center's Panel of Labor Arbitrators, and any arbitrator who is not acceptable to a party shall be stricken. The parties shall return such listing to the Case Manager within ten (10) calendar days. The Case Manager shall thereafter select the arbitrator from the remaining acceptable names in accordance with the order of mutual preference.

Should the parties be unable to agree upon an arbitrator, the Case Manager shall provide an additional list consisting of 6 names. The parties may strike any name but must provide in writing their factual for cause objections to that name. If a party does not return the list within the time specified all persons named therein shall be deemed acceptable. Should the parties be unable to agree upon an arbitrator from that list, the Case Manager shall appoint an arbitrator. Once selected, the arbitrator shall serve unless a conflict of interest exists. Should a neutral arbitrator resign during the pendency of a hearing, the Case Manager shall appoint a substitute arbitrator.

6. DIRECT APPOINTMENT BY PARTIES

If the parties' agreement identifies a particular arbitrator or a method of appointing an arbitrator, such will be honored. The appointing party shall provide notice of appointment, indicating the name, address and contact information of the arbitrator to ADR Center. If the parties' agreement specifies a period of time by which an arbitrator shall be appointed by a party, and any party fails to comply with such time period, ADR Center shall be authorized to appoint an arbitrator. If no time is specified in the parties' agreement, ADR Center shall notify the appropriate party to appoint an arbitrator within ten (10) calendar days. If no arbitrator is appointed within that time, ADR Center shall be authorized to appoint an arbitrator.

Once an arbitrator is selected, the arbitrator shall have the authority to conduct the hearing and render the award. At no time shall either party or representative thereof contact an arbitrator directly during the pendency of the case.

7. APPOINTMENT OF NEUTRAL ARBITRATOR BY PARTY-APPOINTED ARBITRATORS

If the parties have appointed their arbitrators in accordance with Section 6 of these Rules, and have authorized the appointed arbitrators to select a neutral arbitrator within a specified time and no arbitrator is appointed within that time or within an agreed upon time, ADR Center shall be authorized to appoint the neutral arbitrator to serve as the chairman.

If no time is specified in the parties' agreement to select the neutral arbitrator and the neutral arbitrator is not selected within ten (10) calendar days from the date of the appointment of the last party-appointed arbitrator, ADR Center shall be authorized to appoint the neutral arbitrator to serve as the chairman.

If the parties have agreed that the party-appointed arbitrators shall appoint a neutral from ADR Center's panel of labor arbitrators, as set forth in Section 5 of these Rules, then such will apply.

8. NUMBER OF ARBITRATORS

If the arbitration agreement does not specify the number of arbitrators, the dispute shall be heard and determined by one arbitrator, unless the parties agree otherwise.

9. OATHS AND DISCLOSURES

A notice of arbitration appointment shall be mailed to the arbitrator for signature and notarization and returned to ADR Center prior to the commencement of the first hearing. The arbitrator must immediately disclose any circumstances that may affect his or her impartiality, including any bias or financial or personal interest in the outcome of the arbitration, and ADR Center will advise the parties of any such disclosure. If any one party files an objection to the continued service of the neutral arbitrator, ADR Center shall be authorized to determine whether the arbitrator will be disqualified and the parties will be informed of such decision, which shall be binding.

A witness shall be required to testify under oath, such oath will be administered by an arbitrator.

10. VACANCIES

If an arbitrator should resign, or otherwise be unable to perform his/her duties ADR Center shall appoint a substitute neutral arbitrator. In the event that a party appointed arbitrator should resign or other wise be unable to perform his/her duties the affected party shall appoint a substitute arbitrator within ten days.

11. DATE, TIME AND PLACE OF HEARING

ADR Center shall endeavor to administer and schedule hearings as swiftly as practicable, and the parties agree to exercise good faith in cooperating with and responding to requests from the Case Manager. Any parties' failure to do so may result in the arbitrator ordering the schedule of hearings. The arbitrator shall have the authority to convene a conference call and/or order the issuing of a formal Notice of Hearing setting the date, time and place for the hearing. The parties shall receive at least ten days prior to the hearing date a formal Notice of Hearing outlining any details of the arrangements agreed to by the parties or ordered by the arbitrator.

12. WAIVERS

Waiver of oral hearings – The parties by mutual agreement may waive oral hearings.

Waiver of the Rules - Any party choosing to proceed with the arbitration after having been advised prior to the first hearing that the opposing party has failed to comply with the rules or the underlying contract shall state in writing prior to the first hearing date or shall be deemed to have waived the right to object. In the event that such failure to comply arises subsequent to the first hearing the opposing party shall state an objection in writing prior to the close of the hearings or shall be deemed to have waived the right to object.

13. REPRESENTATION

The parties hereto may be represented by legal counsel or an authorized representative. Such person must be identified to the Case Manager not later than seven calendar days prior to the commencement of the initial hearing.

14. STENOGRAPHIC RECORD

Either party may request a stenographic record directly with the stenographer, at its expense and for its sole use, and shall advise the other parties of such arrangement in advance of the hearing. However, such shall not be the official record of the case and shall not be submitted to the arbitrator for his or her use unless the arbitrator determines that such record, or a portion thereof, shall be considered the official record, in which case that portion of the record so designated shall be made available to the other party and the arbitrator at a time and place determined by the arbitrator. Alternatively, the parties may agree to a joint stenographic record and to split the cost thereof. In that event, the parties shall arrange for a copy of the record to be provided to the arbitrator as the official record of the proceeding. Nothing herein shall prevent a party who has arranged for a stenographic record at its sole or joint expense from seeking to introduce a portion of such record as may be relevant to its direct examination or cross-examination of a witness, or as an exhibit. In such cases, that portion of the record shall be made available to the other party and to the arbitrator.

15. ATTENDANCE AT HEARINGS

Any persons having direct interest in the arbitration are entitled to attend the hearings. The arbitrator has the authority to require any witness or witnesses to vacate the hearing during the testimony of another witness. The arbitrator may use his discretion when determining the propriety of the attendance of any other person.

16. REQUEST FOR POSTPONEMENTS

An arbitrator may grant the postponement of a hearing upon the request of a party for good cause shown or upon his or her own initiative, and shall grant a request for postponement when the parties agree thereto.

17. ARBITRATION IN THE ABSENCE OF A PARTY OR REPRESENTATIVE

If either party or representative fails to appear, request a postponement or fails to obtain a postponement after due notice of the hearing, the hearing will proceed ex-parte and the arbitrator shall have the authority to render an award.

18. EVIDENCE

The filing party shall present evidence to support its demand through the use of direct examination of witnesses. The opposing party shall have the right to cross examination of the filing party's witnesses. The opposing party shall thereupon present evidence to support its position. The filing party shall have the right to cross examine the opposing party's witnesses. Redirect and recross examination shall be permitted in the arbitrator's discretion. All witnesses' testimony shall be under oath.

Opening statements, closing statements and post-hearing briefs may be requested by the parties, or as the arbitrator may require. Requests for a subpoena may be submitted to the arbitrator and/or may be sought in accordance with applicable state law. The arbitrator shall have broad discretion throughout the proceedings as to rulings on procedural matters, objections, admissibility, relevance, materiality, requests for sanctions and any other matters which may arise.

Evidence of witnesses by affidavit and objections to its admissibility may be received and considered by the arbitrator.

19. INSPECTION

An arbitrator may make a site inspection in connection with the subject matter or the dispute after notice to the parties, or upon request of the parties who may, if they wish, be present at the inspection.

20. CLOSING OF HEARINGS

Once the hearings are completed and the arbitrator is satisfied that the record is complete, the hearing shall be declared closed and the date recorded. If briefs, documents or exhibits are to be filed, the hearings shall be declared closed as of the final date set by the arbitrator for the filing or in the event the arbitrator rules said mailing must be postmarked by a particular date the hearings shall be declared closed upon receipt by ADR Center after confirmation mailing is properly postmarked.

21. REOPENING OF HEARINGS

Any party may move to reopen the hearings, or the arbitrator may reopen the hearings on his or her own initiative, at any time prior to the final award being rendered.

22. REQUEST FOR EXTENSIONS OF TIME

The parties, by mutual agreement, may modify any time period. The arbitrator or ADR Center may for just cause extend any time periods established by these rules, with the exception of the time for making the award.

23. TIME AND FORM OF AWARD

The Arbitrator shall render the Award promptly, but no later than 30 days from the date of closing the hearings as stated in Section 16, unless otherwise agreed to by the parties or specified by law. The arbitration award shall be fully binding upon the parties, except that enforcement may be limited pursuant to applicable federal and state law. In the case of a three person arbitration panel, a majority decision shall be required. The award shall be deemed rendered on the date it is postmarked or transmitted to ADR Center by the Arbitrator. The arbitrator must provide the ADR Center with an original copy of the award if the Award is sent electronically or by facsimile.

The award shall be in writing and shall be signed and dated by the neutral arbitrator or by a concurring majority if there is more than one arbitrator. A written opinion shall be filed with the award, unless the parties agree otherwise.

24. AWARD UPON SETTLEMENT

If the parties' dispute is settled during the course of the arbitration, upon request of the parties, the arbitrator may attach the terms of the settlement in an award.

25. JUDICIAL PROCEEDINGS

Upon written request of a party, ADR Center will furnish to such party, at the parties expense, any certification of documents in its possession that may be required in a judicial proceeding relating to the arbitration. Neither ADR Center, its officers, directors, employees or any arbitrator is a necessary party in any judicial proceedings, nor shall any such person or entity be liable in any way whatsoever to any party, person or entity for any act or omission arising under or in connection with any arbitration conducted under these Rules.

26. INTERPRETATION/APPLICATION OF RULES

The arbitrator shall have the authority to interpret and apply these Rules. In the case of a three person arbitration panel, a majority decision shall be required. If decision is unobtainable, ADR Center will make the final determination.

27. COMMUNICATION WITH THE ARBITRATOR

The parties may have no communication with the neutral arbitrator on substantive matters relating to the case before him other than at the oral hearings, unless otherwise agreed to by the arbitrator and the parties. Any other communication from the parties to the arbitrator whether written or oral shall be done so through ADR Center for transmittal to the arbitrator.

28. EXPENSES

Any expenses for witnesses shall be paid by the party producing the witnesses.

FEE SCHEDULE

ADMINISTRATIVE FEE

The initial administrative filing fee payable to ADR Center is \$175 per party, due and payable at time of filing. Initial administrative filing fees are non-refundable.

ARBITRATOR COMPENSATION

The arbitrator compensation is borne equally by the parties, unless the parties mutually agree otherwise. The arbitrator's fee is as noted on the biographical profile submitted to the parties.

HEARING ROOM RENTAL

Hearing rooms are available on a rental basis at rates of \$150.00 per hearing day, on-site, or at such rates as may be established by third parties, off-site.

POSTPONEMENT FEES

A fee of \$100 is payable by the party responsible for causing the postponement of any scheduled hearing that is rescheduled.

FAST TRACK LABOR ARBITRATION PROCEDURES

F1 RULES

The Rules set forth herein shall be binding upon the parties whenever, in a collective bargaining agreement or submission, the parties mutually agree to submit to the Fast Track Labor Arbitration Procedures.

F2 PROCEEDINGS

The hearing will be conducted by the arbitrator in an expedited manner but will permit full presentation of the evidence and arguments of the parties. Hearings will be completed within one day, but the arbitrator may schedule an additional day, for good cause shown, the additional hearing date is to be held within seven days unless the parties and the arbitrator agree otherwise. Upon the parties initiating the arbitration pursuant to the Fast Track Rules, ADR Center shall assign a Case Manager to administer the arbitration proceedings.

F3 APPOINTMENT OF THE ARBITRATOR

ADR Center will appoint a sole arbitrator from its Panel of Labor Arbitrators.

F4 OATH AND DISCLOSURE

A Notice of arbitration appointment shall be mailed to the arbitrator for signature and notarization and returned to ADR Center prior to the commencement of the first hearing. The arbitrator must immediately disclose any circumstances that may affect impartiality including any bias or financial or personal interest in the outcome of the arbitration. ADR Center will advise the parties of the disclosure. If any one party files an objection to the continued service of the arbitrator, ADR Center shall be authorized to determine whether the arbitrator will be disqualified, which decision shall be binding. If the office is vacated, the matter will be reheard by a new arbitrator appointed by the ADR Center from its Panel of Labor Arbitrators.

F5 DATE, TIME, AND PLACE OF HEARING

ADR Center shall endeavor to administer and schedule hearings as swiftly as practicable, and the parties agree to exercise good faith in cooperating with and responding to requests from the Case Manager. Any parties' failure to do so may result in the arbitrator ordering the schedule of hearings. The arbitrator shall have the authority to convene a conference call and/or order the issuing of a formal Notice of Hearing setting the date, time and place for the hearing. The parties shall receive at least five days prior to the hearing date a formal Notice of Hearing outlining any details of the arrangements agreed to by the parties or ordered by the arbitrator.

F6 NO STENOGRAPHIC RECORD

There shall be no stenographic record.

F7 NO POST HEARING BRIEFS

There shall be no post hearing briefs.

F8 TIME OF AWARD

The award will be rendered by the arbitrator within fourteen (14) calendar days from the close of the hearing, unless the parties agree otherwise.

F9 FORM OF AWARD

The signed award by the arbitrator shall be in writing. If the arbitrator determines that an opinion is necessary, such decision shall be in summary form.

FAST TRACK FEE SCHEDULE

ADMINISTRATIVE FEE

The initial administrative filing fee payable to ADR Center is \$125 per party, due and payable at time of filing. Initial administrative filing fees are non-refundable.

ARBITRATOR COMPENSATION

The arbitrator compensation is borne equally by the parties, unless the parties mutually agree to do otherwise. The arbitrator's fee is as noted on the biographical profile submitted to the parties.

HEARING ROOM RENTAL

Hearing rooms are available on a rental basis at rates of \$150.00 per hearing day, on-site, or at such rates as may be established by third parties, off-site.

POSTPONEMENT FEES

A fee of \$100 is payable by the party causing the postponement of any scheduled hearing if rescheduled.