

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

1. RULES

The Rules set forth herein shall be binding upon the parties to a dispute submitting to arbitration before American Dispute Resolution Center, Inc. (hereinafter "ADR Center"), except as the parties may otherwise agree. The entire proceedings, and the award under these Rules, shall be confidential. These Rules may be modified from time to time without notice by ADR Center, however the Rules in effect as of the date of commencement of arbitration shall remain in effect as to that arbitration, unless the parties agree to adopt the modified Rules.

2. INITIATION

Upon the parties initiating arbitration pursuant to these Rules, ADR Center shall assign a Case Manager to administer the arbitration proceeding. The arbitration is commenced upon an agreement of the parties to arbitrate, either by contract or by mutual agreement, and the filing of a claim. The parties shall sign an agreement to be bound by the Rules hereunder and to agree to the fee schedule of ADR Center. The claim shall include the nature of the dispute, parties, date, authority upon which it is being arbitrated and the relief demanded. The parties may modify, add or remove claims and/or counterclaims during the pendency of the matter by filing such in writing with the ADR Center Case Manager not less than seven business days prior to the first hearing. Once the hearings have commenced, any such requests for modifications, 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, or upon good cause shown as the arbitrator may decide.

INITIATION PURSUANT TO A COURT ORDER

Arbitration pursuant to a court order shall be filed with a Demand for Arbitration, copy of the court order, copy of any applicable arbitration agreement from the contract and administrative filing fee.

The filing party is responsible that all conditions precedent to the filing of the case are met prior to the filing of the arbitration, as determined by the arbitrator.

3. ANSWER/COUNTERCLAIM

The respondent may, in its discretion, choose to file an answer and/or counterclaim, but must do so within fourteen business days of ADR Center's written confirmation of the filing of the initial claim, unless said respondent files a request for a seven calendar day extension of time to respond within the initial fourteen day period. If no answer is filed by the stated time, such shall be treated as a denial of the claim. After the fourteen days (or twenty-one if an extension has been granted), any request to file an amended claim or counterclaim shall be granted at the discretion of ADR Center, unless an arbitrator(s) has been selected. If an arbitrator has been

selected, the decision to allow an amended claim or counterclaim shall be at the sole discretion of the arbitrator(s). Where any party makes a counterclaim or adds a claim, an appropriate fee shall be imposed pursuant to ADR Center's fee schedule.

4. JURISDICTION

The arbitrator(s) has the authority to rule on his or her own jurisdiction including any questions concerning the existence of or the scope or validity of the arbitration agreement.

The arbitrator has the authority to determine the existence of or the validity of a contract in which an arbitration clause is a part. An arbitration clause shall be severable insofar that a ruling by an arbitrator that a contract is ineffective shall not render the arbitration clause invalid.

If a party objects to the jurisdiction of the arbitrator or the arbitrability of a claim or counterclaim, such objection must be made in a writing setting for the basis for said objection no later than the filing of the answer to the claim or counterclaim giving rise to the objection. The arbitrator may make a decision on such objections as a preliminary matter or as part of the final award.

If a difference arises with regard to the application of the Rules on a matter involving more than one arbitrator, it shall be decided by a majority vote.

5. CONSOLIDATION OR JOINDER

If the parties agree or if the contract so provides, a consolidation or joinder of arbitration matters may be permitted at the discretion of the arbitrator(s). If parties agree to consolidate or the contract so provides, but the parties do not agree on the process, the arbitrator(s) will take the appropriate steps to effectuate the process. All costs and expenses related to this paragraph shall be shared equally by the parties.

6. SITE OF HEARING

The site of the hearing shall be as required by contract or as the parties may agree. Should no contract requirement exist and should the parties be unable to agree, the Case Manager shall have the authority to set the hearing site, such decision to be final and binding. Alternatively, the parties may agree to waive oral hearing and make a written submission to the arbitrator(s).

7. ARBITRATOR APPOINTMENT

As soon after the initiation of a case as is practicable, ADR Center shall provide the parties with a list of arbitrators from which to select an arbitrator or arbitrators, as necessary. Each party may object to any one of the prospective arbitrator(s) for any reason, in writing, provided to ADR Center within fourteen business days unless any party files a request for a seven business day extension of time within the initial fourteen (14) day period. If a party does not return the list within the time specified, all persons named therein shall be deemed acceptable. Any potential arbitrator to whom either or both parties object, shall be stricken from the list of potential arbitrators. ADR Center shall thereafter select so many arbitrators as are necessary from the list of remaining prospective arbitrators. Should the parties fail to leave a sufficient number of

names on the list of prospective arbitrators such that ADR Center cannot fill the vacancies on the arbitration panel from the list, ADR Center may, in the exercise of its discretion, either provide the parties with another list of prospective arbitrators and restart the process provided above, or appoint an arbitrator(s). Alternatively, the parties may agree to submit the matter to an arbitrator of the parties' own choosing, so long as such arbitrator is on ADR Center's panel of arbitrators.

Once selected, the arbitrator(s) shall serve until removed by ADR Center or a court of appropriate jurisdiction because of facts arising after appointment which demonstrate that a clear conflict of interest exists or the arbitrator is otherwise not capable of fulfilling his or her obligations as an arbitrator.

Should a vacancy arise on a panel of arbitrators, the remaining arbitrators may continue and decide the case, absent other agreement of the parties. If a sole arbitrator is removed, resigns or otherwise cannot serve as an arbitrator during the pendency of a proceeding, ADR Center shall appoint a substitute arbitrator, without the submission of additional lists.

8. NUMBER OF ARBITRATORS

Arbitration panels, referred to collectively in these Rules as "the panel", shall consist of one arbitrator in any proceeding wherein the claim and counterclaim do not exceed \$250,000 in the aggregate. In all other proceedings, the panel shall consist of three arbitrators except as the parties may otherwise agree. Once the panel is selected, the panel shall have the authority to conduct the hearing and render the award. At no time shall either party or representative thereof communicate ex parte with the panel or any member thereof directly.

9. DIRECT APPOINTMENT OF ARBITRATORS BY PARTIES

If the parties' agreement identifies a particular arbitrator or a method of appointing an arbitrator, such will be followed. 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(s). If no time is specified in the parties' agreement, ADR Center shall notify the appropriate party to appoint an arbitrator within fifteen days. If no arbitrator is appointed within that time, ADR Center shall be authorized to appoint an arbitrator. Party appointed arbitrators shall be deemed neutrals, unless the parties agree otherwise.

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, regardless of which party appointed the arbitrator.

10. APPOINTMENT OF NEUTRAL ARBITRATOR BY PARTY-APPOINTED ARBITRATORS

If the parties have appointed their arbitrators in accordance with Section 9 of these Rules, and have authorized the appointed arbitrators to select a third neutral arbitrator within a specified time and no arbitrator is appointed within that time, ADR Center shall be authorized to appoint the third neutral arbitrator to serve as the chairman.

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

If the parties have agreed that the party-appointed arbitrators shall appoint a third neutral arbitrator from ADR Center's panel of arbitrators as set forth in Section 9 of these Rules, then such will apply.

11. REQUEST FOR ADMINISTRATIVE CONFERENCE

The parties may initiate an administrative conference with the Case Manager and/or arbitration panel prior to the initial hearing. The Case Manager and/or arbitration panel may also, in their discretion, initiate such a conference. The parties shall act in good faith and seek agreement as to exchanges of discovery, scheduling, issues and documents not in dispute, and all such procedural matters as may facilitate and expedite the process. After the administrative conference, all matters not agreed to by the parties or upon which issues or challenges have arisen, including without limitation where discovery requests are not complied with in a timely manner under these Rules, shall, upon written motion, be ruled upon by the arbitration panel, whose decision shall be binding. The arbitration panel may rule on such motion on the papers or may require oral argument, in its discretion. The Case Manager shall have the authority to act hereunder on those issues arising prior to the appointment of an arbitration panel; the arbitration panel shall have the authority to act hereunder once selected.

12. OATH AND DISCLOSURE

A notice of arbitration appointment shall be mailed to the arbitrator for signature and notarization and returned to ADR Center before any prospective arbitrator is formally empanelled and any hearing is held. The arbitrator must immediately disclose any circumstances that may present an appearance of a conflict of interest or otherwise appear to affect his or her impartiality. Upon receipt of such disclosure, ADR Center will advise the parties of any such disclosure in writing. The parties may file a written objection to the prospective arbitrator based upon the contents of the disclosure only. 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 permitted to serve and the parties will be informed of such decision, which shall be binding. If any party does not file a written objection prior to the hearing, any objection the party might have had shall be for all purposes waived and of no further effect.

13. DISQUALIFICATION OR REMOVAL OF AN ARBITRATOR

At any time, upon the motion of a party or on its own initiative, ADR Center may consider the qualifications of an arbitrator to serve or to continue to serve on a panel. The basis for disqualification or removal may include, but is not limited to: partiality or bias; information or facts are revealed which were not previously disclosed; personal, financial or familiar relationships; or the inability of the arbitrator to proceed in good faith or with diligence. The decision to disqualify or remove an arbitrator is in the sole discretion of ADR Center.

14. 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 scheduling of hearings.

15. REPRESENTATION

The parties hereto may be represented by legal counsel or an authorized representative, unless Connecticut law requires otherwise. Such person shall be identified to the Case Manager and the opposing party not later than seven business days prior to the commencement of the initial hearing.

16. STENOGRAPHIC RECORD

Either party may request a stenographic record at its expense and for its sole use, however such shall not be the official record of the case and shall not be submitted to the arbitration panel for its use unless the arbitration panel 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. 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 arbitration panel 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 introducing 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 arbitration panel.

17. REQUEST FOR POSTPONEMENTS

An arbitrator(s) 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.

18. ARBITRATION IN THE ABSENCE OF A PARTY OR REPRESENTATIVE

If either party or representative fails to appear or to request a postponement after due notice of the hearing, the hearing will proceed ex parte and the arbitrator(s) shall have the authority to render an award. This also applies to matters that also require submission of documents only.

19. EVIDENCE

The claimant shall present evidence to support its demand and claim through the use of direct examination of witnesses. The respondent shall have the right to cross-examine claimant's witnesses. The respondent shall thereupon present evidence to support its position and any counterclaim. The claimant shall have the right to cross-examine respondent's witnesses. Redirect and recross shall be permitted in the arbitrator's discretion. The arbitrator(s) may question witnesses and their counsel and seek such evidence as is deemed necessary to

understand and clarify the testimony and the position of the parties. All witnesses' testimony shall be under oath. Opening statements, closing statements and post-hearing briefs may be requested by the parties, or provided as the arbitrator(s) may require. Requests for a subpoena may be submitted to the arbitrator(s) and/or may be sought in accordance with applicable state law. The arbitrator(s) 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. No settlement offers or discussions shall be offered or admitted.

20. INTERIM RELIEF

The arbitrator(s) has the authority to grant interim relief including but not limited to injunctive relief and measures for the protection or conservation of property. These measures may take the form of an interim award. Security may be required by the arbitrator(s) to cover the costs of same. If such relief is also being sought in a court of law, such proceeding will not act as a waiver of the right to arbitrate or of the arbitration agreement.

21. CLOSE OF HEARINGS AND TIME OF AWARD

Once the hearings are completed, and briefs received, and all fees paid, the hearing shall be considered closed, and a decision shall be rendered within 30 calendar days, (or 15 calendar days if the matter is governed by the Expedited Rules) unless for good cause.

22. REOPENING OF HEARINGS

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

23. REQUEST FOR EXTENSIONS OF TIME

The parties, by mutual agreement, may modify any time period. If the parties agree or if the arbitrator or ADR Center decides that it is necessary, any time period in these Rules, other than the time for making the award, may be extended.

24. FORM OF AWARD

The award shall be in the form of a concise written statement and shall consist of a detailed breakdown of the claims. The award shall not be a reasoned award unless the parties so request or the arbitrator(s) deems it necessary. The award shall be fully binding upon the parties, except that enforcement may be limited pursuant to a ruling of a Court of competent jurisdiction. In the case of a three person arbitration panel, a majority decision shall be required. The arbitrator(s) may grant any award, ruling, remedy or relief as the arbitrator(s) deems appropriate in accordance with applicable federal and state law. The entire proceeding and award shall be confidential.

25. SCOPE OF AWARD

The award made by the arbitrator(s) may include any relief or remedy deemed fair and equitable and within the terms of the agreement, including but not limited to: financial orders; specific performance; cease and desist orders or any other rulings or orders. Upon the making of an award, the arbitrator(s) may assess costs, fees, expenses, compensation, legal fees and interest as deemed appropriate.

26. AWARD UPON SETTLEMENT

The parties may, at any time, agree to seek mediation from ADR Center, in which event the arbitration proceeding shall be suspended. No arbitrator(s) shall also serve as mediator in the same case. Agreement reached by the parties at any time prior to the issuance of a final award whether by agreement alone or through mediation shall result in the arbitrator(s) issuing a consent award and in termination of the matter. The consent award must include an allocation of arbitration costs, including administrative fees and expenses.

27. MODIFICATION OF AWARD

Within thirty (30) days after the transmittal of an award, any party, upon notice to the other parties, may request the arbitrator(s), through ADR Center, to correct any clerical, typographical, or computation error in the award. The arbitrator is prohibited from redetermining the merits of any claim already decided. The arbitrator shall address the request within twenty (20) days thereafter and may provide the other party an opportunity to respond to the request in his or her discretion.

28. JUDICIAL PROCEEDINGS

Upon written request of a party, ADR Center will furnish to such party, at its 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 proceeding, nor shall any 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.

29. INTERPRETATION/APPLICATION OF RULES

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

FEES AND COSTS

The parties agree to pay those fees, costs, and expenses established by ADR Center in its Fee Schedule in effect at the time a case is submitted for arbitration. In addition, the parties agree to pay those fees established by each arbitrator, as established prior to his or her selection. The arbitrator may also charge for participation in administrative conferences, rulings on motions outside of hearings, study time in considering and rendering the award, and for other time spent outside of hearings, as well as charge for reimbursement of travel and other reasonable expenses related to the case.

Upon submission of a matter to ADR Center, the filing and hearing fees shall be calculated and the amount of arbitrator fees will be estimated based upon the anticipated number of hearing days. The parties shall each pay their own filing fee, based upon the amount of their respective claims or counterclaims, and hearing fees, and shall share equally all additional costs and fees, including but not limited to arbitrator(s) fees and room rental fees, unless required otherwise by contract or by agreement of the parties. The parties shall pay the amount so calculated to ADR Center upon receipt and prior to the commencement of the first hearing or, in the event the matter is being heard by documents only, when documents are submitted to the arbitrator. Any additional fees due, resulting from additional hearing days, amended claims or counterclaims, or otherwise, become immediately due and payable. ADR Center reserves the right to suspend the hearings in the event of non-payment. No awards will be rendered until all fees, costs and expenses are paid in full.

In the event that the final amount due for arbitrator fees, room rental fees, and other estimated amounts is less than that estimated and prepaid, such unused amounts shall be refunded to the applicable party, in accordance with the final award.

If arbitrator compensation or administrative fees have not been paid in full, ADR Center may so inform the parties in order that one of them may advance the required payment.

ARBITRATION FEE SCHEDULE

FILING FEE

An initial filing fee is payable in full by a filing party when a claim, counterclaim or additional claim is filed. Fees are subject to increase if the amount of the claim or counterclaim is modified after the initial filing date. Fees are subject to decrease if the amount of the claim or counterclaim is modified prior to the first hearing. Fees may also be subject to increase should the claim or counterclaim contain significant non-monetary claims or requests for awards, in the discretion of ADR Center based upon the facts, nature and the significance of such claims. Where the claim or counterclaim seeks a non-monetary award of significance or in its entirety, or where no amounts can be stated at the time of filing, the initial and/or final filing fee shall be not less than \$3,000, in ADR Center's discretion, based upon the facts, nature and the significance of such claims.

Claim	Initial Filing Fee
Above \$0 to \$10,000	\$ 975
Above \$10,000 to \$75,000	\$1,250
Above \$75,000 to \$150,000	\$2,500
Above \$150,000 to \$300,000	\$3,500
Above \$300,000 to \$500,000	\$5,000
Above \$500,000 to \$1,000,000	\$7,500
Above \$1,000,000 to \$5,000,000	\$10,000
Above \$5,000,000 to \$10,000,000	\$15,000
Above \$10,000,000 and above	Base fee of \$15,000 plus .1% of the amount of claim above \$10 million
Non-monetary Claims	\$3,000 - \$15,000

HEARING FEES

A hearing fee will be charged in the amount of \$300.00 per party per hearing day for all cases that proceed to their first hearing. These fees will be payable in advance at the time that the first hearing is scheduled. These fees will be refunded at the conclusion of the case if no hearings have occurred. However, if ADR Center is not notified of a postponement at least 2 business days before the time of the scheduled hearing, the hearing fee will remain due by the canceling party and will not be refunded. Hearing postponements less than 2 business days may also result in the canceling party being responsible for any other postponement fees, including but not limited to room rental fees.

REFUND SCHEDULE

ADR Center's refund schedule for claims and counterclaims is as follows:

- 100% of the filing fee will be refunded if the case is settled or withdrawn within five (5) calendar days of filing the demand for arbitration, except for a minimum filing fee of \$350.00 for cases up to \$75,000 and a minimum filing fee of 750.00 for all other cases.
- 50% of the filing fee will be refunded if the case is settled or withdrawn between six (6) and thirty (30) calendar days of filing the demand for arbitration.
- 25% of the filing fee will be refunded if the case is settled or withdrawn between thirty one (31) and sixty (60) calendar days of filing the demand for arbitration.

No refund will be made once an arbitrator has been appointed (this includes one arbitrator on a three arbitrator panel).

ARBITRATOR'S FEE

Arbitrator fees shall be charged in accordance with each arbitrator's fee schedule, as he or she may establish from time to time. Arbitrators are independent contractors, not employed by ADR Center. The arbitrator may also charge on an hourly or per diem basis for participation in administrative conferences, rulings on motions outside of hearings, study time in considering and rendering the award, and for other time spent outside of hearings, as well as charge for reimbursement of travel and other reasonable expenses related to the case, and late cancellation fees.

MISCELLANEOUS EXPENSES

Hearing rooms are available at such rates as may be established by third parties, off-site. ADR Center reserves the right to charge for overnight mail, and for photocopies, postage, telephone conferencing and other expenses and disbursements.

ABEYANCE FEE

Parties on cases held in abeyance for one year by agreement will be assessed an annual abeyance fee of \$350.00. If a party refuses to pay the assessed fee, the other party or parties may pay the entire fee on behalf of all parties, otherwise the matter will be closed.

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