



FEES AND COSTS FOR
 BINDING ARBITRATION OR NON-BINDING MEDIATION
 GOVERNED BY NAM'S COMPREHENSIVE RULES AND PROCEDURES
(for 2 party cases)

The following is a description of the types of fees assessed by NAM, the manner in which the fees are calculated and an explanation of the parties responsible for the various fees. NAM's Comprehensive Rules and Procedures incorporate this Fee Schedule and require that the parties pay the fees set forth herein.

ARBITRATIONS

The parties may elect to have an Arbitration based on Written Submissions or to have an In-Person/Oral Arbitration Hearing.

Arbitration based on Written Submissions is a matter that is resolved by an Arbitrator based solely on the documentary evidence presented.

In-Person/Oral Arbitration Hearing is any proceeding in which an Arbitrator entertains oral testimony or arguments and reviews documents and evidence to render an award, judgment or to settle a dispute. The hearing/conference may take place in-person or via telephone or teleconference.

Depending upon which type of Arbitration is selected, the following fees apply:

Arbitration based on Written Submissions:

The following fees apply to Arbitrations based on Written Submissions. These fees include administration of the matter (that is, case administration, coordination, scheduling, document handling, faxing and regular postage) and up to one hour of Hearing Officer time (which includes the combination of conference/prehearing conference/hearing time, travel time (if required), study and review of written submissions and documents from the parties, research and award preparation time). If the Hearing Officer spends more than one hour on a matter, the additional time will be billed at \$560 per hour. Based on the size and complexity of a matter, NAM, in its sole discretion, may designate the number of hours for resolution thereof.

<u>Claim Amount</u>	<u>Combined Fee (includes Administrative Fee and up to one hour of Hearing Officer time)</u>
0-\$5,000	\$280
\$5,001-\$10,000	\$440
\$10,001-\$30,000	\$810
\$30,001-\$50,000*	\$1,290
\$50,001-\$75,000*	\$1,750
\$75,001-\$125,000*	\$1,950
\$125,001-\$250,000*	\$2,155
\$250,001-\$500,000*	\$2,670
\$500,001-\$1,000,000*	\$3,600
\$1,000,001-\$5,000,000*	\$5,650
\$5,000,001* +	\$10,275
Unspecified claim amount*	\$10,275

*For claims in these categories, if the parties select a "Special-Rate Hearing Officer" as designated as such on NAM's Roster, please contact NAM.

The Combined Fee is calculated and charged based upon the total amount of the claim(s) for the original claim and is separately calculated and charged based upon the total amount of the counterclaim(s). For time spent in excess of the combined hours allotted for the original claim(s) and the counterclaim(s), the parties will split the Arbitration Hearing Fee on an equal basis.

The award to be received by the parties for claims of \$10,000 or less will include the Arbitrator's findings and a concise and brief written statement of the reasons for the award. As such, the "Reasoned Decision Fee" described below will be added to the Combined Fee above. For example, if the claim is for \$5,000 or less, the fee will be \$500 (composed of \$280 Combined Fee and \$220 Reasoned Decision Fee). If the claim is over \$5,000 and up to \$10,000, the fee will be \$710 (composed of \$440 Combined Fee and \$270 Reasoned Decision Fee). The award to be received by the parties for claims between \$10,001 and \$75,000 will indicate the name of the prevailing party and the amount awarded. If, however, the parties decide that they would like to receive a reasoned decision for cases in this category, see "Reasoned Decision Fee" below. For claims of \$75,001 or more, a reasoned decision will be provided and the fee for such is already included in the Combined Fee above.

In-Person/Oral Arbitration Hearing:

<u>Claim Amount</u>	<u>Administrative Fee</u>	<u>Arbitration Hearing Fee</u>	<u>Includes (up to)</u>	<u>Cost for Additional Time (per hour)</u>
0-\$5,000	\$115	\$330	1 hour	\$330
\$5,001-\$10,000	\$115	\$660	1 hour	\$330
\$10,001-\$30,000	\$205	\$770	2 hours	\$495
\$30,001-\$50,000*	\$330	\$1,120	2 hours	\$560
\$50,001-\$75,000*	\$435	\$1,120	2 hours	\$560
\$75,001-\$125,000*	\$975	\$2,240	4 hours	\$560
\$125,001-\$250,000*	\$1,385	\$2,240	4 hours	\$560
\$250,001-\$500,000*	\$1,745	\$3,360	6 hours	\$560
\$500,001-\$1,000,000*	\$2,850	\$4,480	8 hours	\$560
\$1,000,001-\$5,000,000*	\$4,365	\$4,480	8 hours	\$560
\$5,000,001* +	\$7,190	\$8,960	16 hours	\$560
Unspecified claim amount*	\$7,190	\$8,960	16 hours	\$560

*For claims in these categories, if the parties select a "Special-Rate Hearing Officer" as designated as such on NAM's Roster, please contact NAM.

The Administrative Fee includes case administration, coordination, scheduling, document handling, faxing and regular postage. Such fee is calculated and charged on a per-claim basis for each claim and for each counterclaim.

The Arbitration Hearing Fee includes the combination of conference/pre-hearing conference/hearing time, travel time (if required), study and review of written submissions and documents from the parties, research and award preparation time. Such fee is calculated and charged based upon the total amount of the claim(s) for the original claim and is separately calculated and charged based upon the total amount of the counterclaim(s). For time spent in excess of the combined hours allotted for the original claim(s) and the counterclaim(s), the parties will split the Arbitration Hearing Fee on an equal basis.

The award to be received by the parties for claims of \$10,000 or less will include the Arbitrator's findings and a concise and brief written statement of the reasons for the award. As such, the "Reasoned Decision Fee" described below will be added to the Administrative Fee and the Arbitration Hearing Fee above. For example, if the claim is for \$5,000 or less and the total time spent is 1 hour or less, the fee will be \$665 (composed of \$115 Administrative Fee, \$330 Arbitration Hearing Fee and \$220 Reasoned Decision Fee). If the claim is over \$5,000 and up to \$10,000 and the total time spent is 1 hour or less, the fee will be \$1,045 (composed of \$115 Administrative Fee, \$660 Arbitration Hearing Fee and \$270 Reasoned Decision Fee). The award to be received by the parties for claims between \$10,001 and \$75,000 will indicate the name of the prevailing party and the amount awarded. If, however, the parties decide that they would like to receive a reasoned decision for cases in this category, see "Reasoned Decision Fee" below. For claims of \$75,001 or more, a reasoned decision will be provided and the fee for such is already included in the Administrative and Arbitration Hearing Fees above.

Reasoned Decision Fee

<u>Claim Amount</u>	<u>Reasoned Decision Fee</u>	
\$5,000 or less	\$220	Mandatory fee to be charged in addition to above fees
\$5,001-\$10,000	\$270	Mandatory fee to be charged in addition to above fees
\$10,001-\$30,000	\$330	Optional service and fee
\$30,001-\$50,000*	\$435	Optional service and fee
\$50,001-\$75,000*	\$550	Optional service and fee

*For claims in these categories, if the parties select a "Special-Rate Hearing Officer" as designated as such on NAM's Roster, please contact NAM.

Payment of Fees:

The fees discussed above are to be paid either by one party or split between the two parties depending upon the nature of the Claimant and Respondent as follows:

For Cases where the Parties are both Businesses:

The Fees shall be paid by the party that files a Demand for Arbitration, thus initiating a claim. Such party must indicate whether the matter is to be decided by an Arbitration based upon Written Submissions or an In-Person/Oral Arbitration Hearing and whether the decision is to be reasoned or not. The total fees (that is, the Combined Fee if based on Written Submissions, the Administrative Fee and the Arbitration Hearing Fee if an In-Person/Oral Hearing and, if applicable, the Reasoned Decision Fee) shall be paid by the Claimant when a Demand for Arbitration is filed. If the responding party agrees with one or both of the choices made by the Claimant, the matter will proceed as agreed upon. To the extent that the responding party does not agree with one or both of the choices made by the Claimant, the matter will default to an In-Person/Oral Arbitration Hearing and/or a reasoned decision will apply. To the extent that a party requests an Arbitration based on Written Submissions and the other party(ies) does (do) not respond within the time frame specified by NAM'S Rules for submitting a reply, the type of arbitration to be conducted will be in accordance with the underlying written agreement providing for arbitration of the matter (if applicable), if specified. If not specified by the underlying written agreement (that is, the agreement is silent on this issue), then the matter will be conducted based on written submissions. To the extent the Claimant has paid insufficient fees to cover the type of hearing/decision, such fees are due and payable before a hearing is scheduled. As part of the Demand for Arbitration, the Claimant may request that the Arbitrator order that all or a portion of the cost of the Arbitration be reimbursed to the Claimant from the Respondent.

Consumer Cases (see Payment Terms, item F below):

Consumer Claimants: A Consumer Claimant pays the following unless otherwise provided for by agreement between the parties or by applicable law.

Claim amount of 0 - \$5,000:	Based on Written Submissions only:	\$140
Claim amount of \$5,000 - \$10,000:	Based on Written Submissions only:	\$220
Claim amount of 0 - \$5,000:	In-Person/Oral Arbitration Hearing:	\$220
For all other claim amounts:	Either based on Written Submissions or In-Person/Oral Arbitration Hearings	\$275

Such fees shall be paid by the Consumer Claimant when the Demand for Arbitration is filed, thus initiating a claim. The Consumer Claimant must indicate whether the matter is to be decided by an Arbitration based upon Written Submissions or an In-Person/Oral Arbitration Hearing and whether the decision is to be reasoned or not. If the Business Respondent agrees with one or both of the choices made by the Claimant, the matter will proceed as agreed upon. To the extent that the responding party does not agree with one or both of the choices made by the Claimant, the matter will default to an In-Person/Oral Arbitration Hearing and/or a reasoned decision will apply. To the extent that a party requests an Arbitration based on Written Submissions and the other party (ies) does (do) not respond within the time frame specified by NAM'S Rules for submitting a reply, the type of arbitration to be conducted will be in accordance with the underlying written agreement providing for arbitration of the matter (if applicable), if specified. If not specified by the underlying written agreement (that is, the agreement is silent on this issue), then the matter will be conducted based on written submissions. The Business Respondent pays the balance of the Administrative Fee and the balance of the Arbitration Hearing Fee that remains unpaid by the Consumer Claimant and all of the Reasoned Decision Fee, if applicable. Such fees are due and payable by the Business Respondent before a hearing is scheduled. Also, to the extent the Consumer Claimant has paid insufficient fees to cover the type of hearing, such fees are due and payable before a hearing is scheduled. As part of the Demand for Arbitration, the Consumer Claimant and/or the Business Respondent may request that the Arbitrator order that all or a portion of the cost of the Arbitration be reimbursed between the parties.

Consumer Respondents: The Business Claimant pays the entire Fees except as otherwise noted herein. The Business Claimant must indicate whether the matter is to be decided by an Arbitration based upon Written Submissions or an In-Person/Oral Arbitration Hearing and whether the decision is to be reasoned or not. If the Consumer Respondent agrees with one or both of the choices made by the Claimant, the matter will proceed as agreed upon. To the extent that the Consumer Respondent does not agree with one or both of the choices made by the Business Claimant, the matter will default to an In-Person/Oral Arbitration Hearing and/or a reasoned decision will apply. To the extent that a party requests an Arbitration based on Written Submissions and the other party (ies) does (do) not respond within the time frame specified by NAM'S Rules for submitting a reply, the type of arbitration to be conducted will be in accordance with the underlying written agreement providing for arbitration of the matter (if applicable), if specified. If not specified by the underlying written agreement (that is, the agreement is silent on this issue), then the matter will be conducted based on written submissions. If the parties agree to an Arbitration based upon Written Submissions, all fees (that is, the Combined Fees and the Reasoned Decision Fee, if applicable) are due and payable by the Business Claimant at the time the Business Claimant files the Demand for Arbitration. Notwithstanding anything herein to the contrary, if the parties agree to an In-Person/Oral Arbitration Hearing (or if this is the default hearing), the Consumer Respondent will be responsible for paying one-half of the Arbitration Hearing Fee, up to a maximum of \$275. Such amount is due and payable by the Consumer Respondent before a hearing is scheduled. In this instance, the remaining fees (that is, the Administrative Fee, the remaining portion of the Arbitration Hearing Fee and the Reasoned Decision Fee, if applicable) are due and payable by the Business Claimant. The Business Claimant should pay the applicable fees when filing the Demand for Arbitration based upon the choices made by the Business Claimant up front. To the extent the Business Claimant has paid insufficient fees to cover the type of hearing and award, such fees are due and payable before a hearing is scheduled. As part of the Demand for Arbitration, the Business Claimant and/or the Consumer Respondent may request that the Arbitrator order that all or a portion of the cost of the Arbitration be reimbursed between the parties.

MEDIATIONS*

For Business-to-Business disputes:

Administrative Fee
\$440

Mediation Conference Fee
\$1,120 (includes up to 2 hours of time; additional hours at \$560 per hour)

The above fees are to be split equally between the parties and are due and payable as follows:
by the Claimant at the time a Request for Mediation is filed
by the Respondent at the time a response to the Request for Mediation is filed

For Consumer-to-Business or Business-to-Consumer disputes (see Payment Terms, Item F below):

Administrative Fee
\$440

Mediation Conference Fee
\$1,120 (includes up to 2 hours of time; additional hours at \$560 per hour)

The above fees are to be paid as follows:

Consumer: the Consumer pays \$55 of the Administrative Fee and \$220 of the Mediation Conference Fee, unless otherwise provided by agreement between the parties or by applicable law.

Business: the Business pays the remainder of the Administrative fee or \$385 and the remainder of the Mediation Conference Fee (\$900 for up to 2 hours of time; additional hours at \$560 per hour), unless otherwise provided by agreement between the parties or by applicable law.

The fees to be paid by the Consumer and the Business are due and payable as follows:
by the Claimant at the time a Request for Mediation is filed
by the Respondent at the time a response to the Request for Mediation is filed

For Individual-to-Individual disputes:

Administrative Fee
\$440

Mediation Conference Fee
\$1,120 (includes up to 2 hours of time; additional hours at \$560 per hour)

The above fees are to be split equally between the parties and are due and payable as follows:
by the Claimant at the time a Request for Mediation is filed
by the Respondent at the time a response to the Request for Mediation is filed

*If the parties select a "Special-Rate Hearing Officer" as designated as such on NAM's Roster, please contact NAM.

Adjournment Fees:

The Arbitrator/Mediator may, in his/her discretion, grant a party's request for postponement of a scheduled In-Person/Oral Hearing/Conference. Any such Arbitration or Mediation adjourned with at least 7 business days notice to NAM before the hearing/conference date is billable to the adjourning party in an amount equal to 50% of the fees for the hours reserved for that date. Any such Arbitration or Mediation adjourned without 7 business days notice to NAM before the hearing/conference date is billable to the adjourning party in an amount equal to the fees for the hours reserved, but in no event less than a minimum fee equal to 2 hours of Arbitrator/Mediator time.

The Arbitrator may, in his/her discretion, grant a party's request for postponement of the date fixed for the receipt of documentary evidence for an Arbitration based on Written Submissions. Any such Arbitration adjourned with at

least 7 business days notice to NAM is billable at \$115 to the adjourning party. Any such Arbitration adjourned without 7 business days notice to NAM is billable at \$165 to the adjourning party.

Administrative, Cancellation and Settlement Fees:

For In-Person/Oral Hearings and Mediation Conferences: The Administrative Fee is non-refundable. Additionally, if the Arbitration or Mediation settles or cancels with at least 7 business days notice to NAM, 50% of the Arbitration Hearing/Mediation Conference Fee is non-refundable. If the Arbitration or Mediation settles or cancels without at least 7 business days notice to NAM, all of the Arbitration Hearing/Mediation Conference Fee is non-refundable. Furthermore, if the Hearing Officer has expended any time on the matter (whether such time relates to study and review time, pre-hearing conference/hearing time, etc.), the Arbitration Hearing Fee or the Mediation Conference Fee (as applicable) is also non-refundable. To the extent that the Hearing Officer has expended more time than included in the Arbitration Hearing/Mediation Conference Fee, the parties are responsible for fees for such excess time.

For Arbitrations based on Written Submissions: Once the matter has been submitted to NAM and it has been established that the arbitration will be based on Written Submissions, 50% of the Combined Fee is non-refundable. If the Arbitration settles or cancels after the due date of the receipt of documentary evidence, all of the Combined Fee is non-refundable. Furthermore, to the extent that the Hearing Officer has expended more time than the one hour included in the Combined Fee, the parties are responsible for fees for such excess time.

Out-of-Pocket Fees:

Out-of-pocket expenses, if and when incurred, will be billed at cost and without mark-up. Out-of-pocket items that may be chargeable include, but are not limited to, the cost of overnight mail service and the cost of conference/long distance calls.

Special Request Fees:

In the event that additional time is required to be spent by NAM to address special requests by one of the parties, then NAM, in its sole discretion, may impose a supplemental fee of \$205 per special request.

Multi-Party and Tri-Panel Cases:

The fees detailed herein are for two-party cases. For cases involving multiple parties or a Tri-panel of Arbitrators, please request from NAM the specific fee schedule for such matters that is in effect at the time a claim is filed.

Translation or Interpreter Fees:

Normally, if a party requires translation or interpretation services, that party is responsible to find an appropriate service and pay for it directly. If a party requests that NAM directly provide translation or interpretation services and NAM is able to provide such services (note that NAM is not in this business and does not have professional translators), the fee for such service is \$220 per hour.

PAYMENT TERMS

- A. All fees are due and payable by the Claimant when a demand/request is filed and by the Respondent when a demand/request is responded to. In any event, all such fees must be paid before a hearing/conference is scheduled. Fees for adjournments and additional Arbitrator/Mediator time are due within 10 days of invoice date.
- B. To the extent that additional Arbitrator/Mediator time is required beyond that which was originally anticipated or if other circumstances arise whereby additional fees are incurred, NAM may direct the parties to make one or several advance, interim or final payments for the costs associated with the Arbitration/Mediation process. Such deposits shall be made to NAM. The Arbitrator(s)/Mediator(s) shall not proceed with the Arbitration/Mediation until receiving confirmation that all outstanding payments have been made to NAM by the parties.
- C. Each party is responsible to pay the fees billed to them by NAM directly to NAM. If, as part of the award, the Arbitrator/Mediator orders that a portion of the cost of the Arbitration/Mediation be reimbursed from one party to the other party, such reimbursement is to be made between/among the parties after NAM has been paid in full and without the involvement of NAM.
- D. In the event that a party fails or refuses to make payments, NAM may direct the other party to effect a substitute payment to allow the Arbitration/Mediation to proceed (subject to any Award for costs). In such circumstances, the party paying the substitute payment may be entitled to recover that amount from the defaulting party. NAM may elect not to commence administration of the claim or not to allow the hearing/conference to proceed until all outstanding fees are paid.
- E. In the event a dispute arises with respect to the payment of fees, the NAM Administrator, in his/her sole discretion, will determine who is responsible for the payment of fees.
- F. In the event a dispute arises as to the classification of one or more of the parties as a "consumer," the NAM Administrator, in his/her sole discretion, will determine such classification.
- G. The NAM Administrator may, in his or her discretion, agree to waive any of the fees payable to NAM by an individual who is indigent and unable to pay.
- H. All fees are to be paid in U.S. dollars.
- I. Interest will be charged at a rate of 1.5% per month on balances more than 30 days past due.
- J. Any questions or concerns regarding invoices should be brought to NAM's attention within 30 days of the receipt of the invoice. Any comments received after 30 days cannot be considered.

Fees and costs are effective as of 05/18/11. All fees are subject to adjustment annually as of July 1st of each year. Arbitrator/Mediator travel time (should any be required) is billable to each party at the assigned Arbitrator/Mediator's travel time rate.