



**Rules for the Resolution of Financial Disputes
Effective April 1, 2007**

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INTRODUCTION

NATIONAL CENTER FOR DISPUTE SETTLEMENT

Our Mission

The mission of the National Center for Dispute Settlement [NCDS] is to design and administer high quality, cost-effective, third party neutral dispute resolution services. NCDS believes that effective dispute resolution is one attribute of a more civilized society. Therefore, we promote the use of alternative dispute resolution, and we work to advance its practice.

Our Experience

The National Center for Dispute Settlement is an independent, private organization that provides cost effective dispute resolution and problem-solving services to parties in conflict. NCDS neutrals are specialists in dispute settlement from a wide variety of backgrounds in both the public and private sectors. NCDS clients include individuals, government agencies, unions, and corporations located both in the United States and abroad.

Originally established in 1968 by the Ford and Rockefeller Foundations with the support of major dispute settlement organizations of the day, NCDS was a leader in the dispute resolution field. NCDS pioneered the use of negotiation, mediation, and arbitration, procedures proven effective in labor-management conflict, to resolve conflicts in other arenas.

NCDS has nearly 40 years of experience in administering various forms of informal dispute resolution mechanisms. In the consumer arena, NCDS currently administers the arbitration programs for Toyota, Lexus, DaimlerChrysler, Mitsubishi and Porsche. Our processes have been responsible for the resolution of over 175,000 warranty disputes. In addition to a proven record of successful administration and user satisfaction, we believe our Company and our process have unique characteristics which position it to make a special contribution to disputing parties.

National Roster of Panelists

Mediators and arbitrators selected to be on the NCDS panel are professionals with years of experience in their respective fields. They have an understanding of current business practices.

Mediators and arbitrators are also provided mandatory training by NCDS before they are eligible to serve on cases.

Available ADR Processes to Resolve Financing Disputes

Consumers today are savvy about making financial decisions, especially when it comes to the purchase or lease of automobiles. Financing entities, too, want to make the process efficient while ensuring that customers perform on their obligations. Historically, these disputes have been handled through the already-inundated court system.

Through the use of NCDS arbitration services, the high costs – both in dollars and time – of litigation can be avoided. Most importantly, the parties can continue to build successful business relationships by settling their disputes out of court in front of a neutral who is an expert in the field.

A description of the more common forms of ADR follows.

❖ **Mediation**

Facilitative mediation is a non-binding, facilitated negotiation process. It involves the use of individuals who are trained in the techniques of negotiation and facilitation. Mediation requires that each party be present and have authority to settle. The mediator does not render legal advice but rather guides the parties to an amicable resolution. Parties are free to employ mediation while a case is pending in arbitration.

❖ **Arbitration**

Arbitration involves the intervention of a third-party neutral that hears testimony, and renders a final and binding determination on the merits of the dispute. Mandatory arbitration, unlike consensual arbitration, occurs because a court rule requires it. This form of arbitration may or may not involve a final and binding decision. Arbitration is appropriate for any dispute that requires an evaluative answer.

❖ ADR Hybrids

Conciliation is when a third party brings disputing parties together, and encourages them to resolve their problems. Unlike a mediator, the conciliator does not take an active part in the settlement discussions. His or her primary role is limited to opening channels of communication between the parties. Conciliation is the preferred form of ADR when parties desire to preserve their relationship, but require outside guidance.

Early Neutral Evaluation (ENE) is a process in which the parties to a dispute each make a presentation to a neutral that renders a non-binding opinion of the merits of the case. Presentations do not conform to the rules of evidence. Unlike arbitration, ENE does not produce a hard opinion regarding the likely outcome of the case if it proceeds to trial. This process is useful when parties need an expert evaluation to facilitate settlement discussions.

Mini-trial is a process where attorneys present their best arguments to top tier decision-makers. If decision-makers are fully informed as to the merits of their cases, they will be better prepared to engage in settlement discussions. A neutral moderator presides over the procedure. After hearing the party's best case, the executives recess to negotiate settlement with or without the assistance of the moderator. The advantages of a mini-trial are similar to a summary jury trial, in that it produces an evaluation by a third-party neutral. But, the lack of a jury makes the presentation easier and lowers the cost of the process. Also, the use of a neutral that is an expert in the subject matter saves considerable time at the outset, when parties try to explain various burdens of proof.

MEDIATION PROCEDURES

1. Agreement of the Parties

Parties may submit their dispute to mediation if they have provided for mediation in their contract, or if they stipulate to the use of mediation post-dispute. The applicable rules governing the mediation are the rules in effect at the time mediation is requested.

2. Role of Administrator

When parties agree to mediate under the Rules of the National Center for Dispute Settlement, they authorize NCDS to administer the dispute. The authority of NCDS, as it relates specifically to case administration functions, is prescribed in the Rules. In its capacity as administrator, NCDS is not authorized to make decisions with respect to the merits of any case, or offer advice or suggestions on how to resolve a case. Administrators serve to facilitate the case administration process by appointing mediators, transmitting information between the parties, and arranging for the mediation session. NCDS reserves the right to transfer the administration of a case to any of its offices.

3. Initiation of Mediation

A party who seeks mediation shall initiate the administrative process by filing a written request to engage NCDS. This request shall be accompanied by a general description of the dispute, and any contract language that references party agreement to use mediation. Four (4) copies of the request and the appropriate administrative fee as provided in the Administrative Fee Schedule shall be filed by mail with NCDS which is located at 43230 Garfield Road, Ste. 130, Clinton Township, MI 48038. Mediation forms are available on the website: www.ncdsusa.org

4. Appointment of Mediator

NCDS shall assign a mediator within five (5) work days of receiving the request for mediation. Alternatively, both parties may request a list of mediators, with brief biographical statements included, and rank the list according to preference. If a list which is provided to the parties is not returned within ten (10) work days, all names on the list will be deemed acceptable.

5. Qualifications of Mediator

Any mediator on the NCDS National Roster is eligible to serve on any pending case, even though the mediator may not have subject matter expertise. Both parties may stipulate to having their mediation session conducted by a subject-matter expert. If one is not available, NCDS will use its best efforts to locate such an expert from other sources, such as bar organizations or other professional groups.

6. Vacancies

Should the mediator assigned to a pending case be unable to execute his or her responsibilities within the time and manner prescribed by these Rules, another mediator shall be assigned unless the parties mutually agree to retain the mediator and hold the mediation session at a later date.

7. Representation

Any party may be represented by an attorney. A party also may be represented by a non-attorney, provided such representation is authorized by the law of the state in which the arbitration is conducted. If a party elects to be represented by an attorney or a non-attorney, their name and address shall be communicated in writing to the other party and to NCDS at least five (5) work days before the mediation session.

8. Logistics of Mediation Session

A. The mediator shall fix the time, date and place of the mediation session. The mediation session shall be held at the regional office of NCDS, or at any other convenient location agreed to by the parties and the mediator. By agreement of the parties and the mediator, the mediation session also may be conducted by telephone.

B. The parties shall notify NCDS of any postponement or cancellation of the session prior to forty-eight (48) hours of the scheduled session.

C. Should a party delay, postpone or cancel a mediation session less than forty-eight (48) hours prior to the scheduled date, that party shall be solely liable for any expenses and fees occasioned by such action, including those incurred by the mediator. The right to make such assessments rests exclusively with NCDS.

9. Authority of Mediator

A. The mediator shall have the authority to conduct the mediation session in such manner as the mediator shall judge will best facilitate the disposition of the dispute, consistent with commonly accepted mediation practices and these Rules.

B. The following rules of conduct shall apply:

1. Attendance shall be required of each party to the dispute. There shall be no *ex-parte* proceedings before or after the mediation session.
2. Only those other persons who may have a bearing on the resolution of the dispute shall attend the conference; such attendance shall be in such manner and at such time as the mediator may determine.
3. Each party shall designate a representative who shall act as a spokesperson; provided, however, that nothing shall preclude a party from making a presentation.
4. Either party may present such proof, written or oral, as each shall deem necessary to the presentation of their respective position without the challenge of materiality or conformance with any rules of evidence.
5. The mediator may conduct joint and separate meetings with any person or persons participating during the mediation session.
6. The mediator shall not direct or compel the resolution of the dispute.

10. Confidentiality

A. Mediation proceedings are confidential. Information disclosed to a mediator by counsel, parties, or witnesses (if any) shall not be divulged by the mediator. Information includes records, reports, and other written documents, including photographs, presented to the mediator during the mediation.

B. The mediator shall not be compelled to divulge any records or be called upon to testify in any judicial, arbitral, administrative, or other proceeding respecting the mediation.

C. The parties shall maintain the confidentiality of the mediation and shall not rely on, or introduce as evidence in any judicial, arbitral, administrative, or other proceeding, any of the following:

1. Views expressed or suggestions made by a party with respect to a possible settlement of the dispute;
2. Admissions made by a party in the course of mediation;
3. Proposals made or views expressed by the mediator; or
4. The fact that a party had or had not indicated willingness to accept a proposal for settlement made by the mediator or another party.

11. Termination of Mediation

A. Either party shall have the right to withdraw the dispute from mediation, at any time before or during the mediation session, in which event the mediation shall terminate.

B. Should the parties not be able to resolve their dispute to their mutual satisfaction after a reasonable period, the mediator may exercise his or her authority to terminate the mediation.

12. Interpretation of Rules

The mediator shall interpret and apply these Rules as they relate to the mediator's duties and responsibilities. All other procedures shall be interpreted and applied by NCDS.

13. Applications to Court and Exclusion of Liability

Neither NCDS nor any mediator shall be liable to any party for any act or omission in connection with the mediation session conducted under these Rules.

14. Fees and Expenses

Case Filing Fees

The parties will pay to NCDS a non-refundable filing fee of \$600.00, borne equally by the parties. This fee is intended to compensate NCDS for the administration of the case and in recruiting and training competent neutrals. A separate fee will be assessed for the professional service rendered by the mediator. *See* below.

Mediator Fees

The parties are responsible for sharing equally in the payment of the mediator’s fee, which may also include study or preparation time. Mediator fees will be collected from the parties before the start of the formal mediation session.

Postponement Fees

A. For good cause shown, the mediator may postpone the mediation session, upon agreement of the parties, upon request of a party, or upon the mediator’s own initiative. Mediations that are postponed by both parties, or at the request of one party, will be subject to a postponement fee of \$75, to be paid by the party causing the postponement. See Rule 14 – Mediation. This fee is independent of any fees assessed by the mediator, which remains a collectible fee in case the matter is subsequently withdrawn from arbitration.

B. All requests for postponement must be communicated to NCDS.

Other Expenses

The expenses of any witnesses, if any, will be borne by the party producing such witnesses.

The parties also are responsible for any reasonable and customary travel expenses of the mediator, which fees shall be paid upon request to NCDS.

If an overnight stay is required, the parties shall pay upon request to NCDS the ordinary and reasonable expenses incurred by the mediator for such lodging.

ARBITRATION PROCEDURES

1. Agreement of the Parties

Parties may submit their dispute to arbitration if they have provided for arbitration in their contract, or if they stipulate to the use of arbitration post-dispute. The applicable Rules governing the arbitration are the Rules in effect at the time arbitration is demanded.

2. Role of Administrator

When parties agree to arbitrate under the Rules of the National Center for Dispute Settlement they authorize NCDS to administer the dispute. The authority of NCDS, as it relates specifically to case administration functions, is prescribed in the Rules. In its capacity as administrator, NCDS is not authorized to make decisions with respect to the merits of any case, or offer advice or suggestions on how to resolve a case. Administrators serve to facilitate the case administration process by appointing arbitrators, transmitting information between the parties, and scheduling the arbitration hearing. NCDS reserves the right to transfer the administration of a case to any of its offices.

3. Initiation Under a Contract Provision

A. Arbitration is initiated by the filing of a Demand for Arbitration with NCDS in accordance with the agreement of the parties.

B. The initiating party shall:

1. Prepare a written notice to the other party that states its intention to arbitrate ("Demand"), which notice shall contain a statement setting forth the nature of the dispute, the amount involved (if any), and the remedy sought; *and*,

File four (4) copies of the Demand, together with two (2) copies of the Retail Sales Agreement and the appropriate administrative fee as provided in the Administrative Fee Schedule. These documents must be filed by mailing to NCDS offices located at 43230 Garfield Road, Suite 130, Clinton Township, MI 48038. Arbitration forms are available on the website: www.ncdsusa.org.

4. Initiation Under a Submission

Parties not operating under a prior agreement to arbitrate may submit a current dispute to arbitration, providing they complete and sign a Submission

Agreement. The Submission Agreement shall contain a statement setting forth the nature of the dispute, the amount involved (if any), and the remedy sought.

5. Pre-Initiation Negotiation

If initiation of a case occurs by Demand for Arbitration, NCDS will provide the parties with an opportunity to resolve the case internally before moving forward with case administration. The parties will have thirty (30) days from the date the Demand for Arbitration is received by NCDS within which to discuss the dispute and attempt in good faith to resolve it. At the end of the thirty (30) days, if NCDS has not received a statement, in writing, from the parties confirming their resolution, NCDS will proceed with case administration.

6. Changes of Claim

A party may at any time prior to the appointment of the arbitrator increase or decrease the amount of the claim or counterclaim. Any new or different claim shall be in writing and submitted to the other party at the same time as it is submitted to NCDS. The other party shall have a period of ten (10) days within which to respond to the filing of the new or different claim. After the appointment of the arbitrator, no new or different claim may be filed unless the arbitrator approves such a filing.

7. Joinder and Consolidation

If the parties' agreement or the law provides for consolidation or joinder of related arbitrations, parties will first attempt to agree on the protocol for either consolidation or joinder. Failing agreement, NCDS will appoint a single arbitrator who shall determine the propriety of the consolidation or joinder request, whose decision on the subject will be final.

8. Mediation

A. At any stage of the arbitration, the parties may agree to conduct a mediation session, without removing the case from arbitration. The mediator assigned to conduct the mediation session shall not be the arbitrator appointed to the case. If the parties agree to mediate before the appointment of an arbitrator, the mediator assigned to conduct the mediation shall not later serve as the arbitrator, should the case fail to settle.

B. The parties will be responsible for the fees and expenses associated with invoking mediation.

9. Appointment of Arbitrator

A. NCDS shall appoint arbitrators from its National Panel knowledgeable with the following federal statutes: Truth in Lending Act, Fair Credit Reporting Act, Equal Credit Opportunity Act, and Federal Trade Commission Holder in Due Course.

B. The appointment of the arbitrator shall take place in the following manner: Immediately after the filing of the Demand for Arbitration or the Submission Agreement, NCDS shall submit simultaneously to each party to the dispute an identical list containing an odd number of names of persons from the National Panel. The number shall be determined by the number of parties. Each party to the dispute shall have ten (10) days from the mailing date in which to strike one name, number the remaining names to indicate the specific order of preference, and return the list to NCDS.

C. If a party does not return the list within the time specified, all persons designated on the list shall be deemed acceptable. From among the persons who have been approved on all lists, and in accordance with the designated order of mutual preference, NCDS shall invite the acceptance of an arbitrator to serve. If acceptable arbitrators are unable or unwilling to act, for any reason, NCDS shall submit simultaneously another identical list of names chosen from the National Panel, allowing the parties an additional ten (10) days to strike one name, number the remaining names to indicate the order of preference and return the list to NCDS. If the parties fail to agree to any of the persons named or if acceptable arbitrators are unable or unwilling to act, for any reason, after the second selection process, NCDS shall have the power to make the appointment from among other members of its National Panel, without the submission of another list.

10. Arbitral Disclosures

A. An arbitrator selected to serve under these Rules must, at the time of appointment or as soon afterwards conduct an investigation and, as it becomes known, disclose any information that is likely to create an appearance of partiality or bias. Such information includes past and present financial, business, personal or professional relationships with the attorneys, parties, or witnesses.

B. The obligation to make disclosures remains in effect throughout the arbitration, including the period of time between the evidentiary hearing and the award.

C. Upon receipt of any disclosure, NCDS shall communicate the disclosure to the parties for review and comment.

D. Nothing in this Rule shall preclude a party in arbitration from filing a statement that discloses potentially disqualifying information with respect to the appointed arbitrator. If such information is received, NCDS shall forward the statement to the other party for comments. The initial statement and the response, if any, shall be provided to the arbitrator for review.

11. Disqualification of Arbitrator

A. Arbitrators serving under these Rules shall be impartial, independent, and perform their responsibilities in good faith.

B. An arbitrator may be disqualified from serving in any of the following circumstances:

1. Upon objection of both or all parties;
2. Upon objection from one party, after due consideration of comments from the remaining parties, or,
3. On the initiative of NCDS.

C. The decision of NCDS with respect to the disqualification of an arbitrator shall be communicated to the parties, and shall be deemed conclusive.

12. Vacancies

If an arbitrator dies, resigns, or is otherwise unable to fulfill the duties of office, NCDS shall appoint a successor, in the same manner as the initial arbitrator.

13. Communication with Arbitrator Outside of Hearing

No party and no one acting on behalf of any party shall communicate *ex-parte* with an arbitrator or a candidate for arbitrator concerning the arbitration, at any time and for any reason, once the arbitrator has been appointed.

14. Oaths

An arbitrator who accepts appointment must complete an oath of fidelity to the arbitral process. This oath shall be signed by the arbitrator and returned to NCDS before NCDS will confirm the appointment of the arbitrator.

15. Hearing Logistics

- A. NCDS shall submit a 90-day calendar to the parties and the arbitrator, requesting each person to strike the dates they are unavailable. Upon receiving the calendars from the parties, the arbitrator shall determine the date, time and location of the hearing, notice of which must be given to the parties at least fourteen (14) days in advance unless waived by the parties in writing.
- B. The hearing will be held at a neutral location.

16. Representation

- A. Any party to the proceeding may attend the hearing or be represented at the hearing by another person. Non-attorney representation is limited to those states that permit such representation.
- B. In the case of representation by an attorney, in the interest of fairness to all parties, the party retaining counsel or their attorney must advise NCDS and the other parties of the identity of their representative at least five (5) days prior to the date of the hearing. Failure to follow this Rule with regard to notice may result in an adjournment of the scheduling hearing with any costs associated with the postponement to be borne by the party failing to give timely notice.
- C. Parties are strongly encouraged to retain legal counsel, as arbitration is a complete substitute for litigation, resulting in a final and binding determination upon the parties.

17. Postponement Requests

- A. For good cause shown, the arbitrator may postpone the arbitration, upon agreement of the parties, upon request of a party, or upon the arbitrator's own initiative. Arbitrations that are postponed by both parties, or at the request of one party, will be subject to a postponement fee. *See* Rule 34 – **Fees and Expenses (Postponement Fees)**.
- B. All requests for postponement must be communicated to NCDS.

18. Stenographic Record

- A. There shall be no stenographic record of any portion of the proceedings, unless the parties agree, in writing, in advance of the commencement of the evidentiary hearing. In that instance, it will be the parties' responsibility to secure the services of a stenographer, and must so notify NCDS that such a stenographer has been retained.

B. The record produced by the stenographer will constitute an unofficial transcript of the proceedings unless the arbitrator determines otherwise.

C. If the arbitrator determines that a stenographic record is appropriate, the parties, at their expense, will make a copy of the transcript available to the arbitrator.

19. Pre-Hearing Remedies

A. The arbitrator may take whatever interim measures he or she deems necessary, including injunctive relief and measures for the protection or conservation of property and disposition of perishable goods.

B. Such interim measures may be taken in the form of an interim award, and the arbitrator may require security for the costs of such measures.

C. A request for interim measures addressed by a party to a judicial authority shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate.

20. Attendance at Hearings

All persons who are parties to the arbitration agreement, as well as representatives and witnesses, are entitled to attend hearings. The arbitrator shall determine whether any other person may attend the hearing. The arbitrator's authority under this Rule also extends to include the sequestration of witnesses.

21. Evidence

The arbitrator may receive and consider documentary evidence. Documents to be considered by the arbitrator may be submitted prior to the hearing or as directed by the arbitrator provided a copy is simultaneously transmitted to all other parties and to NCDS for transmittal to the arbitrator.

22. Evidence by Documents Only

At the discretion of the arbitrator or by agreement of the parties, parties may submit their entire case by documents, without convening an evidentiary hearing.

23. Burden of Proof

The arbitrator shall apply the appropriate burden of proof standards imposed by law.

24. Pre-Hearing Exchange of Information

A. At the request of any party or at the discretion of the arbitrator or NCDS, the arbitrator may schedule as soon as practicable a preliminary hearing with the parties and/or their representatives.

B. At the discretion of the arbitrator, the preliminary hearing may be conducted by telephone.

C. During the preliminary hearing, the parties and the arbitrator should discuss how they intend to present their case, including any arbitrability issues, the number of witnesses, the schedule for the hearings, the form of the award, and any other preliminary matters the parties deem appropriate.

25. Conduct of Hearing

A. The hearing shall be conducted by the arbitrator in any manner which will permit full and expeditious presentation of the case by both parties. Normally, the hearing shall be completed in one day but the arbitrator may, for good cause, schedule an additional hearing, normally within five (5) days of the initial hearing.

B. A hearing shall be opened by the arbitrator noting the place, time and date of the hearing, the presence of the arbitrator and parties, and counsel, if any, and by the receipt by the arbitrator of the statement of the claim and answer, if any. The arbitrator may, at the beginning of the hearing, ask for statements clarifying the issues involved. The complaining party shall then present its claim and proofs and its witnesses, who shall submit to questions or other examination.

C. The arbitrator has discretion to vary this procedure but shall afford full and equal opportunity to all parties for the presentation of any material and relevant proofs. Exhibits, when offered by either party, may be received in evidence by the arbitrator. The names and addresses of all witnesses and a list of exhibits in the order received shall be made a part of the record.

D. The parties agree to protect the arbitrator(s) from involuntary communications or testimony, other than at the actual hearing.

26. Closing of Hearing

A. When satisfied that the presentation of the parties is complete, and parties have no further proofs to offer, the arbitrator shall declare the hearing closed.

B. If documents or responses are to be filed, the hearing shall be declared closed as of the final date set by the arbitrator for their receipt.

C. The time limit within which the arbitrator is required to make the award shall commence to run, in the absence of other agreements by the parties and the arbitrator, upon closing of the hearing.

27. Re-opening of Hearing

The hearing may be re-opened on the arbitrator's initiative, or by direction of the arbitrator upon application of a party, at any time before the award is made. If re-opening the hearing would prevent the making of the award within the specific time agreed to by the parties in the arbitration agreement, the matter may not be re-opened unless the parties agree to an extension of time. When no specific date is fixed by agreement of the parties, the arbitrator shall have 30 calendar days from the closing of the re-opened hearing within which to make an award.

28. Form of Award

The award shall be in writing and shall be signed by the arbitrator(s). It shall be executed in the manner required by law.

29. Time of Award

The award shall be rendered promptly by the arbitrator(s) and, unless otherwise agreed by the parties in writing, not later than thirty (30) days from the date of the closing of the hearing.

30. Scope of Award

The arbitrator may make any award that is just and equitable and within the scope of the parties' agreement. The arbitrator, in the award, may also allocate or assess the arbitration fees and expenses against any party but only in accordance with the parties' agreement. In the event that any administrative fees or expenses are due to NCDS, the arbitrator, in the award, may provide for payment to NCDS. The arbitrator also may award attorneys' fees, provided such fees are authorized either by agreement or by law in the jurisdiction in which the arbitration proceeding is held.

31. Extensions of Time

The parties may modify any period of time specified in these Rules by agreement in writing. NCDS or the arbitrator may extend any period of time, except the time for making the award, for good cause shown, and so notify the parties.

32. Interpretation of Rules

Except where the Rules specifically state otherwise, the arbitrator shall interpret and apply these Rules insofar as they relate to the arbitrator's powers and duties. All other Rules shall be interpreted and applied by NCDS.

If the parties' contract contains any term that contradicts any provision of these Rules, the term specified in the contract, not the provision in the Rules, shall govern.

33. Applications to Court and Exclusion of Liability

By agreeing to these Rules or proceeding in any manner under these Rules, the parties agree:

1. Neither NCDS, its officers, directors or employees, nor any arbitrator appointed to serve under these Rules in the administration of a case is a necessary party in judicial proceedings relating to the arbitration;
2. Neither NCDS, its officers, directors or employees, nor any arbitrator appointed to serve under these Rules in the administration of a case shall be liable to any organization or its members for any act or omission.

34. Fees and Expenses

Case Filing Fees

The filing party will pay to NCDS a filing fee of \$125 to initiate the process. If the arbitration case is resolved within the first thirty (30) days, pursuant to Rule 5 **Pre-Initiation Negotiation**, \$50 of this fee will be refunded to the filing party. If the case is not resolved within the first thirty (30) days, NCDS will commence formal administration of the case, and the manufacturer or financing entity will be assessed \$575. This fee is intended to compensate NCDS for the administration of the case, including the scheduling of all hearings, and in recruiting and training competent neutrals. A separate fee will be assessed for the professional service rendered by the arbitrator. *See below.*

Arbitrator Fees

The fees of the arbitrator, up to eight (8) hours of hearing time, will be borne directly by the manufacturer or financing entity. Hearing time that exceeds eight (8) hours will be borne by the parties directly, and on an equal basis. Arbitrator fees will be collected once the hearing date is set; unused fees will be returned to the manufacturer or financing entity.

Postponement Fees

Any party causing a postponement will be assessed a fee of \$75. This fee is independent of any fees assessed by the arbitrator.

Other Expenses

The expenses of any witnesses, if any, will be borne by the party producing such witnesses.

The parties also are responsible for any reasonable and customary travel expenses of the arbitrator, which fees shall be paid upon request to NCDS.

If an overnight stay is required, the parties shall pay upon request to NCDS the ordinary and reasonable expenses incurred by the arbitrator for such lodging.