



PAX ADR LLC ARBITRATION RETAINER AGREEMENT

1. Purpose

The Parties, _____ have chosen to appoint Nancy F. Lesser of Pax ADR, to serve as an arbitrator (“Arbitrator”), in the currently pending dispute. {The arbitration will be conducted on an ad hoc basis without an administering institution}or {The arbitration will be administered by _____}. The parties agree to proceed under the _____ Rules of _____.

2. Neutrality

The Parties understand and agree that the Arbitrator shall act in a strictly neutral capacity as a decision-maker and not as a mediator or advocate for either party.

3. Disclosures

The Arbitrator has made a reasonable effort to learn and has disclosed to the parties: (a) all business or professional relationships the Arbitrator and/or the Arbitrator’s firm has had with the parties or their law firms within the past three years; (b) any financial interest the Arbitrator has in any party; (c) any significant social, business or professional relationship the Arbitrator has had with an officer or employee of a party or with an individual representing a party in the arbitration; and (d) any other circumstances that may create doubt regarding the Arbitrator’s impartiality in the arbitration. Each party and its law firm has made a reasonable effort to learn and has disclosed to every other party and the Arbitrator any relationships of a nature described in the preceding paragraph not previously identified and disclosed by the Arbitrator.

The parties and the Arbitrator are satisfied that any relationships disclosed pursuant to this paragraph will not affect the Arbitrator’s independence or impartiality. Notwithstanding any such relationships, the parties have chosen the Arbitrator to serve in the arbitration, waiving any claim based on such relationships, and the Arbitrator agrees to so serve.

4. Future Work

Neither the Arbitrator nor the Arbitrator's firm shall undertake any work for or against a party regarding the subject matter of the arbitration. The Arbitrator's firm may mediate or arbitrate other unrelated matters involving one or more of the parties during the pendency of the arbitration, and will disclose same to the parties.

5. Fees

Fees for services by the Arbitrator will be determined by the number of hours (or portion) spent on the matter, plus expenses. The Arbitrator will bill on this basis for all time spent on the matter, including initial contacts, electronic communications and telephone conferences, travel, reviewing submissions and other material in preparation for the hearing, hearing, post-hearing deliberations, and preparation of awards. The Arbitrator will charge an hourly rate for services of \$____, which rate will remain in effect for the duration of the arbitration. The Arbitrator's time is billed in quarter-hour increments.

Case management services are included in the Arbitrator's hourly fee. Expenses, such as conference room and meal charges, long distance telephone, transportation or copying charges, will be billed at cost, which in some cases may be estimated. Invoices will be prepared monthly and are payable within 30 days thereafter. Other personnel, such as paralegals or law clerks, may be utilized to perform certain legal research or other tasks that the Arbitrator would otherwise be required to perform. Such personnel will be billed at lower rates.

6. Cancellation Policy

If a scheduled arbitration hearing is cancelled more than 30 days before a session, professional fees are fully refundable, except to the extent Arbitrator preparation or other personnel time has already been incurred. Scheduled arbitration dates cancelled or rescheduled in less than 30 days will incur cancellation charges based upon an eight-hour day for each day reserved unless the time can be scheduled by the Arbitrator for another matter. If an arbitration session is completed in less time than was reserved, the actual time reserved but not used will be billed unless the Arbitrator's time can be scheduled for another matter.

7. Advance Payment

The Parties have agreed to share the Arbitrator's fees and expenses as follows: _____. The Parties agree to pay an advance amount each of \$____, as estimated by the Arbitrator for fees and expenses. This is

an estimate only, and the Parties are responsible for all fees and expenses incurred. Each party shall pay an advance amount prior to the commencement of the case set forth in an invoice to be forwarded to each Party. All advance fees not used will be returned to the Parties at the conclusion of the Arbitration. If the advance account is exhausted prior to the end of the Arbitration, the Parties may be asked to replenish the account. The Arbitrator retains the right to suspend the proceedings in the event any invoices are not timely paid.

8. Disqualification of Arbitrator and Exclusion of Liability

The parties agree not to call the Arbitrator as a witness or as an expert in any pending or subsequent litigation or arbitration involving the parties to the arbitration. The parties agree to defend and/or assume the costs and attorneys' fees of defending the Arbitrator and Pax ADR from any subpoenas from third parties arising out of this Agreement or the arbitration. The parties agree that the Arbitrator will have the same immunity from liability for any act or omission in connection with the arbitration as judges have under applicable state and federal law.

BY:

FOR: _____

DATED:

BY:

FOR: _____

DATED: