

## **Home Inspection Arbitration Rules**

### **1. Agreement of Parties**

The following arbitration rules shall apply whenever parties sign a document or contract that states they will abide by them. These rules are applicable to voluntary arbitration procedures and contract-mandated arbitration. Parties may modify any provision, in writing, by mutual agreement. These rules and any amendment of them shall apply except for any such provision that may be inconsistent with applicable law or when modified in writing by the parties. Upon initiation of the arbitration process, each side will be invoiced a non-refundable administrative fee.

### **2. Initiation of Arbitration**

#### **A. Contractual Agreement**

Any party wishing to initiate arbitration by prior contractual agreement under Resolute Systems' Arbitration Rules will follow these procedures:

The initiating party shall serve written notice to the opposing party via registered mail or overnight courier. This notice shall set forth the nature of the dispute, the dollar amount, if any, involved, and the remedy sought. A copy of this notice shall be sent to Resolute Systems at 1661 N. Water Street, Suite 501, Milwaukee, WI 53202. The responding party must answer the filing party, in writing via registered mail or overnight courier, within 21 days. A copy of the answer must also be sent to Resolute Systems.

The Resolute ADR Consultant will contact the respondent and determine if there is a counterclaim. If the respondent intends to file a counterclaim, it must serve notice against the filing party setting forth the nature of the dispute, the dollar amount, if any, involved, and the remedy sought. The filing party must answer the counterclaim in same. If the respondent fails to answer the notice of arbitration, and/or if the filer fails to answer the counterclaim, it/they will be treated as a denial(s) of the claim(s). Such denial(s) will not delay the arbitration in any manner.

Within 60 days of any party to this contract demanding arbitration, the parties will attempt voluntary settlement through mediation administered by Resolute Systems, LLC, and during this 60-day window, the arbitration process shall be stayed with the exception of the responding party answering the arbitration notice and notifying Resolute Systems, LLC of a counter-claim. Absent a voluntary settlement through mediation, arbitration will commence in accordance with Resolute Systems, LLC's Home Inspection Arbitration Rules, and judgment upon the award rendered by the arbitrator may be entered into any court or administrative tribunal having jurisdiction thereof.

Any party may opt out of mediation, thereby moving the claim directly to binding arbitration pursuant to the Resolute Systems, LLC's Home Inspection Arbitration Rules.

#### **B. Voluntary Submission**

Parties to any existing dispute may initiate arbitration by contacting Resolute Systems, LLC at 800.776.6060 and request that Resolute Systems, LLC administer the arbitration of their dispute pursuant to The Resolute Systems, LLC Home Inspection Arbitration Rules.

### **3. Panel of Arbitrators**

Resolute Systems, LLC shall establish and maintain a Panel of Neutrals from which parties may select a mutually agreeable neutral, or neutrals.

### **4. Selection of Arbitrator**

Unless applicable law or the agreement of the parties provides otherwise, the dispute shall be decided by one arbitrator, except as otherwise provided in this section. Resolute Systems, LLC will submit a Panel of at least five (5) Neutrals from which the parties shall have ten (10) days to find a mutually acceptable arbitrator.

Additionally, the parties may voluntarily agree to select an arbitrator outside of the panel provided by Resolute Systems, LLC. Resolute Systems, LLC will administer the arbitration pursuant to the Resolute Systems, LLC Home Inspector Arbitration Rules with any arbitrator whom the parties voluntarily select, and who agrees to follow the Resolute Systems, LLC Home Inspector Arbitration Rules.

If the parties cannot agree upon the arbitrator within ten (10) days of receiving the panel, Resolute Systems, LLC will submit a Panel of at least seven (7) arbitrators and ask the parties to rank the arbitrators in order of preference with 1 being most preferred and 7 being least preferred. Parties may strike any arbitrator they will not consider. Parties will have seven (7) days to complete their rankings and submit them to Resolute Systems, LCC who will then tally the scores. The arbitrator with the lowest score will be invited to serve as the arbitrator. Any party has the right to strike an entire panel once. If they do so, Resolute Systems, LLC will submit another panel for the parties to rank.

If after receiving the rankings there are no commonly-preferred arbitrators, each party will submit a list of four (4) arbitrators to be considered. Resolute Systems, LLC will submit a list of five (5) arbitrators to be considered. These lists will be combined creating a list of 13 potential arbitrators. The parties will then take turns striking arbitrators until one remains.

### **5. Qualifications of Arbitrator**

No person shall serve as an arbitrator in any arbitration in which that person has any financial or personal interest. An arbitrator shall disclose any circumstances likely to create a presumption of bias that might disqualify that arbitrator as an impartial arbitrator. If for any reason an appointed arbitrator should be unable to perform the duties of the office, Parties will have 2 days from when the original arbitrator disclosed his inability to perform to mutually agree on a replacement from among those names remaining on the list(s) submitted to the parties. If an appointment cannot be made from the list(s), Resolute Systems, LLC will appoint a replacement from among those names remaining on the list(s) submitted to the parties.

### **6. Administrative Conference**

Any party to the arbitration may request an administrative conference with the Arbitrator and the opposing party(s) to specify the issues to be resolved, guide discovery, stipulate any mutually agreed upon procedures or rules that may expedite the arbitration process, establish high/low parameters, and address any other concern by any party to the arbitration. Nothing discussed during the administrative conference will affect or amend the Resolute Arbitration Rules without the mutual consent of all participating parties, including Resolute Systems.

## **7. Hearing Date, Time and Location**

The parties shall mutually agree upon the date, time and place for each hearing. Resolute Systems, Inc. shall mail and/or fax to each party notice thereof, unless the parties by mutual agreement waive such notice or modify the terms thereof. Notices sent to parties must be signed and postmarked or received by Resolute Systems, LLC within seven days of being sent or Resolute shall have the right to cancel said hearing. If the parties are unable to agree upon a mutually acceptable date, time and place for each hearing within 5 days of a neutral being appointed, Resolute Systems, Inc. will specify the date, time and location of the hearing.

## **8. Representation**

Any party may be represented by counsel or other authorized representative.

## **9. Stenographic Record**

There shall be no stenographic record of the arbitration proceedings.

## **10. Interpreters**

Any party wishing an interpreter shall make all arrangements directly with the interpreter and shall assume the costs of such service.

## **11. Attendance at Hearings**

The arbitrator shall maintain the privacy of the hearings unless the law provides to the contrary. Any person having a direct interest in the arbitration is entitled to attend hearings. The arbitrator shall otherwise have the power to require the exclusion of any witness, other than a party or other essential person, during the testimony of any other witness. It shall be discretionary with the arbitrator to determine the propriety of the attendance of any other person.

## **12. Postponements**

The arbitrator may, for good cause, postpone the hearing upon the request of a party or upon the arbitrator's own initiative. The arbitrator shall grant such postponement when all of the parties agree thereto. Any party requesting the postponement shall pay a \$300.00 processing fee to Resolute Systems, LLC.

## **13. Oaths**

Before proceeding with the first hearing, each arbitrator may take an oath of office and, if required by law, shall do so. The arbitrator may require witnesses to testify under oath administered by any duly qualified person and, if required by law or requested by either party, shall do so.

## **14. Arbitration in the Absence of a Party or Counsel**

Unless the law provides to the contrary, the arbitration may proceed in the absence of any party or counsel who, after due notice, fails to be present or fails to obtain an adjournment. An award shall not be made solely on the default of party. The arbitrator shall require the party who is present to submit such evidence as is deemed necessary for the making of an award.

## **15. Arbitration Hearing**

The hearing may be conducted by the arbitrator in any manner that permits a fair presentation of the case by the parties.

## **16. Evidence**

The arbitrator shall be the judge of the relevance and materiality of the evidence offered and conformity to legal rules of evidence shall not be necessary.

## **17. Closing of Hearing**

The arbitrator shall specifically inquire of all parties whether they have any further proofs to offer or witnesses to be heard in accordance with the Arbitration Agreement. The arbitrator shall declare the hearing closed upon determination that there are no further presentations.

## **18. Arbitration Decision**

The arbitration decision shall be in writing and shall be signed by the arbitrator(s). The arbitrator shall render the decision promptly and, unless otherwise agreed by the parties or specified by law, no later than fourteen days from the date of closing the hearing, or, if oral hearings have been waived, from the date of transmitting the final statements and proofs to the arbitrator. The arbitration decision will not be released to any party until all parties have paid their portion of the arbitration fees in full. Any party wishing to pay the entire arbitration fee to release the award may do so.

## **19. Waiver of Procedures**

Any party who proceeds with the arbitration after knowledge that any provision or requirement of these rules has not been complied with and who fails to state objection thereto in writing shall be deemed to have waived the right to object.

## **20. Extensions of Time**

The parties may modify any period of time by mutual written agreement. Resolute Systems, LLC may for good cause extend any period of time for making the award. Resolute Systems, LLC shall notify the parties of any such extension and its reason therefore.

## **21. Serving of Notice**

(a) Each party shall be deemed to have consented that any papers, notices, or process necessary or proper for the initiation or continuation of an arbitration under these rules, for any court action in connection therewith; or for the entry of judgment on any award made under these rules may be served upon such party by mail addressed to such party or its attorney at the last known address or by personal service, in or outside the state where the arbitration is to be held, provided that reasonable opportunity to be heard with regard thereto has been granted to such party.

(b) To facilitate communication between the parties and Resolute Systems, LLC, the parties agree that communications received from each other or Resolute Systems, LLC via facsimile machine, electronic mail, or other written forms of electronic communication are valid and proper notice under these rules.

## **22. Scope of Decision**

The parties agree that any decision rendered by the arbitrator is conclusive only as to the matters being adjudicated in said arbitration, pertaining to the parties present. The decision of the arbitrator is not res judicata nor will it have collateral estoppels effect as to the same or similar issues in companion claims or actions arising out of the incident, which is the subject of said arbitration.

## **23. Award upon Settlement**

If the parties settle their dispute during the course of the arbitration, the arbitrator may, upon their request, set forth the terms of the agreed settlement in an award.

## **24. Delivery of Award to Parties**

Parties shall accept as legal delivery of the award the placing of the award or a true copy thereof in the mail addressed to such party or its attorney at the last known address, personal service of the award, or the filing of the award in any other manner that may be permitted by law.

## **25. Expenses**

The expenses of witnesses for either side shall be paid by the party producing such witnesses. All other expenses of the arbitration, including required traveling and other expenses of the arbitrator and of Resolute Systems, LLC representatives, and the expenses of any witness and the cost of any proof produced at the direct request of the arbitrator, shall be borne equally by the parties, unless they agree otherwise.

## **26. Applications to Court and Exclusions of Liability**

(a) No judicial proceeding by a party relating to the subject matter of the arbitration shall be deemed a waiver of the party's right to arbitrate.

(b) Neither Resolute Systems, LLC nor any arbitrator in a proceeding under these rules is a necessary party in judicial proceedings relating to the arbitration or mediation.

(c) Parties to these rules shall be deemed to have consented that judgment upon the arbitration award may be entered in any federal or state court having jurisdiction thereof.

(d) Neither Resolute Systems, LLC nor any arbitrator shall be liable to any party for any act or omission in connection with any arbitration conducted under these rules.

## **27. Release of Documents for Judicial Proceedings**

Resolute Systems, Inc. shall, upon the written request of a party, furnish to such party, at its expense, certified copies of any papers in Resolute Systems, Inc.'s possession that may be required in judicial proceedings relating to the arbitration.

## **28. Interpretation and Application of Rules**

The arbitrator shall interpret and apply these rules insofar as they relate to the arbitrator's powers and duties.