ADRIA Search & Appoint Fee schedule **4.2.2**

From: ADR Institute - Mary Anne Harnick [mailto:executivedirector@adrcanada.ca]
Sent: January-06-14 8:43 AM
To: Paul Conway; ADR Institute - Mena Sestito
Cc: Erika Deines; Tammy Borowiecki; 'Smith, Chuck'; 'Bancroft, James'; 'Wendy Hassen'; mjmhokanson@bryanco-cgy.com
Subject: RE: Cheque - Roster of Mediators - Appointment by Alberta Affiliate

I will put this on the agenda for the National Board Meeting in January.
Thank you for your input. ma

From: Paul Conway [mailto:paul@adralberta.com]
Sent: Friday, January 03, 2014 5:48 PM
To: mena@adrcanada.ca
Cc: Erika Deines; Tammy Borowiecki; executivedirector@adrcanada.ca; Smith, Chuck; Bancroft, James; Wendy Hassen; mjmhokanson@bryanco-cgy.com
Subject: RE: Cheque - Roster of Mediators - Appointment by Alberta Affiliate

Happy New Year Mena.

This mediator selection process is underway, held over to the New Year at the request of the initiating party (cc respondent). As per your note below, it sounds like the cheque is "in the mail".

We urgently need to discuss the pricing structure for this referral service, as ADRIA has adopted a much higher price point for the Mediator and/or Arbitrator search & appoint function. ADRIA pricing is currently based on the value in dispute, similar to the pricing structure already in place for the National Arbitration Rules. Current ADRIC documentation regarding the National Mediation Rules are silent on pricing, except in Schedule "A":

MEDIATION ADMINISTRATIVE FEE SCHEDULE
The fee for the assistance of the ADR Institute of Canada, Inc., in selecting a Mediator under Rule 5.2(a)(i) is $500.00. Plus applicable taxes. (Please call Rob at 1-877-475-4353 ext 102 [rob@adrcanada.ca] for correct amount for your region.)

This seemingly "set" or "suggested" price of $500, in our view, greatly undervalues the service being provided by ADRIA and/or ADRIC, and undervalues the profession. The claim value below is almost $200K, and will require the attention of an experienced and designated mediator. Yes, appointments are an important service we provide to our membership, and we do not want to adopt a fee structure that discourages consumer access to our rosters - but a fee of $500 for all referrals fails to properly recognize the value-added of administering a national association and provincial affiliate, or maintaining a national structure of professional designations. Staff salaries, IT support, infrastructure, admin support are all essential enablers in our collective efforts to provide quality referrals of qualified and experienced ADR Professionals upon demand. The fee in this particular case represents barely one quarter of one percent of the claim value. In Alberta, with no reference to the National Rules of Mediation or Arbitration, we have recently charged $4000 for an Arbitrator search & appoint process, and $1000 for a mediator search & appoint. None of these parties expressed concern over the fee, as it represented only a small percentage of their overall claim. The fee was based directly on the amount in

dispute (and indirectly on the ADR qualifications sought), and all parties were fully satisfied with the services provided by ADRIA.

Higher Claim values = Higher ADRIA fees = Higher designations, qualifications and experience levels sought & provided.
Conversely, Lower Claim values = Lower ADRIA fees = Entry level and mid-range opportunities for Mediators and Arbitrators in this province.

ADRIA recommends that the reference to $500 be immediately removed from Schedule "A" of the National Mediation Rules (except possibly as a minimum), and that one of two pricing regimes be adopted for 2014:
Either
(A) each provincial affiliate be asked to provide ADRIC with an annual fee schedule for this particular service, for files that are initially referred to ADRIC; or, in due course,
(B) a national Search & Appoint fee structure be implemented through consultation with the affiliates.

Option A is already allowed for under Schedule "A" to the National Mediation Rules, which provides for provincial affiliate pricing. There is no specific fee schedule for a stand-alone search & appoint process under the Nation Arbitration Rules. I would ask that the Alberta pricing policy be adopted immediately for Mediator **and** Arbitrator search & appoint processes assigned to this affiliate. Note that these prices apply to search & appoint ONLY, and NOT to the full administration of a file under the National Arbitration Rules (which includes search and appoint, and for which a structured fee schedule has already been established – with ADRIA reservations expressed in the NOTE below).

ADRIA 2014 Search & Appoint process for Mediators & Arbitrators

Amount of Claim*	ADRIA Fee
Under $10K	$500 (see NOTE below)
$10-75K	$750 (see NOTE below)
$75-150K	$1000
$150-500K	$2000
$500K – 5M	$3000
Over $5M	$4000

* ADRIA has adopted the same structured breakdown of claims as we currently see in the National Arbitration Rules

NOTE – with respect to Arbitrator Search & Appoint, the fees schedule above for Claims under $75K exceed those published for more extensive administrative services under the National Arbitration Rules ($350 and $600). ADRIA considers $500 to be the minimum charge for these services, and recommended that the fee schedule for the National Arbitration Rules be raised immediately.

For consideration and discussion. Please implement immediately for Mediation referrals to ADRIA the National Mediation Rules.

Paul Conway | ***Director Member Services***
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From: Mena Sestito [mailto:mena@adrcanada.ca]
Sent: December-13-13 9:38 AM
To: morgan@adrcanada.ca
Cc: Paul Conway
Subject: Cheque - Roster of Mediators - Appointment by Alberta Affiliate
Importance: High

Morgan,

RE: Roster of Mediators - Appointment of Mediator

Please issue a cheque made payable to the Alberta Affiliate in the amount of $525.00. This fee represents the search for a list of 3 mediators by the Alberta Affiliate. The mediation is pursuant to ADR Canada's National Mediation Rules. The request was received from [edited for privacy reasons]
Thanks,

Mena

Mena Sestito
Manager, Membership and Designations

ADR Institute
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