Michael E. Cavanaugh, J.D. Arbitration & Mediation 1004 Commercial Avenue #369 Anacortes, Washington 98221 (206) 200-1935

LABOR ARBITRATION FEE SCHEDULE and <u>TERMS OF ENGAGEMENT</u>

| Disclosures: | To the extent I am aware of any circumstance that might pose a potential conflict of interest, I have disclosed those circumstances to the parties in writing. In addition, I will be happy to provide on request any other background information a party believes is necessary to evaluate whether it is appropriate for me to serve as arbitrator in a matter. In the absence of any such request, I assume the parties have access to all information they feel is necessary to make an informed decision. |
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| Per Diem: | My per diem rate as of October 1, 2008 is \$1200.00 per day. I reevaluate this rate as of October 1 of each year. In general, I charge the rate in effect on the date(s) of hearing. |
| Hearings: | Hearings are ordinarily charged at a minimum of one day except in unusual circumstances agreed in advance. For hearings that begin prior to 9:00 AM or run after 5:00 PM at the request of the parties, there may be an additional charge of \$150.00 per hour depending on the circumstances. |
| Cancellation Fees: | Once confirmed on my schedule, matters are subject to cancellation fees. For matters cancelled more than fourteen days prior to the scheduled hearing, the cancellation fee is one-half day per scheduled day of hearing. For matters cancelled fourteen days or fewer prior to the scheduled hearing, the cancellation fee is one day per scheduled day of hearing. I generally do not charge a cancellation fee for the first brief postponement of a scheduled matter. Subsequent postponements, however, generally incur a cancellation fee absent unusual circumstances. If a hearing is scheduled for multiple days but is completed in fewer days, I do not charge a cancellation fee for the unused days to the extent I am able to utilize those days working on the matter, e.g. reviewing exhibits and hearing notes, doing research, etc. |
| Travel: | Travel time is charged at the per diem rate or a fraction thereof. When traveling home on the parties' time, I attempt to work on the case whenever possible, e.g., by reviewing exhibits, making notes, etc. |

| Motions: | I generally do not charge for scheduling conferences and other brief procedural proceedings prior to the hearing. Matters that involve research and/or matters that present substantive issues, however, are charged at the per diem rate or the hourly rate of \$150.00, whichever is less. |
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| Expenses: | Parties will be billed for all reasonable expenses incurred in connection with travel to the hearing, including airfare, mileage, meals, hotel, parking, ground transportation, etc. With respect to airfare, I generally try to find the cheapest available fully refundable coach fare, making my best estimate as to the appropriate return flight. Any reasonable fee for changing the ticket once issued is billed to the parties. |
| Hearing "Record": | Any party desiring a "record" of the hearing should make arrangements for a court reporter or a tape recording. I will take detailed notes at the hearing, but I generally do not tape-record the proceedings. My notes and any tape are solely for the purposes of supplementing my recollection of the testimony at the hearing. I consider the "record" to be that recollection. Consequently, my practice is to destroy my notes and the tape (if any) immediately upon issuing my decision. Because I usually make notes on the transcript (if any) and on the exhibits and briefs filed by the parties, I consider those materials to be part of my notes as well. Please be aware that my notes and tapes will not be available to the parties (or anyone else) for any purpose. |
| Subpoenas: | Parties seeking the issuance of subpoenas will give notice to each other party and provide a form of subpoena signed by an attorney or other representative. Generally, I will sign the subpoena form relying on the signature of the attorney or representative as a certification that the subpoena is necessary and requested in good faith. Ordinarily, I do not sign subpoenas in blank. Any objections by other parties shall be served and filed promptly in writing, prior to the scheduled hearing if possible. |
| Decisions: | I make every effort to issue written decisions within thirty days of the close of the hearing or receipt of the briefs (whichever is later), and approximately ninety-five percent of my decisions are issued in this time frame. Sometimes, circumstances may preclude meeting this self-imposed deadline, particularly if the parties have agreed to postpone the filing of briefs. Nevertheless, I am committed to issuing decisions at the earliest possible time. |
| Invoices: | |