

Framework for Series of Mass Employment Arbitration Proceedings

Establish a framework for dealing with individual employment claims that are subject to a common arbitration clause. This framework is ideal for companies that use a standard arbitration clause as a condition of employment or as a condition of a relationship established through a web-based interface. It provides individual arbitrations at a fixed price and establishes a panel to deal with issues common to all claims to establish efficiency and consistency.

Framework for Individual Employment Arbitrations

Filing fee: \$100 initial filing fee

Arbitrators: FedArb will work with the parties to create a roster of 5 former federal judges with relevant expertise to act as arbitrators per region (regions TBD) to deal with cases within 30 days of submission of filing. Two-step process: FedArb proposes 10 names, then parties can strike 3. Step 2 is force ranking those who remain with the top five being the panel.

- Hourly fees agreed upon (would agree to a range of \$700-\$900/hr or alternatively, FedArb could get the judges to agree on one set hourly rate). FedArb would randomly assign judges for each new case.
- Create fixed price costs (min/max) depending on the type of arbitrations.
- For each judge, the first five cases would be billed at the actual number of hours, subject to the agreed upon minimum and maximum. After a judge has done five cases, the fee will be set to the appropriate level.

Administrative Fee: 6% administrative fees (half of FedArb's normal 12%)

Setup fees: 60 days prior to the hearing, a non-refundable setup fee of \$1,000 will be charged. 30 days prior to hearing date, a non-refundable prepayment of all remaining fees (arbitrator's fixed fee and administrative fee).

Key assumptions:

1. Expedited arbitration rules (limited briefing, limited discovery, no post hearing briefs)
2. Major issues common to all cases dealt with in an MDL like court composed of a three judge tribunal)

MDL Framework:

- A setup fee (based on the number of arbitration) for nationwide MDL type proceeding
- Creation of a 1 or 3 judge tribunal with former federal judges with relevant expertise to bill at their normal rate
- 6% administrative fee