



# HOME CONSTRUCTION INDUSTRY ARBITRATION RULES AND MEDIATION PROCEDURES

## Administrative Fee Schedule

Amended and Effective August 1, 2018

For all cases determined to be international by the AAA-ICDR, the International Fee Schedule shall apply. An international case is generally defined as having either the place of arbitration or performance of the agreement outside the United States, or having an arbitration agreement between parties from different countries. To view the International Fee Schedule, visit [info.adr.org/internationalfeeschedule](http://info.adr.org/internationalfeeschedule).

### Fee Schedule

#### Level 1 Disputes—Above \$0 to less than \$25,000

Hearing Type	Initial Filing Fee		Final Fee (if necessary)		Arbitrator Compensation (if necessary)	
	Homeowner	Builder	Homeowner	Builder	Homeowner	Builder
Desk or Telephone	\$125	\$625	\$200	\$600	\$500	\$500
In Person	\$125	\$625	\$200	\$600	\$625	\$625

#### Level 2 Disputes—\$25,000 to less than \$100,000

Hearing Type	Initial Filing Fee		Final Fee (if necessary)		Arbitrator Compensation (if necessary)	
	Homeowner	Builder	Homeowner	Builder	Homeowner	Builder
In Person	\$250	\$625	\$200	\$600	\$625*	\$625*

\*This contemplates a one-day hearing. If additional days of hearing, study time, or site visits are needed, the parties will be responsible for sharing in the additional cost at the rate listed on the arbitrator's resume.

#### Level 3 Disputes—\$100,000 to less than \$1,000,000 and Non-Monetary

Amount of Claim	Initial Filing Fee		Final Fee (if necessary)		Compensation of Claim (if necessary)	
	Homeowner	Builder	Homeowner	Builder	Homeowner	Builder
\$100,000 to less than \$300,000	\$650	\$1,625	\$300	\$800	\$1,000*	\$1,000*
\$300,000 to less than \$1,000,000	\$1,250	\$3,250	\$475	\$1,500	\$1,250*	\$1,250*
Non-Monetary, Undetermined, or Specific Performance Claims	\$650	\$1,875	\$400	\$900	\$1,250*	\$1,250*

\*This contemplates a one-day hearing. If additional days of hearing, study time, or site visits are needed, the parties will be responsible for sharing in the additional cost at the rate listed on the arbitrator's resume.



- The **Final Fee** will be incurred for all cases that proceed to their first hearing and is payable in advance at the time the first hearing is scheduled.
- **Fee Modifications:** Fees are subject to increase if the claim or counterclaim is increased after the initial filing date. Fees are subject to decrease if the claim or counterclaim decreases prior to the first hearing.
- **Incomplete or Deficient Filings:** Where the applicable arbitration agreement does not reference the AAA, the AAA will attempt to obtain the agreement of all parties to have the arbitration administered by the AAA.
  - Where the AAA is unable to obtain the parties' agreement to have the AAA administer the arbitration, the AAA will not proceed further and will administratively close the case. The AAA will also return the filing fees to the filing party, less \$500 for deficient filings. No refund will be issued to the homeowner for claims less than \$100,000.
  - Parties that file Demands for Arbitration that are incomplete or otherwise do not meet the filing requirements contained in the rules shall also be charged \$500 or the amount of the filing fee if under \$500 for deficient filings if they fail or are unable to respond to the AAA's request to correct the deficiency.
- **Arbitrations in Abeyance:** Cases held in abeyance by mutual agreement for one year will be assessed an annual abeyance fee of \$500, to be split equally among the parties. If a party refuses to pay the assessed fee, the other party or parties may pay the entire fee on behalf of all parties, otherwise the arbitration will be administratively closed. All filing requirements, including the payment of filing fees, must be met before a matter will be placed in abeyance.
- **Fees for Additional Services:** The AAA reserves the right to assess additional administrative fees for services performed by the AAA that go beyond those provided for in the AAA's rules, but which are required as a result of the parties' agreement or stipulation.

## Refund Schedule

The AAA offers a refund schedule on filing fees over and above a \$500 minimum AAA fee. No refund will be issued to the homeowner for claims less than \$100,000 and the builder will be responsible for the difference between the homeowner's fee and the minimum fee. Subject to the minimum fee requirements, refunds will be calculated as follows:

- > 100% of the filing fee, above \$500, will be refunded if the case is settled or withdrawn within five calendar days of filing.
- > 50% of the filing fee, above \$500, will be refunded if the case is settled or withdrawn between six and 30 calendar days of filing.
- > 25% of the filing fee, above \$500, will be refunded if the case is settled or withdrawn between 31 and 60 calendar days of filing.

*No refund will be made once an arbitrator has been appointed.*

**Note:** The date of receipt of the demand for arbitration with the AAA will be used to calculate refunds of filing fees for both claims and counterclaims.

**Final Fees:** If a case is settled or withdrawn prior to the first hearing taking place, all Final Fees paid will be refunded. However, if the AAA is not notified of a cancellation at least 24 hours before a scheduled hearing date, the Final Fee will remain due and will not be refunded.

## Hearing Room Rental

The fees described above do not cover the cost of hearing rooms, which are available on a rental basis. Check with the AAA for availability and rates.

## Mediation—Administrative Fee Schedules

A \$250 non-refundable deposit, which will be applied toward the mediation fee, is required to initiate the AAA's administration of the mediation and appointment of the mediator.

The mediator's fee is stated on his or her resume. The AAA administrative fee, split by the parties, is \$75 per hour billed by the mediator with a minimum four hour charge for any mediation held. Expenses referenced in Section M-17 of the Mediation Procedures may also apply.

If a matter submitted for mediation is withdrawn or cancelled or results in a settlement after the request to initiate mediation is filed but prior to the mediation conference, the AAA administrative fee is \$250 (to which the deposit will be applied) plus any mediator time and expenses incurred. These costs shall be borne by the initiating party unless the parties agree otherwise.

***If you have questions about mediation costs or services, visit our website at [www.adr.org](http://www.adr.org) or contact your local AAA office.***