

SBA RULES AND PROCEDURES

RULE 1 - PURPOSE AND JURISDICTION

The purpose of these Rules is to provide an expeditious, fair and inexpensive method of adjudicating small business claims for the benefit of all involved. The parties shall have deemed to submit to the jurisdiction of The Small Business Arbitration Co., (“SBA”), when their Arbitration Agreement so provides, where the parties voluntarily agree, or when a claim involving any party is submitted to this forum and no jurisdictional issue is asserted.

RULE 2 - INITIATION OF PROCEEDING

Any party to a dispute shall commence a proceeding by filing, via email, a Demand for Arbitration, in the format attached hereto, or by electronic letter - email, attaching appropriate documentation, as well as setting forth the nature and the amount of damages claimed, the contact information of all involved parties, and their counsel, if known. A filing fee of \$990, transmitted electronically, is required to initiate an arbitration proceeding.

RULE 3 - INITIATION OF SERVICE, ANSWER and COUNTERCLAIM

Upon receipt of a Demand for Arbitration, and the appropriate filing fee, **SBA** shall timely serve the opposing party (parties), with a copy of such Demand, and any papers filed therewith, as well as a copy of these Rules, by electronic mail, First Class Mail and Certified Mail. Such transmittal shall advise the Respondent of the option of filing an Answering Statement or Counterclaim, as well as to advise them that the claim will be deemed, at issue, and subject to proof, even if no Answer is filed.

RULE 4 - CONFERENCE CALL/HEARING DATE

Once service is accomplished, a conference call will be initiated between a representative of SBA, and Respondent, wherein the date for hearing, selection of the Arbitrator, and any other pertinent matters will be discussed.

If Respondent fails to participate in such call, after reasonable efforts to communicate with such party, **SBA** shall set the hearing date and select the Arbitrator.

All Arbitrators will be respected lawyers, with significant experience, and retired judges. Before undertaking a matter, the Arbitrator will be required to certify that they satisfy the requirements of an impartial arbitrator, as defined under Common and Statutory Laws of the Commonwealth of Pennsylvania.

RULE 5 - DISCOVERY and CONDUCT OF HEARING

Any requests for discovery shall be decided upon by the Arbitrator with due regard for the fact that discovery will only be allowed on a limited and unique basis, given the expedited nature of the process, and the stated intent of keeping costs to a minimum with deference to the concept of due process.

All hearings will be conducted via remote technology. The Arbitrator will have the discretion to conduct the arbitration proceeding in the manner they deem appropriate for a fair and expeditious disposition of the claim.

RULE 6 - ARBITRATOR IMMUNITY

The parties agree that the Arbitrator shall not be subpoenaed as a witness in any pending or subsequent litigation with respect to any matter relating to any arbitration. Moreover, the parties agree to defend the Arbitrator from any subpoena from any party regarding the subject matter of any arbitration, 42 Pa. C.S.A. §7321.15.

The parties utilizing **SBA** agree that the Arbitrator and **SBA**, and its employees or agents, shall not be liable to any party or attorney for any act, error, or omission regarding their participation in any manner in an arbitration or related proceedings, 42 Pa. C.S.A. §7321.18 (a).

RULE 7 - EX PARTE COMMUNICATIONS

Under no circumstances may a party conduct ex parte communications with the Arbitrator regarding any issue related to the arbitration. All necessary ex parte communications with **SBA** must be conducted with the Case Manager or Director of **SBA**.

RULE 8 - SUBPOENAS

All subpoenas must be approved and issued by the Arbitrator. Issuance of a subpoena in an arbitration proceeding shall be governed by 42 Pa. C.S.A. §7309.

RULE 9 - CONFIDENTIALITY

Unless otherwise agreed upon by all parties in writing, all arbitration proceedings shall be conducted in a confidential manner. However, Arbitration Orders and Awards are not confidential, since the parties are required to utilize such Order or Award if they seek to move the appropriate court to enter the judgment on the Order or Award for enforcement purposes.

RULE 10 - APPLICABLE LAW and AWARDS

- a) All matters submitted to **SBA** shall be decided under the laws of the Commonwealth of Pennsylvania.
- b) The Arbitrator shall issue an Award, in writing, within five (5) calendar days of the conclusion of the hearing or last submission, by any party.
- c) All Awards shall be in writing and signed by the Arbitrator. At the option of the Arbitrator, such Award, may or may not, include the Arbitrator's rationale, findings of fact or conclusions of law.
- d) Service of the Award on the parties shall be by email. If email is unknown or not available, service shall be made by Certified and First Class Mail.
- e) All Awards are enforceable under applicable Pennsylvania law.