



ARIAS•U.S. Umpire Selection Procedure

Effective 1/1/2000

A. General

The ARIAS•U.S. Umpire Selection Procedure ("Procedure") is available for use in insurance or reinsurance arbitrations. Under the Procedure, umpires will be selected from the ARIAS•U.S. Certified Umpire List, unless the parties to the arbitration specifically request selection from the ARIAS•U.S. Certified Arbitrator List. The ARIAS•U.S. Certified Umpire List consists of those ARIAS•U.S. Certified Arbitrators who have provided ARIAS•U.S. with satisfactory evidence of having served as a panel member on at least five (5) insurance or reinsurance arbitrations that made a final award and included at least three days of evidentiary hearings. The Procedure has been designed by ARIAS•U.S. to be administered by the parties.

B. Random Selection from the ARIAS•U.S. Databases

1. To initiate the Procedure the parties to the arbitration must jointly notify ARIAS•U.S. in writing (via its Executive Director; refer to **ARIAS•U.S. Sample Letter: Umpire Selection Request**) that they have elected to have their umpire selected in accordance with the Procedure. The notice shall specify whether the selection should be made from the ARIAS•U.S. Certified Umpire List, the ARIAS•U.S. Certified Arbitrator List, or the Newer Arbitrator List. Upon receipt of this notification, the ARIAS•U.S. Executive Director's office will make a random selection of twelve (12) names from the designated list and will forward the list of twelve (12) names to the parties.

2. The parties will jointly contact (by mail or fax) the First through the Tenth candidates on the list of twelve names to determine their availability, identifying the parties, their counsel and their appointed arbitrators. The parties must also notify the umpire candidates of any specific terms set forth in their arbitration agreement that might affect a candidate's eligibility to serve in the matter (e.g. active officer, years of experience, area of specialty, etc.). The parties will also furnish each of the ten (10) candidates with the **ARIAS•U.S. Umpire Questionnaire** (ARIAS•U.S. form, unless otherwise agreed) to be promptly completed and returned if the candidate wishes to be considered for appointment. Any candidate who does not return a completed Questionnaire to both parties within ten (10) days of receipt of the form will be considered unavailable for appointment. The parties should encourage the candidates to submit their Questionnaires via simultaneous fax transmission to ensure receipt by both parties within the ten (10) day period.

3. In the event less than ten (10) candidates are available for appointment, the parties shall, unless they agree to the contrary, contact the Eleventh and, if necessary, Twelfth candidates on the original list of twelve (12) names in the same manner as prescribed in Paragraph B(2) above. For example, if only eight (8) of the original ten (10) candidates are available, the parties will contact the Eleventh and Twelfth candidates on the original list of twelve (12) names. If only seven (7) or fewer of the original ten (10) candidates are available, the parties will contact the Eleventh and Twelfth candidates on the original list of twelve (12) names and will request the ARIAS•U.S. Executive Director's office to provide an additional random list of twelve (12) names. From the additional random list, the parties will contact, in numerical order and in the manner prescribed in Paragraph B(2) above, the number of candidates required to achieve a slate of ten (10) available candidates. This process shall be repeated until ten (10) available candidates are identified.

C. Candidate Ranking and Umpire Selection

1. Within seven (7) days after timely receipt of completed Questionnaires from ten (10) available candidates, each party shall select five (5) names from the list of available candidates and simultaneously notify the other party of its selections. The parties should agree on the date, time and method for this simultaneous exchange.

2. Within seven (7) days of the receipt of these initial selections, each party shall select three (3) names from the other party's list and simultaneously exchange these three (3) names with the other party. The parties should agree on the date, time and method for this simultaneous exchange. If the name of a single individual is present on the list of three (3) names of both parties, that individual will be appointed as umpire. If the names of more than one individual are present on both lists, the parties shall select their umpire from among those individuals by drawing lots or by another method acceptable to both parties.

3. If there is no name present on both lists of three (3) names, the parties shall, within three (3) days after receipt of the lists, rank each of the six (6) candidates in order of preference from "1" through "6", with "1" being the most preferred. The candidate with the lowest combined numerical ranking shall be appointed as umpire. In the event two or more candidates are tied, the parties shall select their umpire from among those candidates by drawing lots or by another method acceptable to both parties.

4. When an umpire has been selected, the parties should notify all responding candidates who were not selected that the selection process is complete.

D. Notices

All notices and responses required under the Procedure should be given in a manner that produces a proof of receipt (via fax, certified mail, or courier). Time periods shall be calculated to run from the first day after a notice or response is received. If a time period expires on a Saturday, Sunday, or legal holiday (i.e. a non-business day), the time period shall be deemed extended to the end of the

first following business day. The parties are encouraged to establish a date-and-time-specific schedule at the start of each selection phase, especially if counsel, parties or umpire candidates are located in different countries or time zones.

Notices to the ARIAS Executive Director should be addressed as follows:

Larry P. Schiffer

Executive Director

ARIAS•U.S.

222 S. Riverside Plaza, Suite 1870

Chicago, IL 60606

or emailed to lschiffer@arias-us.org.

E. Fees

There is no fee for use of the Procedure for insurance and reinsurance disputes.

F. Indemnification

1. The parties' request for a random list and/or notification to ARIAS•U.S. of their intention to have their umpire selected in accordance with the Procedure shall constitute the agreement of each party to the arbitration not to assert any claim, file any suit, or initiate any action against ARIAS•U.S., its Executive Director or their officers or directors, in connection with the Procedure.

2. The parties' request for a random list and/or notification to ARIAS•U.S. of their intention to have their umpire selected in accordance with the Procedure shall also constitute the agreement of each party to the arbitration to jointly and severally protect, defend, indemnify and hold harmless ARIAS•U.S., its Executive Director and their officers and directors, against any and all expenses, costs and fees of any kind in connection with any claim, action, or lawsuit involving the Procedure.

G. Modifications

ARIAS•U.S. reserves the right to modify or terminate the Procedure at any time.