

Schedule 'B'

STATEMENT OF INDEPENDENCE & IMPARTIALITY

1. Duncan W. Glaholt has been named Arbitrator of all disputes between the parties relating to the Contract described in the attached Arbitration Agreement.
2. The parties have to date disclosed to the Arbitrator their firm names, their counsel's firm's names, and the personal names of their counsel as well as the nature of the dispute.
3. Based on this disclosure by the parties, the Arbitrator has made disclosure in Schedule 'A' of any facts or circumstances known to him that may be relevant to the confirmation of his appointment as Arbitrator.
4. The Arbitrator states and affirms his complete independence from either of the parties, and his complete impartiality between the parties or their respective counsel in deciding the issues in dispute in this matter.
5. The Arbitrator affirms that he will make a fair, impartial and reasoned Award based on the evidence and law duly presented by the parties in this arbitration.

Duncan W. Glaholt

Schedule 'C'

SCHEDULE OF FEES AND COMMERCIAL TERMS

Principle of the Arbitrator's compensation:

1. It is the intention of the parties that:
 - a. The Arbitrator shall have no exposure to unpaid fees or disbursements;
 - b. The Arbitrator shall be compensated at the agreed hourly rate from monies on deposit.
 - c. The parties will strive to budget to allow the Arbitrator equal time to deal with each side's case, wherever preparation by the Arbitrator is called for or appropriate.

Hourly rate:

2. The Arbitrator's hourly rate will be \$500 Canadian during the course of this arbitration.
3. If the Arbitrator's support staff are used (clerks, students, researcher) they will be charged at \$75 Canadian per hour.

Retainer, billings and payment terms:

4. Each party shall cause the sum of \$_____ to be paid to "Glaholt LLP" within 30 days of the execution of this agreement (\$_____ in total, from both parties).
5. The Arbitrator shall issue interim monthly billings against the amount held in trust by Glaholt LLP for the parties, and shall forward an account and trust statement reflecting payment out of trust to each party monthly.
6. All billings shall include federal G.S.T., unless the parties are exempt and so notify the Arbitrator in advance of a billing.

Estimate of fees to be incurred:

7. After consultation with the parties, the Arbitrator will from time to time notify the parties of his estimate of the number of hours required for subsequent steps in the arbitration. Each party shall pay one half of the aggregate value of these hours into the Arbitrator's trust account as a deposit from which the

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Arbitrator's subsequent interim bills will be paid. Neither party shall be responsible for paying the ½ portion that is owed by the other party.

Fees on settlement or termination of the arbitration:

8. Should the arbitration settle or terminate for any reason, at any time, the Arbitrator will be paid no less than the agreed hourly rate and for all hours worked plus reimbursement of all reasonably incurred disbursements.
9. Should the arbitration settle or terminate for any reason, at any time, the Arbitrator will be fairly compensated by the parties for time he has allocated to this arbitration that cannot reasonably be booked elsewhere as of the date of settlement or termination.

Disbursements:

10. Photocopying will be charged at 25 cents per page.
11. Facsimile transmission and receipt will be charged at 50 cents per page.
12. All other disbursements at cost.
13. All disbursements associated with the evidentiary hearing itself will be billed to the parties directly as far as possible.

Travel:

14. It is not contemplated that travel will be required, however:
 - a. All travel will be approved in advance;
 - b. Local travel will time will be charged at ½ the agreed hourly rate plus \$1.00 per kilometer of travel required;
 - c. Air travel will be business class where available and prepaid by the parties where possible, with travel time charged at ½ the agreed hourly rate in the air and on the ground, departure to destination;

Accommodation:

- a. Hotels will be best available business class where available and prepaid by the parties where possible;
- b. Meals at cost.