

Arbitration System Overview



PERFORMANCE DISPUTES –
Can be started by IFQ or IPQ holder
Uses review process under #8.
“Frivolous” complaints may have fees.

QUALITY DISPUTES –
Revenue Sharing – Use your contract.
EX-vessel Price – Use mutually agreed specialist to determine quality.
Costs paid by IFQ & IPQ holder.

- CVO QS holders
- PQS holders
- All Class A IFQ holders

QS & PQS holders must join an Arbitration Organization by May 1, 2006. IFQ/IPQ holders must join at the time of transfer. Coops must join.

Unaffiliated QS/IFQ – Unaffiliated AO
PQS holders – PQS/IPQ AO
Affiliated QS/IFQ – Affiliated AO
AFFILIATED QS/IFQ & AO HAVE VERY LIMITED ROLE.

Mutually agree and contract with
Market Analyst – Market Report
Formula Arbitrator – Price Formula
Contract Arbitrator -- Arbitration

Cost Sharing Contracts
PQS holders advance the costs
50% - 50% split between
IFQ and IPQ holders
Collected at the time of delivery.

IPQ Information Sharing Contract
PQS/IPQ AOs or
Third Party must provide
IPQ availability to IFQ holders, &
Update that information within 24 hrs.

- Direct Contracts w/IPQ holder – Open Negotiation
 - Commit Stares to IPQ holder – Through System
- Negotiate, Mediate, Arbitrate**

Small Entity Compliance Guide: NMFS has provided this small entity compliance guide to satisfy the Small Business Regulatory Enforcement Fairness Act of 1996, which requires a plain language guide to assist small entities in complying with this rule. This synopsis provides a general overview as a public service. For exact regulatory language, please refer to the final rule at www.fakr.noaa.gov

JOIN IN during, or OPT-IN after, only if you have uncommitted IFQ and uncommitted IFQ is available.

Same contract terms apply.

Contract Arbitrator

- LOOKS at reports.
- GETS data from both sides.
- REVIEWS typical price-sharing.
- PICKS LAST BEST OFFER.

Share Match Arbitration:
Must begin not later than 15 days
Prior to the start of the season

Lengthy Season Arbitration
Arbitration occurs mid-season.
If Negotiation and Mediation fail
IFQ holder can start Arbitration.

Commitment...
50% of your available IFQ
FCMA coop – 25%.
Notify IPQ holder to commit
Then the IFQ & IPQ is matched.

Matching...
Started by IFQ holder
Can start 25 days before start of season.
Shares are locked in.
Can occur during the season.

