

Informal Budget Dispute Resolution Process
Effective June 1, 1998

1. The Informal Budget Dispute Resolution Process ("Process") is intended as the preferred, first, quick, and low cost method to resolve informally individual budget issues and disputes prior to commencement of any legal or formal administrative proceeding.
2. The Process will be optional and non-binding for both the United States Trustee and the Standing Trustee (the "Parties").
3. Upon the request of either Party, initiated as hereinafter provided, a two-member Panel will be named, consisting of one United States Trustee and one Standing Trustee from outside the region (the "Panel"). At their option, the Parties may have a one-member Panel.
4. The Standing Trustee Panel member will be selected by the Assistant Director of the Office for Review and Oversight ("Assistant Director of ORO") from a list of three (3) Standing Trustees named by the disputing Standing Trustee from the roster of qualified Standing Trustees, each of whom has had formal mediation training and agreed to serve.
5. The United States Trustee Panel member will be selected by the NACTT Chair of the Informal Budget Dispute Resolution Process Committee ("NACTT Chair") from a list of three (3) United States Trustees named by the disputing United States Trustee from the roster of qualified United States Trustees, each of whom has had formal mediation training and agreed to serve.
6. The Process will be initiated by either Party completing and serving a "REQUEST FOR INFORMAL BUDGET DISPUTE RESOLUTION" in the form of Exhibit "A" hereto. Service shall be by FAX on each of the following:
 - (1) The other disputing Party;
 - (2) Assistant Director of ORO (EOUST at (202) 307-2185);
and
 - (3) The NACTT Chair (call the Administrative Assistant to the Board of NACTT at (501) 753-6135 for name, fax

number, etc.).

7. Within five (5) working days after receipt of such notice, the other Party will complete and similarly serve a "REQUEST FOR INFORMAL BUDGET DISPUTE RESOLUTION" in the form of Exhibit "A" hereto.
8. Within five (5) working days after receipt of notice of their selection, the Standing Trustee Panel member will call the United States Trustee Panel member and the Parties to schedule a Dispute Resolution Conference (DRC) at the earliest practical mutually convenient time and date, to discuss: (a) How, when and what documents or information are to be exchanged prior to the DRC; (b) the estimated time needed for the DRC; (c) whether the DRC will be telephonic or in person; and (d) any other procedural matter related to the DRC. The Panel shall have thirty (30) days from the date of its appointment to attempt to mediate the dispute. This thirty-day period may be extended only upon the agreement, in writing, of both Parties, prior to the expiration of the thirty (30) day period.
9. The Process shall be conducted in accordance with the decisions and procedures established by the Panel pursuant to paragraph 8, and the "Suggested Procedure For Conducting Informal Budget Dispute Resolution," Exhibit "B" hereto.
10. If the Parties resolve their dispute, the Panel will assist the Parties in reducing to writing a description of that resolution for signatures. That document will become part of the United States Trustee's proposed budget submission to the Director. The submission will conclude the Process. In the event the Parties are unable to arrive at an agreement to resolve the dispute, the Panel may, on unanimous agreement of the Panel, within five (5) working days of conclusion of the attempted mediation, issue a non-binding joint written recommendation to the Parties. The Parties may either accept or reject the recommendation or use it as the basis for further negotiation between themselves. The issuance of the recommendation by the Panel will conclude the Process. At the conclusion of the Process, the Panel will complete and serve on the Assistant Director of ORO and the NACTT Chair a "Report on Result of Informal Budget Dispute Resolution Process," Exhibit "C" hereto.
11. The expenses of the Process approved by the Panel, including telephone, travel, etc., will generally be paid by the Standing Trustee out of his/her expense funds subject to approval of his or her United States Trustee as reasonable

and necessary.

12. Pending final resolution of the dispute, the United States Trustee shall submit to the Director, or the Director's designee, for approval the Standing Trustee's budget, excluding any disputed amount(s). The Standing Trustee shall not expend trust funds for any disputed portion of a budget line item. In the event the Parties reach an agreement in the budget dispute, and that agreement is approved by the Director or the Director's designee, the budget will be deemed amended to reflect the agreement.

13. The Parties and the Panel shall sign an agreement that evidence of (1) furnishing or offering or promising to furnish, (2) accepting or offering or promising to accept a valuable consideration in compromising or attempting to compromise a claim which was disputed as to either validity or amount, or (3) any recommendation that may be made to the Parties by the Panel is not admissible in any subsequent administrative or legal proceeding in which the issue is the budget dispute being mediated. Evidence of conduct or statements made in compromise negotiations are likewise not admissible. This provision does not require the exclusion of any evidence otherwise discoverable merely because it is presented in the course of compromise negotiations. This provision also does not require exclusion when the evidence is offered for another purpose, such as proving bias or prejudice of a witness, negating a contention of undue delay, or proving an effort to obstruct a criminal investigation or prosecution. The agreement will not apply to documents, work papers and other evidentiary materials related to the underlying dispute and prepared by the Parties in the ordinary course of business and not generated in connection with or in anticipation of the Process.