

ALABAMA – NORTHERN

LR16.1 Scheduling Orders; Alternative Dispute Resolution.

(a) Magistrate Judges may enter and modify scheduling orders under Fed. R. Civ. P. 16(b) in cases assigned to them by consent under 28 U.S.C. 636(c) and in cases referred to them by a District Judge, except that a Magistrate Judge shall not change a scheduling order entered by a District Judge without the express permission of a district judge of the court.

(b) Except as otherwise ordered by a judge of the court in a particular case, a scheduling order need not be entered in the categories of cases exempted under LR26.1(d)(1) from the requirement of a meeting of the parties.

(c) A judge of the court may, in a scheduling order or by separate order, direct that the litigants engage in one or more procedures for alternative dispute resolution as authorized and provided in the ADR plan adopted by the court.

Alternative Dispute Resolution Plan

I. INTRODUCTION

The disposition rate for cases in the Northern District of Alabama is presently, and consistently has been, very favorable, ranking the district among the most efficient courts in the nation. Nevertheless, implementation of an alternative dispute resolution (ADR) plan in the district offers several potential advantages for the court system, attorneys, and litigants. The variety of mechanisms available through ADR present opportunities for resolving some disputes more quickly than traditional litigation would allow. Further, ADR can greatly reduce the expense to the parties of resolving a dispute. ADR processes frequently are used in the early stages of case development, providing substantial savings in discovery and expert witness costs.

Development of this Plan was guided by three principles: early intervention and evaluation by the Court; flexibility; and a preference for non-binding over binding processes. The fact that the Plan explicitly describes only a limited number of ADR processes should not be interpreted as discouraging the use of ADR. To the contrary, the Plan aims to encourage the use of ADR in part by granting the parties discretion to decide to employ any number of ADR processes available through private means.

II. PANEL OF NEUTRALS

The court will establish a Federal Court Panel of Neutrals (Panel) from which the neutrals for cases referred by the court to Mediation or Med/Arb will be selected. The Panel will be comprised of persons who, based on their training or experience, are deemed by the judges of the court to possess the qualities necessary for performance as neutrals. The Chief Judge of the court will designate a judge, magistrate, or other individual to receive applications from persons interested in being included on the Panel, and this designee will compile the list of names of persons deemed by the judges to be qualified to serve on the Panel. Any person placed on the

Panel may be removed for cause at the discretion of the Chief Judge. There is no maximum limit to the number of people who may be included on the Panel.

It is anticipated that there will be cases for which Mediation or Med/Arb would be appropriate but in which the parties are unable to afford the additional cost of ADR. Each person serving on the Panel therefore will be encouraged, though not required, to volunteer to serve as a neutral, without remuneration, at least five hours annually. Each person applying for inclusion on the Panel will indicate on the application form the number of hours he or she is willing to serve annually on an uncompensated basis.

III. REFERRAL OF CASES TO ADR

A. Exclusion of Categories of Cases

Each judge may decide to exclude certain classes of cases from consideration for referral to ADR. All cases in classes not excluded are subject to an ADR evaluation conference.

B. Evaluation of Cases for Potential Use of ADR

Each judge will conduct an ADR evaluation conference during the early stages of case development to determine whether a case might be appropriate for ADR. This conference may be held in conjunction with a pretrial conference under Rule 16 or a scheduling conference under Rule 16(b), but may be conducted as a separate conference. The conference must be attended by attorneys representing each party to the dispute or, in the case of unrepresented parties, by the parties themselves. The purpose of the conference will be to determine if the issues of the case, the needs and relationships of the parties, and any other factors the court may deem relevant make ADR appropriate for the potential resolution of the dispute.

The judge, after consulting with the parties, will decide as a result of the conference whether ADR should be employed in the dispute. If ADR is to be employed in the dispute, the court may order use of either the Mediation Track or the Med/Arb Track; or the parties may choose one of the tracks by agreement. The parties also may elect to utilize other ADR procedures under the Open ADR Track.

IV. ADR TRACKS

A. Open ADR Track

On this track, parties may employ any form of ADR upon which they mutually agree. Parties are free to utilize a single ADR process or a combination of ADR processes. Such alternate forms of ADR would include, but not be limited to, private arbitration and mini-trials. Upon suggestion of all parties, the court also may approve the use of summary jury trials in appropriate cases and upon such conditions as the court deems necessary.

If all parties advise the court that they would prefer to use a form of ADR other than either the Mediation or Med/Arb Tracks set out below, the court may permit them to do so, subject to the following:

1. the parties must execute and submit to the court an agreement providing for the conduct of the ADR process;
2. within ten (10) days of the completion of the ADR process, a written report must be filed with the court, stating whether any agreements were reached through the use of ADR, and signed by the neutral or by the parties if no neutral was used; and
3. the ADR process must be conducted at the expense of the parties.

B. Mediation Track

On this track, litigants meet with a neutral mediator for in-depth settlement discussions. The mediator may be appointed by the court or selected by the litigants; he or she may be expert in the subject area of the dispute, but this is not a requirement. The mediator facilitates discussions among litigants to assist them in identifying the underlying issues and in developing a creative and responsive settlement package. The mediator does not, however, make findings of fact, make recommendations to the court of how to decide issues in the case, or render a decision on the merits of the case.

The purposes of mediation are to increase the chances of settlement, help the litigants devise better settlements, and improve relationships among the litigants.

1. **Eligible Cases.** Any civil case not specifically excluded by category by the judge to which the case is assigned may be referred to mediation.

2. **Selection of Cases.**

a. **When Selected.** A case may be selected for mediation:

- i. when the status of discovery is such that the parties are generally aware of the strengths and weaknesses of the case; or
- ii. at any earlier time by agreement of the parties and with the approval of the court.

b. **How Selected.** A case may be selected for mediation:

- i. by the court on its own motion;
- ii. by the court, on motion of one of the parties; or
- iii. by stipulation of all parties.

c. Objection to Mediation. A party may object to the referral to mediation by the court by filing a written request for reconsideration, for good cause shown, within ten (10) days of the date of the court's order. Mediation processes will be stayed pending decision on a request for reconsideration, unless otherwise ordered by the court.

3. Administrative Procedure.

a. Notice to Parties; Selection of Mediator by Parties. The court will promptly notify the parties in writing when a case is referred to mediation. The parties will first be given the opportunity to select the mediator of their choice. The parties must, within ten (10) days of the date of the court's notice of referral to mediation, notify the court of the name of the person selected by the parties to serve as mediator.

b. Selection of Mediator by Court; Notice to Parties; Setting of Mediation Conference.

i. If the parties fail to agree on a mediator within the ten-day time period, or fail to notify the court within the ten day time period, the court will send to the parties a list of the names of three (3) proposed mediators taken from the Federal Court Panel. Each party will then rank mediators in order of preference and, within seven (7) days of the date of the written notice, return the ranked list to the court. The court will then:

(A) choose one party's list at random and "strike" the least preferred name on that list from consideration;

(B) go to the other party's list and "strike" the least preferred name remaining in consideration on that list; and

(C) select the remaining name as the mediator.

ii. In the event of multiple parties not united in interest, the court will add the name of one proposed mediator for each such additional party, and will then process the returned lists in the manner provided in section i. above.

iii. After ascertaining from the selected mediator the existence of any potential conflicts of interest, the court will give or send written notice to the parties, with a copy to the mediator, advising them of the identity of the mediator selected. The mediator will then contact all of the parties and arrange a mediation conference at a time no more than thirty (30) days from the date of the court's notice naming the mediator.

4. Stay of Proceedings. Upon the entry of an order directing mediation, proceedings in the dispute in mediation will be stayed as to the parties in mediation for such time period as may be set by the court. Upon motion by any concerned party, the court may, for good cause shown, extend the time period of the stay for such length of time as the court deems appropriate.

5. Neutrality of Mediator. If at any time during the process of mediation the mediator becomes aware of, or a party raises, an issue concerning the mediator's neutrality based on either an

interest in the case or a relationship or affiliation with one of the parties, the mediator will disclose the facts relevant to the issue to all of the parties. If a party believes in good faith that, based on the facts disclosed by the mediator, the mediator will not be or remain impartial, the party may request that the mediator withdraw. Upon receiving such a request the mediator must withdraw and request that the Court appoint another mediator. The Court will then appoint another mediator from the Panel of Neutrals, according to the procedure outlined in IV.B.3.

6. Written Submissions to Mediator.

a. Materials to be Submitted; When Due. At least ten (10) days before the mediation conference, the parties must submit to the mediator:

i. copies of relevant pleadings and motions;

ii. a short memorandum stating the legal and factual positions of each party respecting the issues in dispute; and

iii. such other materials as the party believes would be beneficial to the mediator.

b. Preliminary Materials. Upon reviewing those items, the mediator may, at his or her own discretion or on the request of a party, schedule a preliminary meeting with counsel.

7. Attendance at Mediation Conference.

The attorney primarily responsible for each party's case must personally attend the mediation conference and must be prepared and authorized to discuss all relevant issues, including settlement. The parties also must be present, except that when a party is other than an individual or when a party's interests are being represented by an insurance company, an authorized representative of such party or insurance company, with full authority to settle, must attend. Willful failure of a party to attend the mediation conference will be reported by the mediator to the Court, which may impose appropriate sanctions.

Mediation sessions will be private. Persons other than the parties and their representatives may attend only with the permission of all parties and with the consent of the mediator.

8. Time and Place of Mediation. The mediator will fix the time of each mediation session. The mediation sessions will be held at any location agreeable to the mediator and the parties or as otherwise directed by the court.

9. Procedure at Mediation Conference.

a. Informal Procedure. The mediation conference, and such additional conferences as the mediator deems appropriate, will be informal. The mediator will conduct the process in order to assist the parties in arriving at a settlement of all or some of the issues involved in the case.

b. Private Caucuses; Confidentiality. The mediator may hold separate, private caucuses with any party or counsel. The mediator must not disclose to any other party to the mediation any information disclosed by a party during a caucus which that party indicates to the mediator should be treated as confidential. It will be the responsibility of each party to clearly indicate to the mediator which information is and is not deemed confidential by that party.

c. Witnesses. Upon consent of the mediator, the parties may produce witnesses to provide the mediator and the parties with additional information about the issues in dispute. The mediator will determine the manner in which witnesses may present information and the rights of other parties to question or cross-examine witnesses.

d. Expert Advice. When necessary, the mediator may obtain expert advice concerning technical aspects of the dispute, provided the parties agree and assume the expenses of obtaining such advice. Arrangements for obtaining such advice will be made by the mediator or by the parties, as the mediator may determine.

e. Settlement Proposal by Mediator. If, after reasonable efforts, the parties fail to develop settlement terms, or upon the parties' request, the mediator may submit to the parties a final settlement proposal that the mediator believes to be fair. The parties will carefully consider such proposal and, at the request of the mediator, will discuss the proposal with him or her. The mediator may comment on questions of law at any appropriate time.

f. Conclusion of the Mediation Process. The mediator will conclude the process when:

i. a settlement is reached; or

ii. The mediator concludes, and informs the parties, that further efforts would not be useful.

g. Report to the Court. The mediator will report the results of the mediation to the court, according to the following rules:

i. if a settlement agreement is reached, the mediator, or, at the mediator's request, one of the parties, will prepare a written entry reflecting the settlement agreement, for signing by the parties and filing with the court for court approval; or

ii. if a settlement agreement is not reached, the mediator will report in writing the following: "Mediation was held, but no agreements were reached," and nothing more.

10. Confidentiality.

The entire mediation process is confidential and by entering into mediation the parties mutually covenant with one another to preserve confidentiality on the basis established in this Plan. The parties and the mediator may not disclose information regarding the process, except the terms of settlement, to the court or to third persons unless all parties agree. Parties, counsel, and mediators may, however, respond to confidential inquiries or surveys by persons authorized by the court to

evaluate the mediation program. Information provided in such inquiries or surveys must remain confidential and not be identified with particular cases.

The mediation process must be treated as a compromise negotiation for purposes of the Federal Rules of Evidence and State rules of evidence. The mediator is disqualified as a witness, consultant, attorney, or expert in any pending or future action relating to the dispute, including actions between persons not parties to the mediation process.

11. No Record. No record will be made of the mediation proceedings.

12. Expenses, Mediator's Fee, and Deposits.

a. Expenses. The expenses of a witness for a party will be paid by the party producing the witness. All other expenses of mediation, including necessary travel and other expenses of the mediator, the expenses of any witnesses called by the mediator, and the cost of any evidence or expert advice produced at the direct request of the mediator, will be borne equally by the parties unless otherwise agreed by the parties or directed by the court.

b. Mediator's Fee. A mediator will be compensated at a reasonable rate, agreed to by the parties, or as set by the court. The mediator's fee will be borne equally by the parties unless otherwise agreed by the parties or directed by the court.

c. Deposits. Before the mediation process begins, each party to the process will deposit with the clerk of the court such an amount of the anticipated expenses and fees as the court directs. When the mediation process has been terminated, the mediator will file with the clerk of the court a verified statement of fees and expenses. Upon approval by the court, the clerk will disburse to the mediator from the sums deposited by the parties an amount to satisfy the fees and expenses approved by the court. Any unexpended balance will be returned to the parties. If the sums deposited are insufficient to pay the full amount of the approved fees and expenses, the court will order the parties to pay any remaining fees and expenses.

C. Med/Arb Track

This track combines mediation and some features of arbitration. On this track, a dispute is first submitted to mediation. If, after mediation, the parties are unable to reach an agreement, the neutral renders a decision on the merits of the case, applying the pertinent law to the facts developed during mediation.

The primary purpose of the Med/Arb Track is to provide the parties with an informed and realistic appraisal of the outcome of the case if presented to binding arbitration or to trial.

1. Eligible Cases. Any civil case not specifically excluded by category by the judge to which the case is assigned may be referred to Med/Arb.

2. Selection of Cases.

a. When Selected. A case may be selected for Med/Arb:

i. when the status of discovery is such that the parties are generally aware of the strengths and weaknesses of the case; or

ii. at any earlier time by agreement of the parties and with the approval of the court.

b. How Selected. A case may be selected for the Med/Arb track only with the consent of all parties. In cases involving multiple parties, any number of parties with adverse claims may elect to submit to the Med/Arb process to settle the claims between those parties, regardless of whether other parties with additional claims choose to participate in Med/Arb.

3. Administrative Procedure.

a. Notice to Parties; Selection of Neutral by Parties. When a case is referred to Med/Arb, the court will promptly notify the parties in writing. The parties will first be given the opportunity to select the neutral of their choice. The parties must, within ten (10) days of the date of the court's notice of referral to Med/Arb, notify the court of the name of the person selected by the parties to serve as neutral.

b. Selection of Neutral by Court; Notice to Parties; Setting of Conference.

i. If the parties fail to agree on a neutral within the ten day time period, or fail to notify the court within the ten day time period, the court will send to the parties a list of the names of three (3) proposed neutrals taken from the Federal Court Panel. Each party must then rank the neutrals in order of preference and, within seven (7) days of the date of the written notice, return the ranked list to the court. The court will then:

(A) choose one party's list at random and "strike" the least preferred name on that list from consideration;

(B) go to the other party's list and "strike" the least preferred name remaining in consideration on that list; and

(C) select the remaining name as the neutral.

ii. In the event of multiple parties not united in interest, the court will add the name of one proposed neutral for each such additional party, and then process the returned lists in the manner provided in section i. above.

iii. After ascertaining from the selected neutral the existence of any potential conflicts of interest, the court will give or send written notice to the parties, with a copy to the neutral, advising them of the identity of the neutral selected. The neutral will then contact all of the parties and arrange a Med/Arb conference at a time no more than thirty (30) days from the date of the court's notice naming the neutral.

4. Stay of Proceedings. Upon the entry of an order for Med/Arb, proceedings in the dispute in Med/Arb will be stayed as to the parties in Med/Arb for such time period as may be set by the court. Upon motion by any concerned party, the court may, for good cause shown, extend the time period of the stay for such length of time as the court deems appropriate.

5. Neutrality of Neutral. If at any time during the Med/Arb process the neutral becomes aware of, or a party raises, an issue concerning the neutral's neutrality based on either an interest in the case or a relationship or affiliation with one of the parties, the neutral will disclose the facts relevant to the issue to all of the parties. If a party believes in good faith that, based on the facts disclosed by the neutral, the neutral will not be or remain impartial, the party may request that the neutral withdraw. Upon receiving such a request, the neutral must withdraw and request that the Court appoint another neutral. The Court will then appoint another neutral from the Panel of Neutrals, following the procedure outlined in IV.C.3.

6. Written Submissions to Neutral.

a. Materials Submitted; When Due. At least ten (10) days before the Med/Arb conference, parties must submit to the neutral:

i. copies of relevant pleadings and motions;

ii. a short memorandum stating the legal and factual positions of each party respecting the issues in dispute; and

iii. such other materials as the party believes would be beneficial to the neutral.

b. Preliminary Meeting. Upon reviewing those items, the neutral may, at his or her own discretion or on the request of a party, schedule a preliminary meeting with counsel.

7. Attendance at Med/Arb Conference.

The attorney primarily responsible for each party's case must personally attend the Med/Arb conference and be prepared and authorized to discuss all relevant issues, including settlement. The parties also must be present, except that when a party is other than an individual or when a party's interests are being represented by an insurance company, an authorized representative of such party or insurance company, with full authority to settle, must attend. Willful failure of a party to attend the Med/Arb conference will be reported by the neutral to the Court, which may impose appropriate sanctions.

Med/Arb sessions will be private. Persons other than the parties and their representatives may attend only with the permission of all parties and with the consent of the neutral.

8. Time and Place of Med/Arb. The neutral will fix the time of each Med/Arb session. The Med/Arb sessions may be held at any location agreeable to the neutral and the parties or as otherwise directed by the court.

9. Procedure at Med/Arb Conference: Mediation Phase.

a. Informal Procedure. The Med/Arb conference, and such additional conferences as the neutral deems appropriate, will be informal. The neutral will conduct the process in order to assist the parties in arriving at a settlement of all or some of the issues involved in the case.

b. Private Caucuses; Confidentiality. During the mediation phase of the Med/Arb process, the neutral may hold separate, private caucuses with any party or counsel. The neutral must not disclose to any other party to the Med/Arb any information disclosed by a party during a caucus which that party indicates to the neutral should be treated as confidential. It will be the responsibility of each party to clearly indicate to the neutral which information is and is not deemed confidential by that party. During the arbitration phase, all sessions will be jointly held unless otherwise agreed to by all parties.

c. Witnesses. Upon consent of the neutral, the parties may produce witnesses to provide the neutral and the parties with additional information about the issues in dispute. The neutral will determine the manner in which witnesses may present information and the rights of other parties to question or cross-examine witnesses.

d. Expert Advice. When necessary, the neutral may obtain expert advice concerning technical aspects of the dispute, provided the parties agree and assume the expenses of obtaining such advice. Arrangements for obtaining such advice will be made by the neutral or by the parties, as the neutral may determine.

e. Conclusion of Mediation Phase. The neutral will conclude the mediation phase when:

i. a settlement is reached; or

ii. the neutral concludes, and informs the parties, that further efforts would not be useful.

f. Settlement During Mediation Phase; Written Entry. If a settlement agreement is reached during the mediation phase of Med/Arb, the neutral, or, at the neutral's request, one of the parties will prepare a written entry reflecting the settlement agreement, for signing by the parties and filing with the court for court approval.

10. Procedure at Med/Arb Conference: Arbitration Phase.

a. Witnesses; Documents; Arguments. If a settlement agreement is not reached during the mediation phase of Med/Arb, the neutral will proceed to take such additional testimony from witnesses as the parties choose to present, review documents or other exhibits, and permit the parties to make oral or written presentations summarizing the facts and applicable law.

b. Decision of Neutral; Notice to Parties; Filing with Court. At the conclusion of the arbitration phase of Med/Arb, the neutral will render a decision, either immediately or within a reasonable time. Upon reaching a decision, the neutral will deliver by first class mail a written copy of his or

her decision to each party that participated in the Med/Arb. A copy of the decision will also be filed with the clerk of the court in accordance with the procedures outlined in IV.C.15.

11. Confidentiality.

The entire Med/Arb process is confidential, and by entering into Med/Arb the parties mutually covenant with one another to preserve confidentiality on the basis established in this Plan. The parties and the neutral may not disclose information regarding the process, except the terms of settlement, to the court or to third persons unless all parties agree. Parties, counsel, and neutrals may, however, respond to confidential inquiries or surveys by persons authorized by the court to evaluate the Med/Arb program. Information provided in such inquiries or surveys must remain confidential and not be identified with particular cases.

The Med/Arb process must be treated as a compromise negotiation for purposes of the Federal Rules of Evidence and State rules of evidence. The neutral is disqualified as a witness, consultant, attorney, or expert in any pending or future action relating to the dispute, including actions between persons not parties to the Med/Arb process.

12. Record of Proceedings. No record will be made during the mediation phase of Med/Arb. In the event the parties elect to present witnesses to the neutral during the arbitration phase, the neutral may, with the consent of the parties, make such stenographic, audio, video or other recording deemed by the neutral as necessary or advisable to assist the neutral in rendering a fair decision.

13. Expenses, Neutral's Fee, and Deposits.

a. Expenses. The expenses of a witness for a party will be paid by the party producing the witness. All other expenses of Med/Arb, including necessary travel and other expenses of the neutral, the expenses of any witnesses called by the neutral, and the cost of any evidence or expert advice produced at the direct request of the neutral, will be borne equally by the parties unless otherwise agreed by the parties or directed by the court.

b. Neutral's Fee. A neutral will be compensated at a reasonable rate, agreed to by the parties, or as set by the court. The neutral's fee will be borne equally by the parties unless otherwise agreed by the parties or directed by the court.

c. Deposits. Before the Med/Arb process begins, each party to the process must deposit with the clerk of the court such an amount of the anticipated expenses and fees as the court directs. When the Med/Arb process has been terminated, the neutral will file with the clerk of the court a verified statement of fees and expenses. Upon approval by the court, the clerk will disburse to the neutral from the sums deposited by the parties an amount to satisfy the fees and expenses approved by the court. Any unexpended balance will be returned to the parties. If the sums deposited are insufficient to pay the full amount of the approved fees and expenses the court will order the parties to pay any remaining fees and expenses.

14. Effect of Decisions. The decision of the neutral generally will be non-binding. The parties may elect, however, either of the following alternatives by filing with the neutral a written election signed by the parties or their attorneys :

a. Binding Arbitration. The parties may agree, at the time the dispute moves into the arbitration phase, that the decision of the arbitrator will be final and binding;

b. Conditionally-Binding Arbitration.

i. The parties may agree at any time to elect to make the neutral's decision conditionally binding. If this option is selected, the neutral's decision will be binding unless, within thirty (30) days of the date of the neutral's decision, a party files with the neutral a written notice rejecting the decision of the neutral.

ii. If the decision of the neutral is rejected, the neutral will inform the court of the lack of agreement as provided in IV.C.15.

iii. If, under the conditionally-binding arbitration option, a party chooses to reject the neutral's decision and proceed to trial, and that party does not obtain a more favorable result at trial than the party would have received by the neutral's decision, that party must pay to the other party or parties all costs incurred by the other party or parties from the date the neutral received the written notice of rejection until the completion of trial. The term "all costs" includes attorneys fees and any costs actually incurred for discovery and expert witness fees and expenses. The amount to be awarded for attorneys fees will be established at the court's discretion based upon the following factors: (1) the number of hours expended since the date of election; and (2) a reasonable hourly fee for an attorney of similar skill and competence to the attorney whose fee is at issue. This amount will then be awarded as an additional judgment against the party who elected to proceed to trial.

15. Procedure at the Conclusion of the Arbitration Phase: Report to Court. At the conclusion of the arbitration phase of Med/Arb, the neutral will report to the court one of the following three results:

a. No Settlement Reached. If the parties are still unable to settle the dispute at the conclusion of the arbitration phase of a non-binding Med/Arb, this fact will be reported by the neutral to the judge to which the case is assigned within three (3) working days after the conclusion of the Med/Arb process. The neutral will state the following: "Med/Arb was held in this case and no agreements were reached."

b. Binding Arbitration. If the parties elected binding arbitration, the neutral will report to the court the decision rendered by the neutral.

c. Conditionally-Binding Arbitration. If the parties elected conditionally-binding arbitration, the neutral will make no report to the court until the expiration of thirty (30) days from the date of the neutral's decision. If no party elects to reject the decision within such thirty day period, the decision will be binding and be reported as in 15.b. If any party rejects the neutral's decision, the

neutral will report to the court the following: "A conditionally-binding arbitration was held and a party has rejected the decision rendered by the neutral."

When the parties elect a conditionally-binding arbitration under Med/Arb and one or more of the parties rejects the decision of the neutral, the neutral will, after receiving notice of rejection of the decision by a party, file with the clerk of the court in a sealed envelope a copy of the neutral's written decision. The neutral will include in the sealed envelope a copy of the notice of rejection by the party in order to inform the court of the party making the rejection and the date the rejection was made. After a decision is reached at trial, the court will open the sealed envelope and make such orders regarding costs as are appropriate under IV.C.14.b.