

## Frank K. Gomberg

## **EXPLANATION FOR CANCELLATION FEES**

I fully understand cancellations - particularly when the parties have been able to settle their litigation without my assistance; when the mediation is premature; when additional materials are served at the last minute; or the prognosis for a mediated settlement is hopeless!

The "fairness" problem arises because I turn down four or five mediations for every mediation day that is booked - after the day is secured by the booking party. Because my assistant, Pam Ritter books mediations on a first-come, first-served basis, when she books a mediation for lawyers Jones and Smith for December 14, 2015, that date is removed from my "inventory" and cannot be allocated to anyone else. Unlike airlines, I cannot double book to protect myself. When that mediation subsequently cancels very close to the date (say in November 2015), it is most unlikely that I will be able to re-book that date.

I then lose all fees for that date. Those fees are lost to me, even if the mediation is re-booked with me to take place 8 or 9 months down the road. As such, my cancellation policy is <u>now</u> that if a mediation is cancelled more than 90 days in advance, there will be no cancellation fee at all (the presumption being that I can probably re-book the date). I will assume the financial risk of failing to re-book the date.

If a mediation is cancelled within 90 days but more than 60 days before the mediation, I will charge a cancellation fee of \$2,250.00 for a full-day mediation and \$1,500.00 for a half-day mediation.

If a mediation is cancelled within 60 days but more than 30 days before the mediation, I will charge a cancellation fee of \$3,000.00 for a full-day mediation and \$2,000.00 for a half-day mediation.

If the mediation is cancelled within 30 days of its scheduled date, I will charge a cancellation fee of \$4,000.00 for a full-day mediation and \$2,600.00 for a half-day mediation.

The above cancellation fees all represent significant losses to me; but I think the respective charges are fair - I am not unhappy to share the cost (in a fair way) of a cancelled mediation.

If a lawyer or insurance professional can arrange for a colleague to use any cancelled date, then there will be no cancellation fee at all. In special circumstances such as a death in the family or where there is particular hardship, I will of course waive the cancellation fee.

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