1. List of reasons as to why it would be best to resolve the dispute which is the subject of the lawsuit by mediation.

The main reasons because it would be best to resolve the dispute by mediation instead of a lawsuit are:

1. Experience in the process: mediation has a long history in resolving disputes. Mediation has played a key role in commercial relations.
2. Statute regulations: it is used in labour relations for many years, and in family disputes.
3. Neutral and trained third party deal as mediator: it involves a neutral third party, hopefully properly trained, who assists the parties to come to an agreements
facilitating the discussions, identifying potential problems and solutions, and encouraging settlement.

4. The process promotes communication and cooperation.
5. It allows the parties, not the court, to make decisions affecting their future.
6. It promotes positive relationships by reducing conflict.
7. It could be confidential and avoid publicity. There is no public disclosure of personal problems or finances.
8. Mediation costs are lower than litigation costs.
9. Legal standards can be used in reaching agreements
10. It could be informal or formal process, according to the parties.
11. It could be a quick process, requiring few meetings.
12. The mediator has many available techniques according to the problem, parties, and development of the mediation process.
13. Mediation process is flexible and allows many creative solutions.
14. The mediator could be a trained person; also there are associations that provide membership and certification, and that set recognized professional standards.

2. **List of reasons as to why it would be best to resolve the dispute by arbitration.**

The main reasons because it would be best to resolve the dispute by arbitration are:

1. Less expensive than court, but usually more expensive that mediation.
2. It could be voluntary, but in some situations the parties are required by statute (e.g. labour relations).
3. In some instances arbitration is agreed upon before any dispute has arisen by including in the contract a requirement to arbitrate.
4. Arbitration can be very effective when external disputes arise with creditors, suppliers, customers, employees, shareholders, departments, etc.
5. Arbitration follows quasi-trail guidelines examining documents, hearing representatives, witnesses, making arguments and summarizing the cases.
6. The arbitrator could be a trained person; also there are associations that provide standards and ethics guidelines, and set recognized professional standards.
7. Most jurisdictions provide that the decisions reached by arbitrators are binding and enforceable.
8. In general, there is not room for appeal the arbitration process.
9. It could be confidential and avoid publicity. There is no public disclosure of personal problems or finances.
10. It could be combined with other methods for facilitating the process.
3. Determine a possible settlement agreement that could be reached by the parties to the dispute, through negotiation. (The two settlement agreements may be very different from each other.)

3.1. Marital settlement agreement

It resolves every issue of your marriage and divorce, and it will eventually become incorporated by the court into your divorce decree. If someone has a marital settlement agreement, when the time for divorce comes, s/he can tell the judge that everything has been resolved and there is nothing left for the court to do but give to the person a divorce.

The marital settlement agreement needs to cover everything about the divorce, including children, support, property, and legal fees. It begins with the effective date and the parties. The agreement will set forth the facts of the marriage, which are called recitals or whereas clauses. This will include the date and place of your marriage, children and their birth dates, and the date of your separation.

Every agreement requires consideration, or an exchange of something of value, in order to make it valid. This is a formality required by law, and it can be one dollar, ten dollars, or anything else of value.

Some of the marital settlement agreement issues to set are:

- Where will the children go to school?
- Who will decide if they go to public or private school?
- What about tutors and extracurricular activities?
- Who will decide about the need for the children’s medical and dental care?
- What doctors and dentists will they see?
- What medications will they take?
- Who will decide if they need braces, cosmetic treatment, or therapy?
- What religion will the children be raised in?
- What will be their last names?
- Who will give consent if they want to get married or join the armed services before age 18?
- Who will select a lawyer if the children have a lawsuit?
- Where will the children live most of the time?
- What will be their routines at each house for homework, television, and going to bed?
- What will the schedule be for time-sharing or visitation?
- What will the schedule be for each week, holidays, vacations, and summer?
- What will happen to these arrangements if one parent relocates?
- How will the financial needs of the children be supported?
- Who will pay child support and how much?
- Will it be paid directly to the other party by personal check or through the court?
• Will it be paid once a month, twice a month, or every two weeks?
• Will it be adjusted each year for inflation or not?
• When will child support stop?
• Who will pay for health insurance?
• What about uncovered medical expenses?
• Who will pay for day care and summer camps?
• What about expenses for extracurricular activities like piano, soccer, or karate?
• Who will pay for religious celebrations, weddings, or automobiles?
• How will college expenses be handled?
• Is any type of spousal support needed?
• How much and for how long?
• Should there be a cost of living escalation?
• When does spousal support terminate?
• Is it modifiable or non-modifiable in the future?
• Who will pay the legal fees for the divorce?
• Is there life insurance to secure child support and spousal support?
• What about health insurance for each spouse?
• What will happen to the marital home?
• If it is to be sold, when will it be listed for sale.

3.2. Debt Settlement Agreement

Bernard L. Madoff
Cell 666, Alcatraz

The World Ltd.                                                June 2, 2010
Pension Plans Department                                Planet Earth

Dear Creditor,
Re: Account Number___0000___

In response to my recent conversation with your customer service representative, I'd like to present a complete assessment of my financial situation.
Unfortunately, I have a lot of debt and not enough funds to pay all my creditors. So, I'll be able to negotiate and settle debt with a few creditors only. I have enclosed a copy of my financial statement with details of my monthly income and expenses as well as my assets. This will help you assess my financial situation and give you an idea as to why I have requested a debt settlement.

The final debt amount that we agreed upon is __$50,000M__. As part of the settlement agreement, I request you to co-ordinate with the credit bureaus in order to remove negative entry (late payment, collections, etc) on my account from the credit report.

Given my situation, I hope you'll refrain from taking further action against me as payment will be maintained as decided in the agreement. I shall review my financial situation on a regular basis and inform you about any change, positive or negative.

I hope you'll understand my situation and co-operate with me in this hour of financial crisis. I look forward to receiving a written confirmation from your end regarding the debt settlement agreement.

Yours truly,

Bernard L. Madoff

**Works consulted**


