

Rules of Arbitration of the Arbitration Center of Mexico (CAM)

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Standard Arbitration Clause of the Arbitration Center of Mexico

The Arbitration Center of Mexico (CAM) recommends that all parties wishing to make reference to CAM arbitration include the following standard arbitration clause in their contracts:

English

« All disputes arising in connection with the present contract shall be finally settled under the Rules of Arbitration of the Arbitration Center of Mexico (CAM), by one or more arbitrators appointed in accordance with the said Rules. »

Spanish

« Todas las desavenencias que deriven de este contrato serán resueltas definitivamente de acuerdo con las Reglas de Arbitraje del Centro de Arbitraje de México (CAM), por uno o más árbitros nombrados conforme a dichas Reglas. »

French

« Tous différends découlant du présent contrat seront tranchés définitivement suivant le Règlement d'Arbitrage du Centre d'Arbitrage du Mexique (CAM), par un ou plusieurs arbitres nommés conformément à ce Règlement. »

Also, the parties may indicate in the arbitration clause itself the law governing the contract, the number of arbitrators, the place of arbitration and the language of the arbitration.

Chapter One General Provisions

Article 1. The Arbitration Center of Mexico

1. The Arbitration Center of Mexico (hereinafter referred to as the CAM) is a private institution whose function is to provide services for the administration of commercial arbitration in accordance with the following Rules.
2. The CAM exercises its functions through a General Council and the Secretary General, in accordance with the present Rules and the Internal Rules of the CAM contained in Appendix I.

Article 2. Definitions

In these Rules:

1. "Claimant", shall designate the Claimant Party which may include one or more claimants;
2. "CAM", shall designate the Arbitration Center of Mexico;
3. "Communications", shall be those which are made in writing by the entities of the CAM or the Arbitral Tribunal;
4. "General Council", shall designate the General Council of the CAM;
5. "Answer", shall designate the Answer to the Request for Arbitration and its annexes, or the Answer to the Counterclaim;
6. "Request", shall designate the Request for Arbitration and its annexes;
7. "Respondent", shall designate the Respondent Party which may include one or more respondents;
8. "Award", shall designate an interim, partial or final award, as the case may be ;
9. "Rules" or "CAM Rules", shall refer to these Rules of Arbitration of the Arbitration Center of Mexico;
10. "Secretary General", shall designate the Secretary General of the CAM;
11. "Arbitral Tribunal", shall refer to the entity in charge of resolving the dispute submitted to arbitration proceedings, which can be composed of one or three persons.

Article 3. Written submissions

All written **submissions** of the parties are to be delivered directly or by any means of telecommunication, subject to their subsequent ratification by mail. The parties shall always supply the number of copies of their written submissions, as well as all documents annexed thereto, sufficient to provide one copy for each party, one for each arbitrator, and one for the Secretary General. A copy of any communication from the Arbitral Tribunal to the parties shall be sent to the Secretary General.

Article 4. Notifications

1. Unless otherwise provided for, all written communications shall be deemed to have been validly made if they are delivered personally or at the establishment, normal residence or postal address of the addressee; in the event that, after a reasonable research, the address of any such location has not been found, all written communications shall be deemed to have been validly made if delivered at the last known establishment, normal residence or postal address of the addressee, by certified mail or any other means that provides a record of the delivery thereof.
2. The communication shall be deemed to have been received on the day when such delivery was effected.

Article 5. Time Limits

Time limits fixed by the present Rules or the Secretary General shall start to run on the day following the date a notification, note, communication or proposal is deemed to have been received. When the last day of such time limit is an official holiday or a non business day in the place of residence or establishment of business of the addressee, such time limit shall be extended to the next business day. All other official holidays and non business days during the time limit shall be included in the calculation of the said period of time.

Chapter Two Commencing the Arbitration

Article 6. Request for Arbitration

1. A party wishing to have recourse to arbitration under these Rules shall submit its Request to the Secretary General. He shall notify the Claimant and Respondent Parties of the receipt of the Request and the date of such receipt.
2. The date when the Request is received by the Secretary General shall, for all purposes, be deemed to be the date of commencement of the arbitral proceedings.
3. The Request shall, at least, contain the following information:
 - a. names in full and addresses of each of the parties;
 - b. a description of the facts and legal circumstances of the dispute giving rise to the claims of the Claimant;
 - c. a statement of the relief sought by the Claimant including, to the extent possible, an indication of the amounts claimed;
 - d. the Claimant's comments concerning the number of arbitrators in accordance with the provisions of articles 14 and 15, and any nomination of an arbitrator required thereby; and
 - e. a proposal as to the place of arbitration, the applicable rules of law and the language of the arbitration.

4. Shall be annexed to the Request a copy of the arbitration agreement and the contract or document serving as basis to the action.
5. The Claimant shall make the advance payment referred to in article 37.

Article 7. Joinder of proceedings

1. When a matter is submitted which has a connection with a legal relationship in respect of which arbitration proceedings are already pending under the CAM, the parties may request the Secretary General to join the proceedings, provided that the Terms of Reference have not yet been signed by the parties or approved by the General Council in neither of the matters.
2. When one of the parties is different, there shall be joinder only with the agreement of all the interested parties, provided that the Terms of Reference have not yet been signed by the parties or approved by the General Council in neither of the matters.
3. Once the Terms of Reference have been signed or approved in either of the two matters, only the Arbitral Tribunal of the first of the matters submitted may decide the joinder, provided that one of the parties requests it and all the other parties agree.

Article 8. Notification of the Request for Arbitration

Once the number of copies referred to in article 3 have been received, and the payment referred to in article 6.5 has been effectuated, the Secretary General shall send the Request to the Respondent.

Article 9. Answer to the Request for Arbitration

1. Within 30 days from the receipt of the Request from the Secretary General, the Respondent shall file an Answer, which shall contain, at least, the following information:
 - a. the name in full and address of the Respondent;
 - b. its comments as to the facts or legal circumstances of the dispute giving rise to the claims of the Claimant;
 - c. its comments concerning the number of arbitrators and their choice in light of the Claimant's proposals and in accordance with the provisions of articles 14 and 15 and any nomination of an arbitrator required thereby; and,
 - d. its comments as to the place of arbitration, the applicable rules of law and the language of the arbitration.
2. The Respondent shall supply the number of copies of the Answer specified in article 3.
3. In its Answer, the Respondent may file a counterclaim. The counterclaim shall contain the same information as the Request, and a Reply must be filed by the Claimant within 15 days from the date of receipt the counterclaim by the Claimant.

Article 10. Notification of the Answer to the Request for Arbitration

The Secretary General shall communicate the Answer to the Claimant.

Article 11. Autonomy of the Arbitration Agreement

The Arbitral Tribunal shall not cease to have jurisdiction by reason of any claim that the contract or agreement is null and void or allegation that it is non-existent provided that it upholds the validity of the arbitration agreement. The Arbitral Tribunal shall continue to have jurisdiction to determine the respective rights of the parties and to adjudicate upon their claims and pleas, even though the contract itself may be non-existent or null and void.

Article 12. Effect of the Arbitration Agreement

1. When the parties have agreed to submit to arbitration under the CAM, they shall be deemed to have submitted by that only fact to the provisions of these Rules.
2. If any of the parties refuses or fails to take part in the arbitration proceedings, the arbitration shall proceed notwithstanding such refusal or failure.
3. If the Respondent does not file an Answer pursuant to article 9 or if any party raises one or more pleas concerning the existence, validity or scope of the arbitration agreement, the General Council may decide that the arbitration shall proceed if it considers that, *prima facie*, an arbitration agreement referring to the Rules of Arbitration of the CAM exists. The decision of the General Council is without prejudice to the admissibility or merits of the pleas leaving it to the Arbitral Tribunal to decide on its own jurisdiction.
4. If the Respondent does not file an Answer pursuant to article 9 or if any party raises one or more pleas concerning the existence, validity or scope of the arbitration agreement and the General Council does not consider that, *prima facie*, an arbitration agreement referring to the Rules of Arbitration of the CAM exists, the Secretary General shall notify the parties that the arbitration cannot proceed. In such a case, the parties retain the right to ask any court having jurisdiction whether or not there is a binding arbitration agreement.

Chapter Three The Arbitral Tribunal

Article 13. General Provisions

1. Every arbitrator must be and remain independent of the parties.
2. Before appointment or confirmation by the General Council or the Secretary General, the prospective arbitrator shall sign a statement of independence and shall disclose in writing to the Secretary General any facts or circumstances which might be of such nature as to call into question his independence in the eyes of the parties. The Secretary General shall provide such information to the parties, fixing a time limit of 5 days for any comments thereon.
3. The arbitrators shall immediately disclose in writing to the Secretary General and to the parties, any facts or circumstances which might be of such nature as to call into question their independence in the eyes of the parties, arising during the arbitration proceedings.

4. The decisions of the General Council or the Secretary General concerning the appointment, confirmation, challenge or replacement of arbitrators shall be final. The reasons for such decisions shall not be communicated to the parties or the arbitrators.
5. The persons who accept to be designated as arbitrators in matters submitted to the CAM, undertake to carry out their responsibilities in accordance with these Rules until the total fulfillment of their functions.
6. Insofar as it has not been provided otherwise, the Arbitral Tribunal shall be constituted in accordance with the provisions of articles 14 and 15.

Article 14. Number and Appointment of Arbitrators

1. The disputes submitted to the CAM shall be decided by a sole arbitrator or by three arbitrators.
2. Where the parties have not agreed on the number of arbitrators, the dispute shall be submitted to a sole arbitrator.
3. When the dispute is submitted to a sole arbitrator:
 - a. the parties may designate him by common agreement; or
 - b. if the parties fail to nominate the sole arbitrator within 30 days from the date when the Request notified by the Secretary General has been received by the Respondent, the sole arbitrator shall be appointed by the General Council.
4. Where the parties have agreed that the dispute shall be referred to three arbitrators:
 - a. each party shall nominate one in the Request and in the Answer; respectively;
 - b. if a party fails to effectuate the nomination referred to in the previous point, the appointment shall be made by the General Council;
 - c. unless provided for otherwise, the third arbitrator shall be appointed by the General Council. If the third arbitrator is not designated in conformity with the procedure selected by the parties in the time-limit fixed by themselves or granted by the Secretary General, he shall be appointed by the General Council;
 - d. if the third arbitrator is designated in conformity with the procedure selected by the parties, the Secretary General shall confirm such designation; and
 - e. the third arbitrator shall act as chairman of the Arbitral Tribunal.

Article 15. Confirmation of Arbitrators

1. The Secretary General shall confirm the members of the Arbitral Tribunal designated by the parties or in conformity with the procedure selected by them, provided that the arbitrator has filed a statement of independence that has not given rise to objections.

2. If, in the exercise of his functions as described in the previous paragraph, the Secretary General considers that a member of the Arbitral Tribunal should not be confirmed, the matter shall be submitted to the decision of the General Council.

Article 16. Multiple Parties

1. When there are multiple parties in the arbitration proceedings, whether as Claimants or as Respondents, and the dispute is to be referred to three arbitrators, the multiple Claimants, jointly, and the multiple Respondents, jointly, shall nominate an arbitrator for confirmation by the Secretary General.
2. If a joint nomination as mentioned in the previous paragraph is not possible and the parties do not agree upon a method for the constitution of the Arbitral Tribunal, the General Council shall appoint the three members of the Arbitral Tribunal and shall designate one of them to act as chairman.

Article 17. Challenge of arbitrators

1. A challenge of an arbitrator, whether for an alleged lack of independence or otherwise, shall be made by submission to the Secretary General. This written statement must specify the facts and circumstances on which it is based.
2. In order to be admissible the written challenge must be presented:
 - a. within the 10 days following the date of notification by the Secretary General to the party initiating the challenge of the nomination or confirmation of the respective arbitrator; or
 - b. when such date is subsequent to the one established in the previous point, within 10 days following the date on which he was informed of the facts and circumstances on which the challenge is based.
3. Upon receipt of the written challenge, the Secretary General shall grant to the parties a suitable time limit to comment. Once such time limit expires, the Secretary General shall submit the matter to the General Council so that it resolves the matter within a brief time period.

Article 18. Replacement of Arbitrators

1. An arbitrator shall be replaced:
 - a. upon his death;
 - b. upon acceptance by the General Council of his resignation;
 - c. upon acceptance by the General Council of a challenge;
 - d. upon request of the Claimant and Respondent; and
 - e. when the General Council decides that for any reason he is not fulfilling his functions or is prevented from fulfilling his functions in accordance with these Rules.
2. The General Council shall decide on the matter mentioned in point (e) of the previous paragraph once the Secretary General has communicated the relevant information in writing to the arbitrator

concerned, the parties and the other members of the Arbitral Tribunal, granting them an opportunity to comment in writing within a suitable time limit.

3. When an arbitrator is to be replaced, the General Council is not bound to follow the original nominating process to appoint the arbitrator. Once reconstituted, and after having noted the comments from the parties, the Arbitral Tribunal shall determine if and to what extent prior proceedings shall be repeated.

Chapter Four The Arbitration Proceedings

Article 19. Transmission of the File to the Arbitral Tribunal

Once the Arbitral Tribunal constituted, the Secretary General shall transmit the file to it, provided the deposit to cover the arbitration expenses requested at this stage of the proceedings pursuant to article 38 has been paid.

Article 20. Place of Arbitration

1. The Secretary General shall fix the place of arbitration unless it has been agreed upon by the parties.
2. After consultation with the parties, and unless otherwise agreed by the parties, the Arbitral Tribunal may conduct meetings and hearings in any location.
3. The Arbitral Tribunal may deliberate at any location and in any manner which it determines.

Article 21. Rules Governing the Proceedings

1. The arbitration proceedings shall be governed by these Rules and, where these Rules are silent, any rules which the parties or, failing them, the Arbitral Tribunal may settle.
2. Notwithstanding the above, and in all cases, the Arbitral Tribunal shall act impartially, and ensure that each party has a reasonable opportunity to present its case.

Article 22. Language of the Arbitration

1. The arbitration procedure shall be held in the language agreed upon by the parties.
2. In the absence of an agreement between the parties, the Arbitral Tribunal shall determine the language of the arbitration, due regard being given to all relevant circumstances, and, in particular, the language of the contract. As long as the Arbitral Tribunal has not determined the language, the parties may present their submissions in the language of their choice, annexing a translation in Spanish or in English.

Article 23: Applicable Rules of Law

1. The parties shall be free to agree upon the rules of law to be applied by the Arbitral Tribunal to the merits of the dispute. In the absence of any such agreement, the Arbitral Tribunal shall apply the rules of law that it determines to be appropriate.

2. In all cases, the Arbitral Tribunal shall take into consideration the provisions of the contract and the trade usages.
3. The Arbitral Tribunal shall assume the powers of an amiable compositeur when the parties have agreed expressly to give it such powers.

Article 24. Terms of Reference

1. As soon as it has received the file, the Arbitral Tribunal shall draw up, on the basis of the written submissions of the parties, a document defining its mission. The Terms of Reference must include:
 - a. the full names of the parties;
 - b. the addresses of the parties to which notifications arising in the course of the arbitration may be made;
 - c. a summary of the parties' respective claims, including an indication, to the extent possible, of the amounts claimed;
 - d. a list of the issues to be determined;
 - e. the full names and addresses of the arbitrators;
 - f. the place of arbitration; and
 - g. particulars of the applicable procedural rules and, if such is the case, reference to the powers of amiable compositeur of the arbitrator.
2. Within 30 days of the date of receipt of the file, the Arbitral Tribunal shall transmit to the Secretary General the Terms of Reference signed by the parties and the Arbitral Tribunal. The Secretary General may extend such time limit if he deems it necessary to do so or pursuant to a reasoned request from the Arbitral Tribunal.
3. If one of the parties refuses to sign the Terms of Reference, the Arbitral Tribunal shall submit it to the General Council for approval. The arbitration proceedings shall proceed if the General Council approves the Terms of Reference.
4. Once the Terms of Reference has been signed or approved, and after having consulted the parties, the Arbitral Tribunal shall establish a provisional procedural calendar that it will notify to the parties and the Secretary General. Any subsequent modification to the said procedural calendar must be notified to the Secretary General and the parties.

Article 25. New Claims

1. Once the Terms of Reference signed or approved, the parties may only make new claims which fall outside the limits of the said Terms of Reference, when authorized to do so by the Arbitral Tribunal.
2. To give the authorization referred to in the previous paragraph, the Arbitral Tribunal shall take into consideration the nature of the new claims, the stage of the arbitration at which they were presented and other relevant circumstances.

Article 26. Establishing the Facts of the Case

1. The Arbitral Tribunal shall proceed within as short a time as possible to establish the facts of the case by all appropriate means.
2. The arbitrator may decide the case solely based on the written submissions and on the documents presented by the parties, unless one of them requests a hearing.

Article 27. Representation of the Parties

The parties may be represented or counseled by persons of their choice. The Arbitral Tribunal shall consider to be representatives of the parties those persons designated by them in writing before the Secretary General or the Arbitral Tribunal, whichever the case may be.

Article 28. Hearings

1. When a hearing is to be held, the Arbitral Tribunal shall summon the parties to appear before it indicating the place, day and time, informing the Secretary General of the same.
2. If any of the parties, although duly summoned, fails to appear without valid excuse, the Arbitral Tribunal shall have the power to proceed with the hearing.
3. The Arbitral Tribunal shall be in full charge of the hearings, to which persons not involved in the proceedings shall not be admitted save with the approval of the parties and the Arbitral Tribunal.

Article 29. Closing of the Proceedings

1. The Arbitral Tribunal shall declare the proceedings closed once the parties have had a reasonable opportunity to produce their evidence and make their arguments. Thereafter, the parties may not make any further arguments nor produce any additional evidence, unless requested or authorized expressly by the Arbitral Tribunal.
2. When it has declared the proceedings closed, the Arbitral Tribunal shall indicate to the Secretary General an approximate date by which the draft award shall be sent. Any postponement of that date shall be exceptional and shall be notified by the Arbitral Tribunal to the Secretary General.

Article 30. Conservatory and Interim Measures

1. Unless the parties have otherwise agreed, the Arbitral Tribunal may order any interim or conservatory measure that it deems appropriate, as long as the following conditions are complied with:
 - a. that the Arbitral Tribunal has received the file;
 - b. that a party has requested it; and
 - c. that the requesting party furnishes the security fixed by the Arbitral Tribunal, in the case.
2. The Arbitral Tribunal shall give any such measure the form of either an order or an award.
3. Even in the presence of an arbitration agreement, the parties may, before the file is transmitted to the Arbitral Tribunal, and, exceptionally, after such transmittal, apply to any competent judicial

authority for interim or conservatory measures. Any such application, and any measures taken by the judicial authority, must be notified without delay to the Secretary General, who shall inform the Arbitral Tribunal.

Chapter Five The Award

Article 31. Time limit to Render the Award

1. The Arbitral Tribunal must render the award in a time limit of 4 months, which starts to run from the date of the last signature of the Terms of Reference or, in the case referred to in article 24.3, from the date of notification by the Secretary General to the Arbitral Tribunal of the approval of the Terms of Reference by the General Council.
2. The Secretary General may extend said time limit if he decides it is necessary to do so or pursuant to reasoned request from the Arbitral Tribunal.

Article 32. Making of the Award

1. The award is given by a majority decision, when the Arbitral Tribunal is composed of three arbitrators. If there be no majority, the chairman of the Arbitral Tribunal shall render the award alone.
2. The arbitral award shall state the reasons upon which it is based.
3. The arbitral award shall be deemed to be made at the place of the arbitration and on date stated therein.

Article 33. Award by Consent

If the parties reach a settlement after the file has been transmitted to the Arbitral Tribunal, the settlement shall be recorded in the form of an arbitral award if so requested by the parties.

Article 34. Scrutiny of the Award

1. Unless otherwise provided for by the parties, before signing any award, the Arbitral Tribunal shall submit it in draft form to the General Council. The General Council may lay down modifications as to the form and, without affecting the Arbitral Tribunal's liberty of decision, may also draw its attention to points of substance.
2. Unless otherwise provided for by the parties, the Arbitral Tribunal shall not sign any arbitral award which has not been approved by the General Council as to its form.

Article 35. Notification, Deposit and Enforceability of the Award

1. The Secretary General shall notify to the parties the award signed by the Arbitral Tribunal, provided always that the deposit to cover the arbitration expenses has been fully paid.

2. The Secretary General can make available certified true copies of the award to the parties or their representatives but to no one else.
3. Once the notification referred to in paragraph 1 of this article has been made, the parties waive any other form of notification or deposit on the part of the Arbitral Tribunal.
4. The Secretary General shall keep one original of each award rendered.
5. Every arbitral award shall be binding on the parties. By submitting the dispute to arbitration under the Rules of Arbitration of the CAM, the parties undertake to carry out the award rendered without delay, waiving expressly any appeal or any equivalent form of recourse.

Article 36. Correction and Interpretation of the Award

1. On its own initiative, the Arbitral Tribunal may correct any clerical or computational error or any error of similar nature contained in the award, provided such correction is submitted to the General Council for approval within 15 days of the date of such award.
2. Within 15 days of the receipt of the award, a party may make an application to the Secretary General to request the Arbitral Tribunal to make a correction of the kind referred to in the previous paragraph.
3. The party requesting the correction must supply a copy of such application to the Arbitral Tribunal and the other party in accordance with article 3. The other party shall have a time limit of 15 days from the receipt of the application to submit any comments thereon.
4. If the Arbitral Tribunal decides to correct or interpret the award, it shall submit its decision in draft form to the General Council no later than 15 days following the expiration of the time limit referred to in the previous paragraph.
5. The decision to correct or interpret the award shall take the form of an addendum to the award and shall constitute a part of it. The provisions of articles 32, 34 and 35 of these Rules shall apply to it.

Chapter Six Arbitration Expenses and Costs

Article 37. Advance on Administrative Expenses

1. Each Request for Arbitration presented under these Rules must be accompanied by an advance payment of the amount referred to in the *Scale of Arbitration Expenses* established in Appendix II, constituting an advance on the administrative expenses of the CAM.
2. No Request shall be taken into consideration unless accompanied by the said payment, which becomes the property of the CAM and is non-refundable. Such payment shall be credited to the administrative expenses fixed by the General Council at the end of the proceedings in accordance with the *Scale of Arbitration Expenses* established in the Appendix mentioned in the previous paragraph.

Article 38. Deposit to Cover the Arbitration Expenses

1. The Secretary General shall fix the amount of the deposit to cover the arbitration expenses pursuant to the *Scale of Arbitration Expenses* established in Appendix II. The Secretary General shall fix the amount of said deposit at his discretion where the sum in dispute is not stated.
2. The amount of the deposit fixed by the Secretary General to cover the arbitration expenses may be subject to readjustment to take into consideration fluctuations in the sum in dispute, changes in the amount of the estimated expenses of the Arbitral Tribunal and evolving difficulty or complexity of the proceedings.
3. Where, apart from the principal claim, one or more counterclaims are submitted, the Secretary General may fix a deposit for the principal claim and another for the counterclaim or counterclaims.
4. The Claimant and the Respondent shall pay in equal shares the deposit to cover the arbitration expenses. Should any party fail to pay its share, the payment shall be made in whole by the other party.
5. When the Secretary General has set separate deposits for the principal claims and counterclaims pursuant to paragraph 3, each party shall pay in whole the deposit corresponding to its claim.
6. Pursuant to article 19, the Secretary General shall subject the transmission of the file to the Arbitral Tribunal to the payment of at least one half of the deposit fixed by the Secretary General. When the Secretary General has fixed separate deposits for the principal claims and counterclaims pursuant to paragraph 3, each party shall pay, at this stage of the proceedings, half of the deposit corresponding to it.
7. Once the Terms of Reference signed or approved by the General Council, the arbitration proceedings shall be suspended until the balance of the deposit to cover the arbitration expenses has been paid. When the Secretary General has fixed separate deposits pursuant to paragraph 3, the Arbitral Tribunal shall proceed only in respect of those principal claims or counterclaims in regard to which the whole of the corresponding deposit has been paid.

Article 39. Expert Proceedings

1. The Arbitral Tribunal shall request the parties to make payment of the deposit to cover the expertise costs or proceedings of a similar nature that the Arbitral Tribunal may order in an arbitration proceeding. This deposit must be sufficient to cover the estimated fees and expenses of the expert or the persons that intervene.
2. The deposit referred to in the previous paragraph shall be paid by the parties, or one of them, before any expertise is rendered.

Article 40. Costs of the Arbitration

1. The costs of arbitration shall include:
 - a. the arbitrators' fees and expenses;
 - b. the administrative expenses of the CAM;

- c. as the case may be, the fees and expenses of the expert or person intervening pursuant to article 39 by appointment of the Arbitral Tribunal;
 - d. the reasonable costs incurred by the parties in the defense of their interests in the arbitration proceedings; and
 - e. other reasonable costs incurred by the parties in the arbitration proceedings.
2. The General Council shall fix the amounts referred to in points (a) and (b) of the previous paragraph. The General Council may fix the fees of the arbitrators at a figure higher or lower than that which would result from the application of the *Scale of the Arbitration Expenses* established in Appendix II, should this be deemed necessary due to the circumstances of the case.
3. In the final award, the Arbitral Tribunal must:
 - a. fix the amounts referred to in points (c), (d) and (e) of paragraph 1 of the present article;
 - b. incorporate the amounts fixed by the General Council pursuant to the previous paragraph; and
 - c. decide which of the parties shall bear the costs of the arbitration or in what proportion they shall be borne by the parties.

Chapter Seven Final Provisions

Article 41. Waiver

A party who proceeds with the arbitration without raising its objection without delay to a failure to comply with any provision of these Rules, any other rule applicable to the proceedings, any direction given by the Arbitral Tribunal or any requirement under the arbitration agreement, shall be deemed to have convalidated the proceedings, losing its right to object.

Article 42. Abbreviated Procedure

1. The parties may agree to shorten the time limits set out in these Rules. Any such agreement shall become effective only upon the approval of the Arbitral Tribunal when entered into subsequent to the constitution of the Arbitral Tribunal pursuant to Chapter Three of these Rules.
2. The Secretary General may, on its own initiative, extend any time limit which has been modified pursuant to the previous paragraph if he considers it necessary to do so in order that the Arbitral Tribunal, the General Council and himself may fulfil their responsibilities in accordance with these Rules.

Article 43. Exclusion of Liability of the CAM

Neither the CAM, nor its General Council nor its Secretary General shall be liable for any act or omission in connection with an arbitration proceeding conducted under its auspices.

Article 44. General Rule

In all matters not expressly provided for by these Rules, the General Council, the Secretary General and the Arbitral Tribunal shall act in the spirit of these Rules, making every effort to make sure that the award is enforceable at law.

Article 45. Appendices

The Appendices of the present Rules are an integral part of the Rules.

**Appendix I:
Internal Rules of the Arbitration Center of Mexico**

Article 1. Structure

1. The CAM exercises its functions through a General Council and the Secretary General.
2. The General Council shall be composed of the number of members determined by the Shareholders' Meeting of the CAM and shall be assisted by a Secretary General appointed by the Board of Directors of the CAM. The Secretary General will preside over the Secretariat of the CAM.
3. The Chairman of the General Council shall be the person designated by its members from among themselves.

Article 2. Functions of the General Council

The General Council's functions pursuant to these Rules are:

1. to verify the *prima facie* existence of the arbitration agreement;
2. to appoint, replace, and substitute arbitrators;
3. to approve the Terms of Reference drafted by the Arbitral Tribunal;
4. to approve the award rendered by the Arbitral Tribunal;
5. to approve the corrections and interpretation made to the award;

6. to fix the fees of the arbitrators and the administrative expenses of the CAM; and
7. any others which might be necessary for the fulfillment of its obligations.

Article 3. Functions of the Secretary General

The Secretary General's functions pursuant to these Rules are:

1. to confirm arbitrators designated by the parties;
2. to fix the place of arbitration;
3. to extend the procedural time limits when the Rules allow it;
4. to fix the amount of the deposit to cover the arbitration expenses;
5. to readjust the amount of the deposit of to cover the arbitration expenses;
6. to suspend the proceedings;
7. to certify true copies of the awards;
8. to contribute to the carrying through of the arbitration proceeding without delay;
9. to interpret the Rules of Arbitration of the CAM; and
- 10.any others which might be necessary for the fulfillment of his obligations.

Article 4. Sessions of the General Council

1. The General Council shall hold its sessions with the frequency and on the date determined by its Chairman.
2. In the absence of the Chairman, the member designated by him shall preside the sessions of the General Council.
3. The deliberations of the General Council shall be valid when at least 3 of its members or substitutes are present.
4. The decisions of the General Council are taken by a majority vote, the Chairman having a casting vote in the event of a tie.

Article 5. Confidentiality

1. The confidential character of the activities of the General Council shall be respected by all its members, by the Secretary General and by all those who assist him.
2. Shall only be present at the sessions of the General Council its members, the Secretary General and the personnel of the Secretariat of the CAM.

3. Both the documents submitted to the CAM and those produced by the Secretariat of the CAM shall be communicated exclusively to the members of the General Council and the Secretary General.
4. Under no circumstances shall the divulgation of the writings, notes, communications and other documents presented by the parties during the arbitration proceedings be authorized.

Article 6. Conflicts

1. The members of the General Council, the Secretary General and the members of the Secretariat of the CAM may not act as arbitrators or as counsel in any cases submitted to CAM arbitration.
2. When the Chairman, any of the members of the General Council or any of the members of the Secretariat of the CAM are involved, in any capacity whatsoever, in proceedings pending before the CAM, they must inform the Secretary General immediately. They must refrain from participating in the discussions or decisions taking place at the General Council concerning the proceedings and must be absent from the session whenever the matter is considered. The persons interested pursuant to the terms of this paragraph shall not receive any information pertaining to the proceedings in question.

Appendix II: Arbitration Expenses

8. Subject to article 40.2 of the Rules, the General Council shall fix the fees of the arbitrators in accordance with the *Scale of Arbitration Expenses* established in this Appendix, or at his discretion where the sum in dispute is not stated.
9. In setting the Arbitral Tribunal's fees, the General Council shall take into consideration the diligence of the arbitrators, the rapidity of the proceedings and the complexity of the dispute.
10. Arbitrators' fees and expenses shall be fixed exclusively by the General Council. Any fee arrangement between the parties and the arbitrators is contrary to these Rules.
11. When the parties agree to hold an arbitration proceeding in abeyance, the Secretary General may require the payment of administrative expenses in addition to those provided in article 37 of the CAM Rules.
12. If the arbitration terminates before the rendering of a final award, the General Council shall fix the costs of the arbitration at its discretion. It shall take into consideration the stage attained by the arbitration proceedings and any other relevant circumstances.
13. In the case of an application under article 36 of these Rules, the General Council may request the parties to pay a deposit to cover fees and expenses of the Arbitral Tribunal incurred during the proceedings for correction and interpretation of the award. This deposit shall be paid in full before the Arbitral Tribunal may proceed with said correction or interpretation.
14. The following *Scale of Arbitration Expenses* shall be applicable: