

**Arbitration Rules of the Arbitration Centre
of the
Institute for the Development of Commercial Law and Practice (ICLP)**
[in effect, February 29, 1996]

REQUEST FOR RESOLUTION BY ARBITRATION

1. A request for the resolution of a dispute by arbitration at the Centre shall be made by a party filing with the Centre a statement which shall include :

(a) the names and addresses of the parties to the dispute.

(b) the facts relevant to the dispute.

(c) the relief claimed by the Claimant.

(d) together with a copy of the agreement on which the claim is based and a copy of the Arbitration Agreement, if the latter is not included in the former; and,

(e) where applicable, the names and particulars of the arbitrator or arbitrators appointed by the Claimant.

PROCESSING OF REQUEST

2. Within three working days of the submission of the request to the Centre such request shall be submitted by the Secretary General to the Chairman of the Board.

3. On receipt of such request the Chairman shall expeditiously convene a Meeting of the Board to consider such request.

4. (a) Where the Board is of the opinion that such request may be entertained by the Centre, the Board shall convey such opinion to the Secretary General for the Secretary General to take the further steps necessary in accordance with the Rules.

(b) Where the Board is of the opinion that the request cannot be entertained by the Centre for resolution under the ICLP Arbitration Centre rules, the Board shall refer the request back to the Secretary General for action under Section 9 (2) of the Constitution.

NOTICE TO RESPONDENT

5.1 In the event that the Board decides that such request should be entertained under the Rules, the Secretary General shall within seven working days from such decision require the Respondent party to submit a reply to the Centre within the time period nominated by the Secretary General, which shall include-

(a) statement commenting on the request made by the Claimant; and

(b) where applicable, a statement identifying the arbitrator or arbitrators appointed by the Respondent.

5.2 In the event that the Respondent wishes to raise any objection against the validity or concerning the applicability of the Arbitration Agreement, such objection shall be made in the reply together with the grounds therefor.

5.3 The Respondent may make a counter claim or plead a set off. A statement to that effect shall be made in the reply, including the facts relevant to the dispute and the relief claimed. A counter claim or a plea by way of set-off must be within the scope of the Arbitration Agreement.

5.4 The Board may request the Respondent to be more comprehensive in the counter claim or plea for set off. In the event that the Respondent fails to make a comprehensive counter claim or plea for a set off upon the request of the Board such claim or plea may be dismissed by the Board.

5.5 The reply of the Respondent shall be communicated to the Claimant by the Secretary General. The Claimant shall be given the opportunity to comment on any objections and pleas raised by the Respondent. Such commentaries shall be in a statement. A copy thereof shall be forwarded to the Respondent.

5.6 Failure by the Respondent submit a reply shall not prevent the continuance of the proceedings in the case.

6. In the event that the Centre has requested a party to perform any act within a specified time, such time limit may be extended by the Centre, on application by the parties or otherwise.

APPOINTMENT OF ARBITRATORS

7.1 Each party shall appoint an equal number of arbitrators who shall appoint a Chairman of the Tribunal. If the arbitrators are unable to appoint a Chairman in such an event the Board may make such appointment.

7.2 In the event that the parties have not agreed upon the number of arbitrators, the number shall be three.

7.3 In the event that the parties have agreed that the dispute shall be decided by a sole arbitrator but cannot agree on the person the appointment of such sole arbitrator shall be made by the Board.

7.4 In the event that the parties have so agreed the Board shall appoint all the arbitrators.

7.5 In the event that a party fails to appoint an arbitrator within the time prescribed by the Board, the Board shall make the appointment.

7.6 In the event of a death of an arbitrator appointed by a party, such appointment party shall Appoint another arbitrator in place of the deceased arbitrator .

7.7 In the event of an arbitrator resigning or being removed from office the Board shall appoint another arbitrator provided however, that in the event that if the vacating arbitrator had been appointed by a party the Board shall make such appointment in concurrence with the party who appointed the arbitrator who vacated office.

7.8 In the event of the parties or the Board failing to appoint arbitrators as above, a party may apply to the High Court to take necessary measures towards the appointment of the arbitrator/s.

DUTIES OF AN ARBITRATOR

8.1 A person who is requested to accept appointment as an arbitrator shall disclose any circumstances which is likely to affect the impartiality or independence, of such person.

8.2 An arbitrator shall from the time of his appointment and during the arbitral proceedings, disclose without delay any such circumstances as are referred to in section 8.1, to the parties and to the other arbitrators.

CHALLENGE/DISQUALIFICATION OF AN ARBITRATOR

9. A party wishing to challenge an arbitrator shall do so setting out the reasons therefore in writing and shall submit such writing to the Board, and copies thereof to the arbitrators and to each of the other parties.

10.1 The Board may decide that an arbitrator is disqualified, and upon the Board making such a decision it shall be conveyed to the arbitrators and the disqualified arbitrator shall be deemed to have been removed with effect from the date of such decision.

10.2 The Board may remove an arbitrator for failure to perform his duties in an adequate manner.

10.3 Before a decision of removal is made the Board shall ascertain the view of the parties and the arbitrators.

DUTIES OF THE BOARD

11. When the filing of written statements as required by the foregoing Rules has been concluded the Board shall, as applicable-

- (a) appoint an arbitrator and/or arbitrators and/or a Chairman of the Arbitral Tribunal.
- (b) determine the place of arbitration having due regard to the wishes of the parties and

- (c) fix the amount of security and the time within which each party shall pay his share thereof.

12.1 The Board shall fix a sum which shall be paid to the Centre and which, together with the accrued interest, shall constitute security for the costs of the proceeding. The amount thereof shall be fixed in accordance with the regulations issued by the Centre. The Board may fix separate sums for a counterclaim and for a plea by way of set-off. After notification by the Arbitral Tribunal or on its own motion the Board may in the course of the arbitration proceedings increase the security.

12.2 In the event of a party failing to make payment as per Rule 13.1 below, the Board shall afford the other party an opportunity to do so. In the event that the required payment is made, the case shall be wholly or partly dismissed or stayed by the Board.

12.3 As soon as the Arbitral Tribunal has been appointed and the security been provided, the Board shall refer the case to the Arbitral Tribunal.

PAYMENT OF SECURITY

13.1 Each party shall contribute half of such sums of money as are referred to in Rule 12.1 above provided however, that one party may pay the entire sum if such party so desires.

13.2 The Secretariat may, in the course of the arbitration proceedings and thereafter, draw on the security to pay fees to the arbitrators and other costs of the proceedings.

13.3 The Board may decide that the security may partly consist of a bank guarantee or other security.

ARBITRAL PROCEEDINGS

14.1 The Arbitral Tribunal shall comply with the stipulations of the parties in the Arbitration Agreement, the Rules and the wishes of the parties in determining the manner in which proceedings are to be conducted.

14.2 The Arbitral Tribunal shall deal with the case in an impartial, practical and expeditious manner. Each party shall be given a sufficient opportunity to present his case.

14.3 When the Arbitral Tribunal is composed of three or more members, the Chairman may, if the other arbitrators have so authorized him, decide questions of procedure on his own.

15. Unless the parties have agreed on the language or languages to be used in the proceedings, the Arbitral Tribunal shall make a determination in such respect.

16. The Arbitral Tribunal may require a party to be more comprehensive in any or all statements Filed in accordance with the foregoing Rules. The Arbitral Tribunal may dismiss the case if the Claimant fails to comply with such a requirement. In the event that the Respondent fails to do so, such failure shall not prevent the continuation of the proceedings in the case.

AMENDMENT OF THE CLAIM OR DEFENSE

17.1 A party may amend his claim or defense in the course of the proceedings if his case, as amended, is still within the scope of the Arbitration Agreement and unless the Arbitral Tribunal considers it inappropriate having regard to the point of time at which the request is made, that prejudice may be caused to the other party or due to other circumstances.

17.2 The provisions of the preceding paragraph shall apply equally to the right of a party to introduce a plea for a set-off or a counterclaim.

ORAL HEARING

18.1 An oral hearing shall be held, guided by the wishes of the parties and the Arbitral Tribunal shall determine the time at which such a hearing shall take place, its duration and the manner in which oral evidence shall be presented thereat.

18.2 In the event that an arbitrator is replaced in the course of the proceedings, the newly composed Tribunal shall decide whether and to what extent a prior oral hearing shall be repeated.

EVIDENCE

19.1 At the request of the Arbitral Tribunal, the parties shall state the evidence on which they wish to rely upon, specifying what they wish to prove thereby.

19.2 The parties shall produce as requested by the Arbitral Tribunal the documentary Evidence on which they rely.

20. The Arbitral Tribunal may when it deems appropriate require the submission of written affidavits.
21. The Arbitral Tribunal may refuse to accept evidence offered to it if it considers that such evidence is not required or is irrelevant or that proof can be established more simply by other means on a particular matter.
22. Unless the parties agree otherwise, the Arbitral Tribunal may appoint an expert to give his opinion on a particular matter.
23. In the event that a party fails to appear at a hearing or otherwise to comply with an order of the Arbitral Tribunal and does not show valid cause for such failure, such failure shall not prevent the Arbitral Tribunal from proceeding with the case and/or rendering an award.

WAIVER

24. A party who fails during the proceedings to object within a reasonable time to any deviation from provisions of the Arbitration Agreement or other Rules applicable to the proceedings, shall be deemed to have waived his right to invoke such irregularity.

THE AWARD

25. An award shall be made not later than one year after the case has been referred to the Arbitral Tribunal. At the request of the Arbitral Tribunal, the Board may, however, if appropriate extend this period.
26. After having conscientiously considered and evaluated all aspects of the proceedings, the Arbitral Tribunal shall determine what has been proved in the case and make their award accordingly.
27. The majority opinion of the Arbitral Tribunal shall prevail. In the event that such a majority is not attained the opinion of the Chairman shall prevail.
28. A separate issue or part of the matter in dispute between the parties may, at the request of a party, be decided by a separate award. If any party objects, such an award may be rendered only if the Arbitral Tribunal deems that there are exceptional reasons therefor.
29. Where a party has partially admitted a claim, the Arbitral Tribunal may give a separate Award on the part that has been admitted.
- 30.1** The award shall be rendered at the place of arbitration. The award shall contain an order or declaration and the reasons therefor and shall be signed by all the arbitrators. An award may be rendered even in the absence of the signature of an arbitrator provided that the award has been signed by a majority of the arbitrators and contains a verification by them that the arbitrator whose signature is absent took part in deciding the dispute.
- 30.2** An arbitrator may attach a dissenting opinion to the award.
- 30.3** In the event a settlement is made the Arbitral Tribunal may at the request of the parties confirm such settlement in an award.
- 31.** An Arbitral Tribunal shall after the close of the proceedings submit to the Centre one Copy of each award as well as a record of all the proceedings.

PAYMENT OF FEES OR COSTS

- 32.1** The Arbitral Tribunal shall decide in the award the amount of fees that are due to the Centre and the arbitrators, respectively.
- 32.2** The parties shall be liable jointly and severally for the payment of all such sums.
- 32.3** The party against whom an award is made shall be ordered to pay such fees and costs as well as the fees and costs of the other party unless the circumstances call for a different result.
- 32.4** When a case is terminated before it has been referred to the Arbitral Tribunal, the Centre will determine the amount of compensation due to it. When a case is terminated before an award has been rendered, the Arbitral Tribunal may decide that the parties shall pay compensation to the Centre and the arbitrators.
- 33.** An award may be rendered even if it deals only with costs.

34.1 The fees of arbitrators shall be reasonable in amount and shall be determined taking into account the time spent by the arbitrators, the complexity of the case, the amount in dispute and other circumstances.

34.2 The amount of fees due to the Centre will be determined in accordance with regulations Issued by the Centre.

CORRECTION OR CHANGE OF THE AWARD

35.1 Any obvious miscalculation or clerical error in an award shall be corrected by the Arbitral Tribunal.

35.2 In the event that a party so requests, within (30) days of receiving the award the tribunal may decide a question which should have been decided in the award but which was not decided therein.

35.3 In the event that a party so requests, within thirty (30) days of receiving the award the Arbitral Tribunal may provide an interpretation thereof in writing.

35.4 Before the Arbitral Tribunal takes such action, the parties shall be afforded an opportunity to express their views.

THE ARBITRATION AGREEMENT TO PREVAIL

36. In the event of a conflict between a decision of the Board and the Arbitration Agreement the latter shall prevail.

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