# Arab Intellectual Property Mediation and Arbitration Society (AIPMAS)

#### **Rules of Arbitration**

#### First - General rules

# **Brief Terminology**

## Article (1)

In these rules:

- The term "Arbitration agreement" means the agreement of the two parties to subject all
  conflicts initiated or might be initiated, or some of these conflicts to arbitration. The
  agreement may be in the form of a provision in a contract, or in an independent
  contract.
- The word "Plaintiff" refers to the party initiating the arbitration motion.
- The term "defendant" Arbitration Committee" refers to the party targeted with the arbitration motion.
- The term "Arbitration Committee" includes an independent arbitrator or all the arbitrators in case more that one is delegated, and the word "Center" refers to the Arab Center for Mediation and Arbitration in Intellectual Property.
- The words used in the singular and dual modes mean the plural and vice versa, in accordance with the context.

# **Scope of Rule Application**

# Article (2):

In case the arbitration agreement provided for the initiation of arbitration in accordance with the Center rules concerned, these rules are considered a part of the mentioned arbitration agreement, and the conflict shall be resolved in accordance with these rules, as it is effective as of the date of arbitration initiation, unless the two parties come to an alternative agreement.

# Article (3):

- Arbitration is subject to these rules unless contrary to the applicable law for arbitration, and which the two parties can not disregard, and in this case preponderance is for the provision of law.
- The applicable law shall be defined in accordance with the provisions of Article (58) (B) of arbitration rules.

# **Warnings and Periods of Grace**

#### Article (4):

- Any warning or contact permissible by these rules shall be in writing and delivered via express mail or e-mail or any modern means of contact that can be substantiated.
- The Last place of residence or known business address of the party shall be considered the right address to send warnings or any other contact, unless the party sends a modification of address. In any case, sending warnings to the other party is permissible the way provided for in the agreement. In absence of this provision, warnings are sent

in accordance with the practiced means of contact between the two parties.

- For the purposes of defining compliance with a period of grace, the warning is considered sent or transferred in case sent in accordance with paragraphs (A) and (B) of this Article prior to or on the day the end of the period of grace.
- For the purposes of computing a period of grace in accordance with these rules, the period validity begins as of the second day of receiving the warning or last contact. In case the last day in the period of grace is an official holiday day or a business holiday in the place of residence or the place of business of the receiver, the period of grace shall be extended until the first working day subsequent to the holiday. In computing, the period of grace includes official holidays and any other holidays.
- The two parties may agree to reduce the period of grace aforementioned in Articles (10), (15) (B), (16) (B), (17) (B), (18) (B), (19) (B/3), (40) (A), and (41) (A) of Arbitration rules.
- The Center may extend the period of grace aforementioned in Articles (10), (15) (B), (16) (B), (17) (B), (18) (B), (19) (B/3), (65) (D), (66)(H), (68) (H) of arbitration rules, in accordance with the request of one of the parties and upon its initiative.

#### **Documents presented to the Center**

# Article (5):

- Each party presenting any written declaration to the Center in pursuant of Articles (6) and (36) of arbitration rules or permissible by these Articles, shall send a copy of it to the other party at the same time, until the Center delegates an Arbitration Committee.
- Each written declaration sent to the Center shall be sent this way with copy number adequate to provide each arbitrator and the Center with one bona fide copy.
- After the delegation of the Arbitration Committee by the Center, the parties shall any written information to the committee with one copy to the other party.
- The Arbitration Committee shall send a copy of all or any decision taken.

# Second - Initiating Arbitration

# **Requesting Arbitration**

# Article (6):

The plaintiff shall send the arbitration motion to the Center and to the defendant.

# Article (7):

The Center shall inform the plaintiff and the defendant of the reception of the arbitration motion, and it shall also inform them of the date initiating arbitration.

#### Article (8):

The Arbitration motion shall include the following:

- 1. A motion to subject the conflict to arbitration in accordance with the rules and laws of the Center.
- 2. Names, addresses, telephone numbers, faxes, e-mails, or any other information allowing contact with the two parties.
- 3. A copy of the arbitration agreement and any independent provision regarding the applicable law, when necessary.

- 4. Brief description of the nature of conflict declaring the concerned funds the nature of any concerned technology.
- 5. A declaration, within possible limits, of the amounts claimed.
- 6. Any delegation of an arbitrator or arbitrators provided for by Articles from (14) to (20) of arbitration rules, or any notes the plaintiff considers useful and related to these Articles.

# Article (9):

The Arbitration motion may be annexed with the initiatory pleading mentioned in Article (40) of Arbitration rules.

#### **Response to Motion**

# Article (10):

The defendant, within 30 days as of the date of receiving the Arbitration motion from the plaintiff, shall forward to the Center and the plaintiff a response to the motion, including responses to any provision mentioned in the motion, and shall include any counter motion or clearance.

# Article (11):

In case the plaintiff had filed the initiatory pleading with the Arbitration motion in accordance with Article (9) of Arbitration rules, the response to the motion may be annexed with the defense declaration mentioned in Article (41) of Arbitration rules.

# Representation

## Article (12):

- The two parties may be represented by people of their own choice, regardless of their nationality or professional qualifications, and the Center, the other party, and the arbitration committee shall be informed of their names, addresses, telephone numbers, e-mails, faxes, or any other information that allows contact with those representatives.
- Each party shall guarantee to allow its representatives the necessary time to enable the initiation of arbitration as soon as possible.
- The two parties may be assisted by people of their own choice.

#### Article (13):

The date of intimating arbitration shall be the date the arbitration committee receives the files.

#### Third - Forming and establishing the Arbitration Committee

# **Number of Arbitrators**

#### Article (14):

The Arbitration committee consists of the number of Arbitrators agreed upon by the two parties, provided that the number be odd. In case the two parties have not agreed on the number of arbitrators, the arbitration committee shall consist of one arbitrator.

Delegation in accordance with the procedure agreed upon by the two parties

## Article (15):

- In case the two parties have not agreed upon the arbitrator or the arbitrators, contrary to the provisions of Articles from (16) to (20) of arbitration rules, that procedure shall be followed.
- In case the arbitration committee was not formed in accordance with that procedure within the period of grace agreed upon, or within (45) day as of the initiation of arbitration in case the two parties have not agreed on such a period of grace, the arbitration committee shall be formed or complemented according to case and in accordance with Article (19) of arbitration rules.

# **Delegation of One Sole Arbitrator**

# Article (16):

- In case of delegating one sole Arbitrator, the two parties together shall delegate the arbitrator.
- In case the delegation of the sole arbitrator during the period of grace agreed upon herein, or in (30) after the initiation of arbitration, , in case the two parties have not agreed on such a period of grace, the delegation of the sole arbitrator shall be delegated in accordance with Article (19) of arbitration rules.

# **Delegation of three Arbitrators**

# Article (17):

- In case the issue is regarding the delegation of three arbitrators and the two parties have not agreed upon the delegation procedures, the delegation of arbitrators shall be delegated in accordance with this Article.
- The plaintiff shall delegate an arbitrator in the arbitration motion. The defendant shall delegate an arbitrator in (30) days as of the day of receiving the arbitration motion. The two delegated arbitrators shall delegate a third in (20) days as of the delegation of the second arbitrator. The third arbitrator shall be the chairman of the arbitration committee.
- In case the delegation of one of the arbitrators in the period of grace aforementioned failed, the delegation of that arbitrator shall be done in accordance with Article (19) of Arbitration rules.

# Delegation of Three Arbitrators in case of multiple plaintiffs and defendants

# Article (18):

- 1. (A) the following Cases:
  - 1. When the issue is regarding the delegation of three arbitrators
  - 2. The two parties have not agreed upon the delegation procedure
  - 3. The arbitration motion mentioned more that one plaintiff; the defendants shall delegate an arbitrator in their arbitration motion. The second arbitrator and the arbitrator assuming chairman of the arbitration committee in accordance with Article (17) of arbitration rules by case with consideration to the provisions of Clause (B) of this Article.
- 2. (B) The following Cases:
  - 1. In case the issue was regarding the delegation of three arbitrators
  - 2. And the two parties have not agreed upon the delegation procedure

3. The arbitration motion mentioned more than one defendant

The defendants together shall delegate an arbitrator. In case they failed, for any reason, to delegate an arbitrator in (30) as of the receiving the arbitration motion, any former delegation of arbitrators shall be null and void, and the Center shall delegate the two concerned arbitrators. The two delegated arbitrators, delegated accordingly, shall, in (30) days as of the delegation of the second arbitrators, delegate a third arbitrator as a chairman of the Arbitration Committee.

- 3. In the following Cases:
  - 1. In case the issue was regarding the delegation of three arbitrators
  - 2. And the two parties have not agreed upon the delegation procedure
  - 3. The arbitration motion mentioned more than one defendant or defendant

The two Clauses (A) and (B) of this Article shall be applied notwithstanding of Article (15) (A) of Arbitration and regardless of any contractual provisions mentioned in the arbitration agreement regarding the delegation procedures unless these provisions explicitly excluded the motion of this Article.

## **Delegation in case delegation default**

# Article (19):

- (A) In case one party fails to delegate as provided for by Article (15), (17), and (18) of arbitration rules, the Center shall delegate, on behalf of that party, perform the delegation immediately.
- In case the delegation of the sole arbitrator, who shall preside the Arbitration Committee, fails, as provided for by Articles (15), (16), (17), and (18) of Arbitration rules, delegation shall be done in accordance with the following:

The Center shall send to each party a list of nominees. The list shall include at least the names of three nominees in alphabetical order. The list shall also include a declaration of each nominee's qualifications or annexed with that declaration, and in case the two parties have agreed upon certain qualifications, the list shall include only the names of those nominees satisfying these qualifications.

Each party is entitled to exclude any name opposing his/her nomination, and shall number the remaining names according to preference.

Each party shall return the list to the Center in (2) days as of its reception. Each party failing to send the list to the Center after marking it in that period is considered approving all the nominees mentioned in the list.

The Center, upon reception of the two lists from the two parties, or the end of the period mentioned in the aforementioned Clause, shall summon one of the people mentioned in the list, as expedient as possible, to be the sole arbitrator, or the arbitrator being the chairman of the Arbitration Committee, with consideration to what the two parties have expressed of preference and objection.

In case the two list returned to the Center fail to mention a person accepted by the two parties

as an arbitrator, the Center shall delegate the arbitrator presiding the Arbitration Committee, and the Center shall perform that too in case a person fails to accept the Center's nomination of the chairman of the Arbitration Committee, in case he/she did not wish to, or in case of other causes denying that person to be the sole Arbitrator or the arbitrator being the Chairman of the Arbitration Committee and the list fails to have any remaining names accepted by the two parties.

• (D) Notwithstanding of the provisions of Clause (B), the Center shall delegate the sole arbitrator or the arbitrator assuming the Chairman of the Arbitration Committee in case deemed, as it has jurisdiction over the subject matter, that the procedure detailed herein is not appropriate for the case.

# **Nationality of the Arbitrators**

# Article (20):

- (A) The agreement of the two parties regarding the nationality of the arbitrator shall be respected.
- In case the two parties have agreed upon the nationality of the sole arbitrator or the arbitrator assuming the chairman of the arbitration committee, that arbitrator shall be from a country different than the countries of the two parties.

# Contact between the two parties and the Nominees for the arbitration mission

# Article (21):

No party or no person acting on his/her behalf is entitled to hold unilateral contact with any nominee for the arbitration mission.

# Non-biasness of and Independence of the Arbitrator

## Article (22):

- The arbitrator shall be non-biased and independent
- Each selected arbitrator shall disclose, prior to delegation, to the two parties, to the Center, and to any other arbitrator formerly delegated, any reasonably suspicious conditions regarding no-biasness and independence of the arbitrator, or proves, in writing, non-availability of such conditions.
- In case new conditions that may raise reasonable doubts regarding the biasness or the independence of any of the arbitrators arise at any stage of arbitration, the arbitrator shall disclose these conditions to the parties, the Center, and to the other arbitrators, without delay.

# Article (23):

- (A) In case the arbitrator accepts delegation, he/she shall allow the necessary time for arbitration and its complementation as expedient as possible.
- (B) Each selected arbitrator shall accept delegation in writing and inform the Center of acceptance.

The Center shall inform the two parties of establishing a committee of Arbitration.

## **Arbitrator Dismissal Request**

# Article (24):

- (A) Each party may request to dismiss any of the arbitrators in case of conditions with reasonable doubt regarding the biasness or independence of the arbitrator
- (B) No party shall request to dismiss any arbitrator he/she nominated or contributed to his/her delegation except for reasons realized after delegation.

# Article (25):

The party requesting to dismiss any arbitrator shall send a declaration to the Center, the Arbitration Committee, and the other party, declaring the reasons for the request in (15) days as of being informed of the delegation of that arbitrator, or after realizing the conditions he/she considers reasonably suspicious regarding the biasness or independence of that arbitrator.

# Article (26):

In case one party requests the dismissal of an arbitrator, the second party shall be entitled to respond to that request, and in this case, he/she shall send a copy of the response, in (15) days as of the reception of the declaration mentioned in Article (25), to the Center, the other party, and the arbitrators, requesting the dismissal.

# Article (27):

The Arbitration Committee may, as it has jurisdiction over the subject matter, resume or stop the arbitration procedures while reviewing the dismissal request.

## Article (28):

The arbitrator may accept the dismissal motion or retire willingly. In this case, the arbitrator is replaced without any declaration of the validity of the dismissal motion.

# Article (29):

In case the other party refused the dismissal motion or the concerned arbitrator did not retire, the Center shall rule in the dismissal motion in accordance with the internal system. The decision ruled in this case, shall be an administrative and final decision regarding nature and the Center shall not be justify the decision.

Relieving the Arbitrator from the mission

# Article (30):

The Arbitrator may be relieved from his/her mission with a justified motion from him/her, with the approval of the Center or the two parties.

# Article (31):

Regardless of any motion from the arbitrator, the two parties together may relieve the arbitrator from his/her mission as an arbitrator. They both shall inform the Center of that relief without delay.

## Article (32):

The Center may relieve the arbitrator from his/her mission as an arbitrator, upon the motion of one of the parties, in case the arbitrator fails, in light of the law or reality, to perform the duties of arbitration, or refrains from doing them. In this case, the two parties shall be given the opportunity of expressing their views in the subject matter, and the provisions of Articles (26) and (29) with the necessary replacement of the arbitrator.

## Article (33):

When necessary, a replacement arbitrator shall be delegated in accordance with the procedure provided for in Articles (15) and (19) as applied to the arbitrator replaced.

# Article (34):

In case of delegation of a replacement arbitrator, the arbitration committee shall decide, as it has jurisdiction over the subject matter, whether all or some of the former sayings shall be heard.

Pleading Lack of Jurisdiction of the Arbitration Committee

## Article (35):

- (A) The arbitration committee has the authority of hearing the objection to its jurisdiction, including the objections to the form of the arbitration agreement subject matter in accordance with Article (79) (B) of arbitration rules, or its, existence, validity, or scope, and it has the authority of taking decisions regarding these objections.
- (B): The arbitration committee has the authority to take decisions regarding the existence of any contract part of which or annexed to which is the arbitration agreement, or regarding the validity of that contract.
- (C) Plea by lack of jurisdiction shall be presented in the defense declaration as a deadline, or in the response declaration when regarding a reward motion or a clearance motion. Otherwise, any plea of this kind is overruled in the succeeding arbitration procedures or in a court of law. The plea is presented by the Arbitration Committee to excess of jurisdiction upon the issue claimed of being exceeded raised during the procedures of arbitration. The arbitration committee, in both cases, may accept a late plea in case6considering the delay reasonable.
- (D): The Arbitration Committee is entitled to take decision regarding the aforementioned plea in Clause (C) as a preliminary issue, or take a decision in the final arbitration decision, as it has jurisdiction over the subject matter.

#### Fourth - Initiation of Arbitration

# Article (35):

The Center shall send a copy of the file of the conflict arbitration to each arbitrator at the time of delegation.

# Article (37):

(A) Subject to Article (3), the Arbitration Committee shall initiate arbitration the way deemed appropriate.

In all cases, the Arbitration Committee shall guarantee treatment of the two parties at equal footing, and allowing the opportunity necessary to present his/her case. The Arbitration Committee shall guarantee the initiation of arbitration as expedient as possible. It may, upon motion of one of the parties or upon its own initiative, extend, in some exceptional cases, the period defined herein or agreed upon by the two parties. In contingencies, the arbitrator assuming the chairman of the Arbitration Committee may, alone, extend that period. The extension, in this case is deemed as issued by the Arbitration Committee and at the place of Arbitration.

## Article (38):

- (A) The Center shall decide the arbitration place Subject to conditions of arbitration and any observation from the parties, unless the parties come to an alternative agreement.
- The Arbitration Committee after consultation with the two parties shall hold hearings for in any place deemed appropriate, and shall initiate negotiation whenever deemed appropriate.
- The arbitration Decision is deemed taken in the place of arbitration.

# Language of Arbitration

# Article (39):

- (A) The Arabic language shall be the language of the arbitration agreement unless provided for otherwise in the arbitration agreement.
- (B) The arbitration committee may issue demands for other documents presented to be in languages other than the Arabic language annexed with partial or complete translation to the language of arbitration.

# The Initiatory Pleading

# Article (40):

- (A) The plaintiff shall send the initiatory pleading to the defendant and the arbitration committee in (30) days as of informing the Center of the establishing the Arbitration Committee, unless the pleading is annexed with an arbitration motion.
- (B) The initiatory pleading shall include a comprehensive declaration of the events and legal evidence supporting the pleading, including a display of the subject matter of the pleading.
- (C) The initiatory pleading is attached with the maximum amount of evidence documents the plaintiff is supporting the case with, including a list of these documents. In case the evidence documents are so many, the plaintiff shall add a reference to the availability of more evidence documents he/she is willing to present.

# **Defense Response Pleadings**

#### Article (41):

- (A) The defendant shall send a pleading to the plaintiff and the Arbitration Committee in (3) days as of informing the Center of the establishment of the Arbitration Committee with consideration to the period terminating last.
- (B) The pleading of the defendant shall respond to the elements of the initiatory pleading provided for by Article (40) (B). The defendant pleading is attached the defendant's evidence documents as provided for by Article (40) (C).
- The defendant shall present any defense and/or a clearance motion in the defense pleading, and shall, under some exceptional circumstances, do that at a later stage of the arbitration procedures in case the Arbitration Committee decides that. Each defense and/or a clearance motion shall include the same elements provided for Article (4) (B) and (C).

#### **Additional Written Information**

# Article (42):

- (A) In case of presenting a counter pleading or a clearance motion, the plaintiff shall respond to the elements of that motion. Article (40) (A) and (B) is applied for that with the necessary replacement.
- (B) The Arbitration Committee may, as it has jurisdiction, allow the presentation of additional written information, or request that.

# **Modification of Motions or Ways of Defense**

# Article (43):

Subject to any contrary agreement between the two parties, each party may modify or complement its counter motion, the ways of defense, or the clearance motion during the arbitration procedures, unless the Arbitration Committee considers it inappropriate to allow this modification due to its nature, or the delay in presentation in accordance with Article (37) (B) and (C).

#### **Contact between the Two Parties**

#### Article (44):

Each party or any person acting on in his/her behalf shall not hold unilateral contact with any arbitrator in any issue subject matter of the arbitration unless the provisions herein provide for the contrary, or the Arbitration Committee allows it, provided that it shall be understood that this Clause has no provision prohibiting unilateral contact in issues with organizational nature, such as, material facilities for the hearing cessions, its place, date, or time.

Temporary Protective Measures and the Securities for Motions and Covering Costs

## Article (45):

(A) The Arbitration Committee, upon the motion of one of the parties, may issue and temporary orders or take any other temporary measures deemed necessary, including the orders and the measures to preserve the merchandise subject of the conflict, such as entrusting the merchandise with a third party or selling merchandise susceptible to decay. The Arbitration Committee may stipulate that the applicant party presents a proper security for taking such measures.

The Arbitration Committee may, upon the motion of one of the parties, order the other party to present a security, the form specified for the motion or the counter motion in order to cover all costs aforementioned in Article (69) of arbitration rules, in case of deeming exceptional circumstances.

Measure and precautions provided for herein may define the form of the temporary arbitration decision.

Any motion presented by one of the parties to a judicial authority to take temporary measures or to impose a security for the motion or the counter motion or to implement the measures and the orders the arbitration committee deemed, shall not be contrary to the arbitration agreement or waiving the right of holding to that agreement.

# The Preparatory meeting

# Article (46):

The Arbitration Committee shall, after the defense response pleading had been presented, hold a preparatory meeting with the two parties in order to organize the subsequent procedures and preparing an agenda.

#### The Guide

# Article (47):

• (A) The Arbitration Committee shall decide the acceptance of the evidence and its relation to the subject matter, materiality, and power.

• (B) The Arbitration Committee may, upon the motion of one of the parties or in its own initiative, order one of the parties, at any time during arbitration, to present what is deemed appropriate of documents and other evidence, and may also order one of the parties to deposit under its disposition or under the disposition of an expert or the other party any document and/or evidence, and/or fund, possession or under disposition, for the purpose of examination or investigation.

# **Experiments**

# Article (48):

Any of the two parties may inform the Arbitration Committee and the other party, at any reasonable time prior to convening of a sessions of specific experiments conducted and they have the intention to depend on, and specify in the declaration the display of the experiment, the results, and the conclusion. The other party may request the Arbitration Committee, with a warning, the repetition of one of the experiments or all of them in his/her presence. In case the Arbitration Committee deemed that the motion is justified, a schedule for the repetition of the experiments shall be defined.

For the purposes of this Article, the word "experiments" refers to the test and other investigation process.

#### **Field Visits**

# Article (49):

The Arbitration Committee shall, with consultation with the one of the parties or upon its own initiative, initiate inspection of a place, fund, apparatus, exhibition, a series of production, a model, a film, a product, or an operation in accordance whatever deemed appropriate. Any party shall request such inspection before the convening of the session. In case the Committee accepted the motion, it shall define the time of the inspection and the necessary preparations for it.

# **Preliminary References and the Depended Models**

#### Article (50):

The Arbitration Committee may decide that the two parties present the following in case agreed upon that:

- 1. A preliminary technical reference summarizing up the scientific background information or other specialized information necessary to thoroughly understand the issues subject matter of the conflict.
- 2. The models and drawings or other material needed for the Arbitration Committee or the two parties as a reference in one of the sessions.

#### **Disclosing Trade Secrets and other secret information**

# Article (51):

- (A) For the purposes of this Article, secret information shall indicate any of the following kinds of information, regardless of the means used to express them:
  - Information possessed by one party.
  - Information not available for public.
  - o Information with commercial, financial, or industrial value.
  - Any information the possessing party deems secret.
- (B) The party maintaining to the secrecy of any information and wishing to present or shall present this information during arbitration shall request the consideration of this information secret in accordance with a warning directed to the Arbitration Committee

with a copy for the other party. The party shall explain in the warning the causes that entail considering the information secret without disclosing the content.

- (C) The Arbitration Committee shall decide in the matter of considering the information secret in case this information implies, regarding nature, the preponderance of grave damage to the party holding to its secrecy in case protective measures, especially during the arbitration procedures, have not been taken. In case the Arbitration Committee decided that, it shall define the circumstances whereof some or all of this information to be disclosed, and the people to whom this information shall be disclosed, and shall demand each person disclosed this information to sign a pledge of keeping the secrecy of the information.
- (D) In some exceptional circumstances and instead of the Arbitration Committee deciding the secrecy of the information and whether this information implies, regarding nature, grave damage to the party maintaining it in case the protective measure are not taken during arbitration, the Arbitration Committee shall, upon the motion of one of the parties or upon its own initiative and after consultation with the two parties, delegate a consultant for the secret issues deciding the matter of secrecy of the information and defining. In this case, the circumstances whereof some or all of this information shall be disclosed and the people to whom this information shall be disclosed, and the Committee shall request each consultant to sign a pledge of maintaining the secrecy of this information.
- (E) The Arbitration Committee may also, upon the motion of one of the parties or upon its own initiative, delegate a consultant for the secret issues as an expert in accordance with Article (54) of arbitration rules, provided that the consultant not disclose this information to the party not issuing the information, or to the Arbitration Committee on the basis of the secrecy of this information.

#### Sessions

#### Article (52):

- (A) A session is convened for the Arbitration Committee to present evidence with the
  testimony of witnesses including expert witness or a verbal statement or both, and
  incase such a motion is not presented, the Arbitration Committee shall decide the
  necessity of convening such a session(s) in case one of the parties requested that. In
  case sessions are not convened, the procedures shall be initiated on the basis of the
  other documents.
- (B) In case the sessions are convened, the Arbitration Committee shall inform the two parties at a time early enough of the date, the time, and the place the session are convened.
- (C) All Arbitration sessions shall be secret.
- (D) The Arbitration Committee shall decide the issue of preparing minutes for any session and the form of those minutes in case decided its preparation.

## Witnesses

## Article (53):

• (A) The Arbitration Committee may request any party to present the identity of the witnesses wishing to summon and the subject matter of the testimony and his/her

relation to the subject matter of the conflict.

- (B) The Arbitration Committee may, as it has jurisdiction, limit the presence of any witness, whether he/she is a witness of events or of expert, or reject his/her presence for justified causes.
- (C) Each party may cross-examine the witness presenting a verbal testimony. The Arbitration Committee may ask questions at any stage of hearing the witnesses' testimony.
- (D) The witnesses' testimony may be presented in writing, upon the choice of one of the parties or the recommendation of the Arbitration Committee, whether this was done in signed deposition, or affidavits or others. In this case, the Arbitration Committee may suspend the testimony providing the presence of the witnesses for verbal statement.
- (E) Each party shall be responsible for the operational organization of any witness subpoena, the cost of presence and the possibility of his/her presence.
- (F) The Arbitration Committee shall decide the necessity of withdrawal of any witness during any part of the procedures, especially other witnesses with their testimony.

# **Experts Delegated by the Arbitration Committee**

# Article (54):

- (A) The Arbitration Committee may, after consultation with the two parties, delegate an independent expert or more to present a report about certain issues defined. And the Arbitration Committee shall send to the two parties a copy of the reference of the expert delegated Subject to any notes presented by the parties, and each expert delegated this way shall be requested to sign a pledge of secrecy of information.
- (B) Subject to Article (51) of arbitration rules, the Arbitration Committee shall, upon the reception of expert's report, send a copy of it to the two parties, allowing them the opportunity to express opinion of the report in writing, and each party may cross-examine any document the report depended on in the report.
- (C) Upon the request of one of the two parties, each party shall be allowed the opportunity to cross-examine the witnesses in one of the sessions. In this session, both parties may summon expert witnesses to present testimony about the issues subject matter of the conflict.
- (D) The opinion of any expert in the issue or the issues presented is subject to the authority of the Arbitration Committee.

#### Failing to Appear

## Article (55):

- (A) In case the plaintiff fails to present his/her pleading in accordance with Article (40) of arbitration rules, without reasonable cause, the Arbitration Committee shall terminate the arbitration procedures.
- (B) In case the defendant fails to present his/her defense pleading in accordance with Article (41) of arbitration rules, without justifiable cause, the Arbitration Committee, regardless of that, shall continue the procedures of arbitration.
- (C) The Arbitration Committee may resume the arbitration procedures in case one of the parties fails to use the opportunity allowed to recount the case in the period the

arbitration Committee defined without legitimate cause.

• (D) The arbitration Committee shall conclude whatever it deems appropriate in case one of the parties fails to comply with any ruling or condition in this system or to any regulation given by the arbitration Committee without legitimate cause.

## **Concluding the Procedures**

# Article (56):

- (A) The arbitration Committee shall declare the concluding of the procedures upon the conviction that one of the two parties had an appropriate opportunity to present the written and the verbal information and the evidence.
- (B) The arbitration Committee shall decide, in exceptional circumstances, reopening the procedures concluded at any time prior to taking the decision of arbitration.

## Objection

## Article (57):

In case one of the conflict parties continues arbitration procedures with the knowledge of infraction to one condition of the arbitration agreement, or to one of the provision of the law of what is admissible to violate, and fails to present an objection for this infraction in the time agreed upon, or in a reasonable time in case of non-agreement, shall be considered a waiver of right to objection.

# (Fifth) Arbitration Decisions and other Decisions

# Article (58):

- (A) The Arbitration Committee shall apply, to the subject conflict, the legal rules agreed upon by the two parties, and in case they agree on the motion of a law of a certain country, the objective rule herein shall be applied without the special rules in case of law conflict.
- (B) In case the two parties fail to agree on the applicable legal rules to the subject conflict, the Arbitration Committee shall apply the objective arbitration rules that are deemed to be the closest to the conflict.
- (C) In all case, the Arbitration Committee shall take into consideration, when resolving the subject conflict, the conditions of the contract of the subject conflict, the common practices in the kind of treatment, the practiced customs and the common practice between the two parties.
- (D) The Arbitration Committee may, in case the two parties explicitly agree to authorize it with the conciliation, resolve the conflict subject matter in accordance with the rules of justice and equity without being subject to the provisions of law.

## **Taking Decisions**

# Article (59):

In case the Arbitration Committee includes more than one arbitrator taking any decision to the Arbitration Committee, including the final arbitration decision, unanimously or with the majority of the members, unless the two parties come to an alternative agreement. In case of lack of majority, the arbitrator assuming the chairman of the Arbitration Committee shall take the arbitration decision, the order, or the final decision, as if performing as the sole arbitrator. Furthermore, it is admissible for the arbitrator assuming the chairman of the Arbitration Committee in case the two parties or all the arbitration Committee members allowed it, to take decision in the procedural issues.

#### **Arbitration Decision Form and Notification**

# Article (60):

- (A) The Arbitration may take preliminary, temporary, precautionary, partial or final decisions.
- (B) The arbitration decision shall be issued in writing including date of issuance, names of the parties, their representatives, names and titles of the arbitrators, in addition to the place of arbitration in accordance with Article (38) (A) of arbitration rules.
- (C) The arbitration decision shall show the cause based on, unless the two parties agree upon non-justifying it, and the applicable law fails to provide for the declaration of such causes.
- (D) The arbitrator(s) shall sign the decision, and the signature of the majority of arbitrators or the arbitrator assuming the chairman of the Arbitration Committee in the case mentioned in the second clause of Article (59) of arbitration rules. In case one of the arbitrators fails to sign, the cause shall be included in the arbitration decision.
- (E) The Arbitration Committee may consult the Center in the formal issues, especially for guaranteeing the possibility of implementing the arbitration decision.
- (F) The Arbitration Committee shall inform the Center of the decision with a number of original copies enough to provide one copy for each party and the arbitrator(s), or the Center. The Center shall officially inform each party and the arbitrator(s) of the arbitration decision with original copies.
- (G) Upon the request of one of the parties, the Center shall provide for that party a copy of the arbitration decision, approved by the Center, in return for the cost entailed. Each copy approved this way shall be satisfying to the provisions of Article (4) (1) and (A) New York Agreement regarding the acknowledgement and implementation of Foreign Arbitration Decisions, dated June 10, 1958.

#### **Period of Grace for Issuing the Final Decision**

## Article (61):

- (A) The pleading and the declaration of concluding the procedures shall be conducted during the period not exceeding (9) months as of the reception of the defense pleading or the establishment of the Arbitration Committee, whichever happened later, whenever that is possible within reasonable limits. The arbitration decision shall be taken in the (3) succeeding months, whenever that is possible within reasonable limits.
- (B) In case the concluding of the procedures is not declared in the period mentioned in Clause (A), the Arbitration Committee shall send the Center a stage-report about the arbitration, with a copy for each party. The Committee shall send an additional stage report to the Center and a copy for each party at the end of each subsequent period of (3) months within which the concluding of the procedures are not concluded.
- (C) In case the final arbitration decision fails to be taken in (3) months as of the concluding of procedures, the Arbitration Committee shall send the Center written memo explaining the causes for delay with a copy for each party, and shall send an additional memo for each party for each subsequent period of (one) month in until the final arbitration decision is taken.

# Article (62):

- (A) Accepting arbitration according to this system, the two parties shall implement the arbitration decision without delay, and they shall waive their right of any kind of appeal or litigation at any court or other judicial authority, within the admissible limits, where the waiver shall be conducted the appropriate way in accordance with applicable law.
- (B) The arbitration decision shall be binding to the two parties as of the date of notification by the Center in accordance with Clause (2) of Article (60) (F) of arbitration rules.

#### **Settlement and the other Causes for Termination Arbitration**

# Article (63):

- (A) The Arbitration Committee may suggest that the two parties consider settlement at any time deemed appropriate.
- (B) In case the two parties agree to settle the conflict before the arbitration decision is taken, the Arbitration Committee shall terminate arbitration, and shall confirm the settlement on the form of an arbitration decision with the agreement of the two parties in case they both requested so, and the Arbitration Committee does not have to justify an arbitration decision of this kind.
- (C) The arbitrator(s) shall sign the arbitration decision with the agreement of the two parties, or the order of the termination of arbitration in accordance with Article (60)
- (D) of arbitration rules. The Arbitration Committee shall inform the Center of that decision with a number of copies enough to provide a copy for each party, arbitrator(s) and the Center. The Center shall send an original copy of the arbitration decision with the agreement of the parties or of the order to terminate the arbitration to each party, arbitrator(s).

# Amendment of the Arbitration Decision and the Additional Arbitration Decision

# Article (64):

- (A) Each party is entitled, within 30 days subsequent to the reception of the arbitration decision, to request from the Arbitration Committee, by a warning sent to the Committee and a copy to the Center and the other party, to amend any spelling or mathematical errors in the arbitration decision. In case the Arbitration Committee deems the motion justifiable, it shall conduct the amendment in (30) days subsequent to the reception of the motion. Each amendment shall take the form of a separate memo signed by the Arbitration Committee in accordance with Article (6) (B) of arbitration rules and this shall be part of the arbitration decision.
- (B) The Arbitration Committee is entitled to amend any error of the kind mentioned in Clause (A) upon its own initiative within (30) days subsequent to the issuance of the decision of the Arbitration Committee.
- (C) Each party is entitled, within 30 days subsequent to the reception of the arbitration decision, to request from the Committee, with a warning sent to the Committee and the Center, to take an additional decision regarding motions filed during the arbitration procedures but were not considered in the arbitration decision. Prior to ruling in that motion, the Arbitration Committee shall allow the opportunity for the two parties to present their say. In case the Committee deems the motion justifiable, it shall take an additional decision within (60) days as of the reception of the motion, whenever that was possible and within the reasonable limits.

# (Sixth) - Fees, Charges and Costs

# **The Center Charges**

# Article (65):

- (A) The arbitration motion is subject to registration fees payable to the Center in accordance with the table of fees, charges and cost applicable up to the date of receiving the motion at the Center.
- (B) Registration fees shall not be reimbursed.
- (C) The Center shall not take any measures to the motion of arbitration until the registration fees are paid.
- (D) In case the plaintiff fails to pay the registration fees within (15) subsequent to reminding them in writing for the second time by the Center, he/she shall be considered withdrawing the motion for arbitration.

# Article (66):

- (A) The Plaintiff shall pay, within (30) days subsequent to the initiation of arbitration officially and administratively to the Center. The Center shall inform the plaintiff of the amount of the administrative fees as soon as possible upon the reception of the arbitration motion.
- (B) In case of a counter motion, the plaintiff shall also pay administrative fees to the Center within (30) days subsequent to presenting the counter motion mentioned in Article (41) (C) of arbitration rules. The Center shall inform the defendant of the administrative fees as soon as possible as of the reception of the notification of the counter motion.
- (C) The amount of fees is computed as soon as possible as of the reception of the counter motion, in accordance with the table of fees, charges, and cost applicable up to the date of initiation arbitration.
- (D) In case of adding a motion or a counter motion, the amount of fees may be increased in accordance with the table of fees and charges applicable in Clause (C). The plaintiff or the defendant shall pay the additional amount according to case.
- (E) In case one of the two parties failed to pay any administrative fees within (15) days subsequent to a second written reminder by the Center, he/she shall be considered withdrawing the motion or counter motion, the addition to the motion or to the counter motion, according to the case.
- (F) The Arbitration Committee shall inform the Center of the amount of the motion or the counter motion and of any increase in that, at the appropriate time.

## **Arbitrators' Charges**

# Article (67):

- (A) The Center shall define the amount of charges for arbitrators in light of the table of fees, charges, and cost applicable, and way and time of payment.
- (B) The arbitrators' charges are defined within the limits of the minimum and the maximum charges stated in the table of fees and charges applicable at the time of initiating arbitration with consideration to the time decided necessary by the arbitrators for initiating arbitration, the amount subject of the conflict, the complexity of the conflict, the expeditious nature of the case, and any other condition concerning the

# **Deposits**

## Article (68):

- (A) Upon the reception of the warning from the Center establishing the Arbitration Committee, the plaintiff and the defendant shall deposit two equal amounts defined by the Center as an advance to the arbitration charges mentioned in Article (69) of arbitration rules.
- (B) The Center shall demand the two parties to deposit an additional amount during arbitration.
- (C) In case the deposits demanded are not paid in full within (30) days as of the reception a warning, the Center shall inform the two parties of that in order for one of them to pay the required amount.
- (D) In case the amount of the counter motion exceeds the amount requested by the motion, or entails the investigation of some issues that are essentially different from the motion, or in the case of special conditions, the Center shall decide, as it has jurisdiction, two separate deposits for the motion and the counter motion. In case of deciding two separate deposits, the plaintiff shall pay the entire deposit for the motion and the defendant shall pay the amount for the counter motion.
- (E) In case one of the parties fails to deposit the amount required within (15) days subsequent to a second written reminder by the Center, he/she is considered withdrawing the motion or the counter motion.
- (F) Upon taking the Arbitration decision, the Center shall, in accordance with the arbitration decision, present an account statement to the parties for the deposits received, returning the balance not spent, and demanding any additional amount(s) due.

## **The Decision Regarding Arbitration Charges**

# Article (69):

 (A) The Arbitration Committee shall define, in its decision, the arbitration charges, including the following: Arbitrators' charges.

Transportation, communication, and other allowances the arbitrators spent the appropriate way.

Experience charges and other assistance the Arbitration Committee entails in accordance with these rules.

Other direct and necessary expenses to initiate arbitration, such as the cost of conference and session rooms

- (B) The aforementioned costs shall be, as much as possible, covered by the deposits required in accordance with Article (68) of arbitration rules.
- (C) The Arbitration Committee shall distribute the arbitration charges and the registration and administration fees of the Center between the parties in light of all the circumstances and the result of arbitration, with consideration to any agreement between the parties.

## The Decision Regarding the Charges Payable by one of the Parties

## Article (70):

The Arbitration Committee is entitled, in light of the all the circumstances and the result of arbitration, to order one of the parties in its arbitration decision to pay all or some of the reasonable expenses of what the other party had paid to present the case, including charges for legal representatives and witnesses, provided the consideration of any alternative agreement between the two parties.

# (Seventh) - Secrecy of Procedure

#### The Secret Nature of Arbitration

## Article (71):

Both parties shall not disclose, independently, any information regarding the availability of arbitration, unless bound by law or any authority with competent jurisdiction, other than what is necessary for appeal in front of the judiciary or follow up of the implementation of the arbitration decision. In these cases, information shall not be disclosed except for the following:

- 1. Disclosure of what is admissible by law.
- 2. With the presentation of the disclosure and its causes to the Arbitration Committee and the other party, in case the disclosure is done during arbitration, or to the other party alone, in case the disclosure is done after the concluding arbitration.

# The Secret Nature of the Information Disclosed During Arbitration

# Article (72):

- (A) Further to any specific measures admissible by Article (51) of arbitration rules, each written document presented or any other document presented by one of the parties or the witnesses during arbitration shall have a secret nature. Within the limits of information provided by that document, not included in the public property, any party reviewing the document by participating in arbitration shall not use this document or disclose it to a third party for any purpose without the prior consent of the other party or with a with competent jurisdiction court order.
- (B) For the purposes of this Article, The witness summoned by any of the parties shall not be a third party. Within the limits of the witness familiarization of evidence or other information during arbitration to prepare for testimony, the party summoning the witness shall be liable for his/her commitment to the secrecy necessary for that party.

#### The Secret Nature of the Arbitration Decision

# Article (73):

Each party is bound to the secrecy of arbitration, and shall not be disclosed to a third party except in the following cases and within their limits:

- 1. The consent of two parties.
- 2. In case the arbitration decision is included in the public property as a result of a lawsuit in front of a national court or other socialized authority.
- 3. In case disclosure is subject to a legal condition imposed on one party, or to establish legal rights for one party against the other, or to protect these rights.

## The Center and the Arbitrator Commitment to Secrecy

#### Article (74):

- (A) The Center and the arbitrator shall comply with the secrecy of arbitration and the arbitration decision and to the secrecy of any written or any other document disclosed during arbitration within the limits of that document regarding information not included in the public property, except what is necessary due to the connection to a lawsuit filed to the judiciary regarding the decision of arbitration or in accordance with the provisions of law in other cases, unless the two parties come to an alternative agreement.
- (B) Notwithstanding of Clause (A), the Center may include information regarding arbitration in comprehensive statistics published regarding activities, provided this information does not allow the identification of the two parties or the circumstances peculiar to the conflict.

# (Eighth) - Non-liability

# Article (75):

The Arbitrator(s) and the Center shall not be liable to any party for any act or failure regarding arbitration, other than premeditated failures.

Waiving the Right to File a Lawsuit of Libel and Slander or Contempt

# Article (76):

The two parties and the arbitrator shall agree, upon accepting delegation, to abstain from depending on any written or verbal documents and comments used by those people themselves or their representatives while preparing for arbitration, or while filing a lawsuit of slander, libel, or contempt, or supporting it, or filing any complaint associated with that or supporting it. Furthermore, the two parties and the arbitrator shall agree that this Article may be sustained plead such lawsuits has no precedence.

### **Table of Fees and Charges**

(All Amounts are in the JD)

#### Fees of the Center -1 Registration Fees Article (67) of arbitration rules

The Amount in the motion	Registration Fees		
As much as 1,000,000	1,000		
From 1,000,001 to 10,000,000	2,000		
More than10,000,000	3,000		

#### Notes

In case the amount in the motion is not defined at the time the motion is filed, the registration fees of JD 1,000 shall be paid, provided that it is resolved upon presenting the initiatory pleading.

In case the motion is not of a financial nature, the registration fees of

JD1, 000 shall be paid, provided it is resolved. The resolution is done on the basis of the registration fees the Center deems appropriate in accordance to circumstances, upon examining the arbitration motion or the initiatory pleading.

For the purposes of computing the registration fees, the amount of the motion, expressed in currencies other than the JD, is defined in accordance with the official exchange rate at the time the arbitration motion is filed.

#### **Table of Fees and Charges**

(Continued)

# Administrative Fees Article (68) of Arbitration Rules)

The Amount in the Motion or the Counter Motion in JD	Arbitration Charges	Registration Fees in JD
Up to 100,000	1,000	
From 100,001 to 1,000,000	1,000 <	+ %0.40 (of the amount more than 100,000)
From 1,000,001 to 5,000,000	4,600	+ %0.20 (of the mount more than 1,000,000
From 5,000,001 to 20,0000,000	12,600	+ %0.10 (of the amount more than 5,000,000
More than 20,000,000	27,600	+ %0.05 (of the amount more than 20,000,000, the maximum amount for the administrative
		fees is 35,000

#### Notes:

- 1. In case the motion is not of a financial nature, the Center shall define the appropriate administrative fees.
- 2. For the purposes of computing the administrative fees, the percentage is applied to each successive installment of the motion amount or the counter motion. In case the motion amount, for example, is JD 5,000,000, the administrative fees shall be computed as follows:

The Amount in the Motion or the Counter Motion in JD		Percentage	Registration Fees in The JD
100, 000			1,000
900,000	Difference between 100,000 and 1,000,000	%0.40	3,600
4,000,000	Differences between 1,000,000 and 5,000,000	%0.20	8,000
5,000,000			12,600

### **Table of Fees and Charges**

#### (Continued)

- 1. The maximum amount of the administrative fees is JD 35,000.
- 2. For the purposes of computing the administrative fees, the amounts of the motions or the counter motions expressed in currencies other than the Jordan Dinar (JD) in accordance with the official exchange at the time the motion or the counter motion is filed.

#### **Arbitrators' Charges**

#### Notes:

- 1. For the purpose of computing the amounts of the motions, the amount of each counter motion shall be added to the amount of the motion.
- 2. For the purposes of computing the minimum and the maximum amount of arbitrators' charges, the percentages shall be applied for each successive installment of the total motion amount. In case the motion amount is, for example, JD 1,500,000, the minimum amount of the arbitrators' charges is computed as follows:

The Amount in the Motion or the Counter Motion in JD		Registration Fees in The JD
100, 000		2,000

400,000	Difference between 100,000 and 500,000	%2.00	8,000
500,000	Differences between 500,000 and 1,000,000	%1.50	7,500
500,000	Difference between 1,000,000 and 1,500,000	%1.00	5,000
1,500,000			22,500

3.

- 4. In case the motion or the counter motion is not of a financial nature, the Center shall, with consultation with the arbitrators and the two parties, define the appropriate amount for the motion or the counter motion to define the arbitrators' charges.
- 5. For the purpose of defining the arbitrators' charges, the amount of the motions and the counter motions expressed in currencies other than the (JD) shall be transferred to the (JD) in accordance with the official exchange rate at the time the motion or the counter motion is filed.
- 6. The amounts and the percentages stated in the tables of the Three-member Court of Arbitration are considered as the total due charges for such a committee, and not the charges due for each arbitrator. These charges are then distributed to the three members in accordance with the unanimous decision the three members shall take. In case in the absence of such a decision, distribution is done by giving the arbitrator assuming the chairman of the committee %40, and each of the other two %30.
- 7. In case the two parties agree upon delegation a number of arbitration in the Arbitration Committee, other than the one or the three, the Center shall define the table of charges for the Arbitration Committee from the minimum amount to the maximum amount, and this done by multiplying the amount applied to the sole arbitrator by the number of arbitrators after reducing it with a factor considering the division of work and responsibility amongst the