

## **Internal Regulation of WTC Macau Arbitration Center**

On March 19 2024, as approved by the Macau World Trade Organization Board of Directors, the following provisions will take effect from July 1 2024, and apply to proceedings initiated from that effective date.

### **Chapter I**

#### **Arbitration Center**

#### **Section I**

##### **General Provisions**

##### **Article 1**

###### **Objectives**

The establishment of the WTC Macau Arbitration Center (hereinafter referred to as “the Center”) has been approved by the Order No. 48/GM/98 published in the *Official Gazette of Macao SAR Government*, No. 24, Series I, of 15 June 1998 and the Order of the Chief Executive No. 151/2008 published in the *Official Gazette of Macao SAR*, No. 21, Series I, of 26 May 2008. Therefore, this Internal Regulation (hereinafter referred to as “the Regulation”) is formulated to define the Center’s organization and operation regulations and its rules of procedure for arbitration and mediation.

##### **Article 2**

###### **Name**

Names of the Center:

- Chinese name: 澳門世界貿易中心仲裁中心;

- Portuguese name: Centro de Arbitragem do Centro de Comércio Mundial Macau;
- English name: World Trade Center Macau Arbitration Center.

### Article 3

#### Place of Operation

The Center operates at Avenida da Amizade, No. 918, World Trade Center Building, 16th Floor, Macau. Subject to the resolution of the Council, the place of operation may be changed to any other place in Macau and branch offices may be set up as needed.

### Article 4

#### Mission

The Center aims to promote the resolution, through arbitration or other alternative non-judicial proceedings, of disputes in civil, administrative or commercial matters between:

- 1) WTC Macau members;
- 2) Members of other world trade centers and/or the World Trade Centers Association;
- 3) Members mentioned in the above two sub-paragraphs and any third parties;
- 4) Any other persons or entities.

### Article 5

#### Applicability

The following shall apply, mutatis mutandis, to all matters not stipulated herein:

- 1) Provisions in the arbitration agreement and the conciliation agreement, except for those in violation of the mandatory laws and regulations;
- 2) Prevailing laws and regulations for arbitration.

### Article 6

### Interpretation of The Regulation

1. The Center has the right to interpret all provisions of the Regulation, without prejudice to the interpretation by the arbitral tribunal of the provisions concerning the powers and duties of the arbitral tribunal. If the interpretation by the arbitral tribunal is inconsistent with that by the Center, the one by the arbitral tribunal shall prevail.
2. The Center is not obliged to give reasons for the arbitral award that it makes for the arbitration conducted in accordance with the Regulation. Any arbitral award made by the Center in accordance with the Regulation shall be final and no appeal shall be filed to the extent permitted by any applicable law.
3. The Center reserves the right to amend the Regulation and appendices hereto from time to time.
4. The Center has the right to formulate internal rules to supplement, standardize and implement the Regulation, to facilitate the management of the arbitration and other non-judicial alternative dispute resolution proceedings that are conducted in accordance with the Regulation.
5. The Regulation is written in Chinese. If there is any discrepancy or inconsistency between the Chinese version and the version in any other languages, the Chinese version shall prevail.

## Section II

### Organization and Financial Regulations of the Center

#### Article 7

##### Organizational bodies

1. The Center is composed of the following bodies:
  - 1) Council;
  - 2) Executive Committee;
  - 3) Secretariat.
2. The Board of Directors of WTC Macau shall act within its authority to appoint members of the organizational bodies and determine the terms of office. In the absence of resolutions on terms of office, the terms of office will be deemed to be two years and renewable.

## Article 8

### Refusal

Members of the organizational bodies shall not participate in the arbitration, mediation and/or other alternative dispute resolution proceedings held in accordance with the Regulation, whether as arbitrators, mediators or agents of the parties.

## Sub-section I

### Council

## Article 9

### Nature

The Council is responsible for establishing the strategic objectives of the Center.

## Article 10

### Composition

1. Subject to the resolution of the Board of Directors of WTC Macau, the Council shall be composed of at least three members, and the number of members shall be an odd number.
2. Members of the Council shall be appointed by the Board of Directors of WTC Macau and can be persons not working at WTC Macau.
3. The President of the Council shall be appointed by the Board of Directors of WTC Macau from the members appointed in accordance with the preceding paragraph.
4. The Council may elect one Vice-President from its members, so that the Vice-President acts for the President when the President is absent or unable to attend to business for any reason.

## Article 11

### Powers

The Council shall have the following powers in addition to those prescribed by laws and the Regulation:

- 1) Formulate rules and guidelines of the Center;
- 2) Regularly review the Regulation and appendices hereto and submit revision suggestions to the Board of Directors of WTC Macau for approval;
- 3) Deliberate on the annual work report, financial budget and account settlement submitted by the Executive Committee and submit them to the Board of Directors of WTC Macau for approval.

## Article 12

### Operation

1. The Council shall hold a regular meeting every three months. The President may convene special meetings on his/her own initiative or at the request of any member.
2. The Council may make a resolution only when more than half of the members are present.
3. The resolution of the Council shall be subject to the vote of a majority of the members present, who may not abstain from voting. In case of a tie, the President's vote shall be deciding.
4. When necessary, the President may, on his/her own initiative or at the request of the members of the Council, invite to attend the meeting without voting rights, all those who are useful and helpful to the subject matter of the meeting.

## Sub-section II

### Executive Committee

## Article 13

### Nature

The Executive Committee shall execute resolutions of the Council and direct operations of the Center.

## Article 14

## Composition

1. The Executive Committee shall be composed of at least three members, and the number of members shall be an odd number. The members shall be appointed or removed by the Board of Directors of WTC Macau.
2. The President of the Executive Committee shall be selected from the committee members appointed by resolution of the Board of Directors of WTC Macau and shall be responsible for convening meetings.
3. When the President of the Executive Committee is absent or unable to attend to business for any reason, the President of the Council shall appoint another member of the Executive Committee to act for the President of the Executive Committee.

## Article 15

### Powers

1. The Executive Committee shall have the following powers in addition to those prescribed by laws and the Regulation:
  - 1) Direct operations of the arbitration institution;
  - 2) Give suggestions on the remuneration of members of organizational bodies of the Center and submit them to the Board of Directors of WTC Macau for approval;
  - 3) Give suggestions on the charging standards of the Center and submit them to the Board of Directors of WTC Macau for approval;
  - 4) Prepare a register of the Center's arbitrators, mediators and/or members of other alternative dispute resolution proceedings;
  - 5) Perform all administrative actions necessary or appropriate for the management of the Center and approve expenses necessary for the operation of the Center;
  - 6) Perform other duties assigned to the Executive Committee by laws and the Regulation.
2. The powers of the President of the Executive Committee are:
  - 1) Approve expenses of no more than MOP 50,000.00 (fifty thousand patacas) of the Center. But the actions performed to exercise this power shall be ratified at the nearest meeting of the Executive Committee after such actions.
  - 2) Submit to the Executive Committee for its deliberation of all matters subject to its resolution, and recommend such measures as he/she considers necessary for the Center to operate well;

- 3) Represent the Center in other actions and contractual matters in which the Center is involved;
- 4) Promote the implementation of resolutions of the Council and the Executive Committee;
- 5) Exercise the authority granted by the Executive Committee.

## Article 16

### Operation

1. Meetings of the Executive Committee shall be held at least once a month and its President may convene special meetings on his/her own initiative or at the request of any member.
2. The resolution of the Executive Committee shall be subject to a majority vote of the members, being the vote cast by the President deciding.
3. When necessary, the President may, on his/her own initiative or at the request of the members, invite those who are useful and helpful to the subject matter of the meeting as non-voting member.

## Sub-section III

### The Secretariat

## Article 17

### Nature

The Secretariat shall be responsible for providing appropriate technical and administrative services for the operation of the Center.

## Article 18

### Powers

The Secretariat is responsible for:

- 1) Provide necessary technical and administrative services for the operation of the Center;

- 2) Provide administrative support for the arbitral tribunals and other alternative dispute resolution proceedings under the Center;
- 3) Provide parties, their attorneys, and other agents with technical and operational assistance in proceedings;
- 4) Settle fees of proceedings.

## Article 19

### Overall Planning

1. The overall planning for the Secretariat shall be under the responsibility of a Secretary-General.
2. The Secretary-General shall be appointed by the Board of Directors of the Macau WTC.
3. When the Secretary-General is absent or unable to attend to business for any reason, the staff member appointed by the President of the Executive Committee shall act for the Secretary-General.
4. The Secretary-General shall be a Bachelor of Laws with recognized professional experience.

## Sub-section IV

### Financial Regulations

## Article 20

### Financial Regulations

1. The funds collected as administrative fees in accordance with the provisions of the Regulation and Appendix 2 shall be deemed as the income of the Center to be allocated to its autonomous property.
2. WTC Macau shall bear the Center's debts.



## Chapter II

### **Arbitrators, Mediators and/or Members of Other Alternative Dispute Resolution Proceedings**

#### Article 21

##### General Requirements

The arbitrators, mediators and/or members of other alternative dispute resolution proceedings of the Center must be natural persons of proven moral and professional integrity, qualified to judge and mediate, independently and impartially, disputes in accordance with the Centre's regulations.

#### Article 22

##### Register

1. Only arbitrators, mediators and/or members of other alternative dispute resolution proceedings on the register approved by the Council may be eligible to intervene as such in proceedings conducted in accordance with the Regulations of the Center, except for those mentioned in the following two paragraphs.
2. In exceptional circumstances, if the register mentioned in the preceding paragraph does not include a person who meets the qualifications required by the special conditions of the dispute, the Center may appoint a person who is not on the register, in accordance with the provisions of the arbitration agreement or the powers conferred on it by the Regulation.
3. The persons appointed in exceptional circumstances according to the preceding paragraph shall meet the general requirements and undertake to comply with the Regulation.

#### Article 23

##### Code of Ethics

Arbitrators, mediators, and members of other alternative dispute resolution proceedings listed on the Center's register, as well as persons appointed in exceptional circumstances by Paragraph 2 of the preceding article, shall comply strictly with the Code of Ethics set out in Appendix 1 hereto.

## Article 24

### Access Regulations

1. For arbitrators, mediators, and members of other alternative dispute resolution proceedings on the Center's register, their access shall be subject to the specialized internal regulations.
2. The Center may set additional requirements for the inclusion of arbitrators, mediators, and members of other alternative dispute resolution proceedings into the relevant register, especially the requirement that they participate in initial or professional training in arbitration and other alternative dispute resolution proceedings and ongoing training.
3. The additional requirements referred to in the preceding paragraph shall subject to the specialized internal rules.

## **Chapter III**

### **Arbitration**

#### **Section I**

#### **General Provisions**

##### **Article 25**

##### **Definitions**

Arbitration refers to the means of dispute resolution through an arbitral tribunal.

##### **Article 26**

##### **Authorized Agent:**

1. If a party appoints a proxy to participate in the arbitration activities, a Power of Attorney in the form foreseen in the Macau Notary Code shall be filed with the Center, which shall clearly specify the special powers of proxy.
2. If the parties agree to accept mediation before the arbitral tribunal is set up, the person who has acted as mediator shall be barred from representing or assisting any party in the arbitration proceedings, unless otherwise agreed by the parties.

##### **Article 27**

##### **Filing of Copies**

1. The application for arbitration, statement of claim, statement of defense and other written data filed by the parties shall be in triplicate.
2. If the opposing party is composed of two or more persons, the number of copies filed shall be equal to the number of persons of the opposing party.

##### **Article 28**

##### **Fees**

The fees for the proceedings shall be calculated in accordance with the schedule in

Appendix 2 which is an integral part of the Regulation.

## **Section II**

### **Arbitration Agreement**

#### **Article 29**

##### **Definition**

1. Arbitration agreement refers to the agreement specifying the parties' consent to bring their disputes to the Center for arbitration.
2. The arbitration agreement shall be concluded in writing. Arbitration agreements in the following forms shall be deemed to be concluded in writing:
  - 1) Documents signed by the parties;
  - 2) Correspondence by letter, fax, e-mail, or other means of communication with written documents;
  - 3) Electronic carriers, diskettes, optical carriers, or other types of carriers that have the same reliability, intelligibility, and retention capacity as physical documents.
3. If, in the arbitration proceedings, the statement of claim and statement of defense are exchanged, and either party claims the existence of an arbitration agreement, but the opposing party does not deny it, then it will also be deemed that the arbitration agreement have been concluded in writing.
4. The documents and correspondence mentioned in the above Paragraph 2 may expressly contain an arbitration agreement or contain provisions that permit the application of other documents containing the arbitration agreement.
5. If an arbitration agreement permits the application of the regulations of the Center, the Regulation shall be an integral part of the arbitration agreement.
6. The arbitration agreement may be contained in the contract or concluded separately.

#### **Article 30**

##### **Extension of Validity of Arbitration Agreement**

1. Unless otherwise agreed upon by the parties, the arbitration clauses in the contract shall apply to the disputes referred to in the supplementary contract and the appendices to the contract.
2. Unless otherwise agreed upon by the parties, even if the parties to the arbitration agreement are changed due to merger, division or other reasons, the arbitration agreement shall be valid for the successors to the rights and obligations.
3. Unless otherwise agreed upon by the parties, if either party to the arbitration agreement dies, the arbitration agreement shall be valid for the successor to the rights and obligations concerning the subject matter of the arbitration.
4. If a party transfers its creditor's rights and debts in whole or in part, the arbitration agreement shall be valid for the transferee, unless otherwise agreed upon by the parties or unless the transferee expressly objects to or is unaware of the arbitration agreement at the time of transfer.

## Article 31

### Subject Matter of Arbitration

If the parties agree that the subject matter of arbitration is contract disputes, then the disputes arising from the conclusion, validity, modification, transfer, performance, liability for breach, interpretation and termination of the contract shall all be the subject matter of arbitration.

## Article 32

### Jurisdiction of Arbitral Tribunal

1. The Center may, based on prima facie evidence, establish that there is an agreement for arbitration by the Center and decide that it has jurisdiction. But such decision shall not prejudice the jurisdiction-related decision made by the arbitral tribunal based on different facts and evidence found in the hearings of the case.
2. The arbitral tribunal may decide on its own jurisdiction, including deciding on the objection to the existence, validity, or effectiveness of the arbitration agreement.
3. An arbitration agreement that forms part of a contract shall be deemed to be separable from the other provisions of the contract. The adjudication by the arbitral tribunal that the contract is invalid shall not render the arbitration agreement invalid.
4. Any counterargument that the arbitral tribunal has no jurisdiction may be submitted only before or when submitting the statement of defense.

5. A party who has appointed or participated in the appointment of an arbitrator shall not be deprived of its right to put forward the counterargument that the arbitral tribunal has no jurisdiction.
6. The counterargument against the ultra vires of the arbitral tribunal shall be put forward immediately after any considered ultra vires appears during the arbitration proceedings.
7. The counterarguments put forward later than the time limit specified in Paragraphs 4 and 6 may be accepted providing that the arbitral tribunal finds the reasons for the delay reasonable.
8. The arbitral tribunal may adjudicate on the counterarguments mentioned in Paragraphs 4 and 6 prior to any other issue or at the time of adjudicating substantive issues of the case.
9. If the arbitral tribunal settles the counterarguments first and adjudicates that it has jurisdiction, either party may, within 30 days after receiving the notice of such decision, petition the court to make a judgment on the matter, against which no appeal shall be filed.
10. While the petition referred to in the preceding paragraph is pending, the arbitral tribunal may proceed with the arbitral proceedings and render an arbitral award.

## Article 33

### Annulment of Arbitration Agreement

The arbitration agreement may be annulled by the parties through a written agreement before the arbitral award is made. The parties shall promptly notify the Center and the established arbitral tribunal of their agreement to annul the arbitration agreement and pay the Center's administrative fees and the arbitrator service fees in accordance with Appendix 2 hereto.

## Section III

### Arbitration Procedure

#### Sub-section I

#### Application and Acceptance

## Article 34

### Application for Arbitration

1. To apply for arbitration, the disputing parties shall file an application for arbitration to the Center.
2. The application for arbitration shall include:
  - 1) Request for submission of the dispute for arbitration;
  - 2) Names, addresses, telephone and fax numbers and e-mail addresses of the parties and their agents;
  - 3) A copy of the arbitration agreement cited;
  - 4) Point out the contract or legal document causing or relating to the dispute;
  - 5) Claims and amounts involved (if any);
  - 6) The suggested number of arbitrators (i.e., one or three) if the parties have not agreed on the number of arbitrators in advance;
  - 7) Suggested arbitrators; and
  - 8) Other materials required by the Center.
3. The arbitration application fee stipulated in Appendix 2 shall be paid to the Center at the time the application for arbitration is filed.

## Article 35

### Supplementation to the Application for Arbitration

1. If the application for arbitration is incomplete or the arbitration application fee is not paid, the Center may require the applicant to correct these defects within a proper period.
2. If the applicant complies with the foregoing requirements within the proper period, the day when the original version of the application for arbitration is filed with the Center pursuant to Paragraph 1 of the preceding article shall be deemed as the date of application.
3. If the applicant fails to satisfy the above requirements, the application for arbitration shall be deemed not to have been submitted as required, without prejudice to the right of the applicant to make the same claim in any subsequent

application for arbitration.

## Article 36

### Summoning for the Application for Arbitration

1. The Center shall immediately deliver or mail to the respondent copies of the filed application for arbitration and summon the respondent to make a written response within ten days.
2. The summons mentioned in the preceding paragraph shall be sent to the respondent's address by certified mail with return receipt.
3. If it is impossible to summon the respondent by mail, the respondent shall be summoned by any other proper means.
4. The Center shall inform the respondent of the following provisions in the summons.

## Article 37

### Response

1. The respondent shall give a written response to the Center within the time limit specified in the preceding article.
2. The response shall include:
  - 1) Names, addresses, telephone and fax numbers and e-mail addresses of the respondent and its agent (if such information is different from that stated in the application for arbitration);
  - 2) Any defense that the arbitral tribunal set up under the Regulation does not have jurisdiction;
  - 3) The respondent's opinion on the claims and amounts involved (if any) that are stated in the application for arbitration;
  - 4) The suggested number of arbitrators (i.e., one or three) if the parties have not agreed on the number of arbitrators in advance;
  - 5) Suggested arbitrators; and
  - 6) Other materials required by the Center.



## Article 38

### Request for Counterclaim

1. If the respondent intends to make any counterclaim, it shall, to the extent possible, make it in the response referred to in the preceding article.
2. The counterclaim request shall contain the following:
  - 1) Point out the contract or legal document causing or relating to the counterclaim;
  - 2) Claims and amounts involved (if any);

## Article 39

### Notice of Response

The Center shall immediately notify the applicant of the respondent's written response.

## Article 40

### Acceptance of Application

1. The Center shall decide whether to accept or reject the filed application for arbitration within ten days after receiving the written response from the respondent or after the expiration of the time limit for the respondent to submit the written response.
2. After deciding to accept an application for arbitration that meets the acceptance conditions, the Center shall send the notice of acceptance of the case to all parties.

## Article 41

### Rejection of Application for Arbitration

1. If the arbitration agreement does not exist or is obviously invalid, the application for arbitration shall be rejected.
2. The decision to reject any application for arbitration shall be notified to the parties concerned.

## Article 42

### Determination of Value and Advance Payment

1. The Center shall determine the value of the case based on the information in the application for arbitration and the relevant written response and decide the amount of advance payment to be made by each party in accordance with Appendix 2 hereto.
2. The Center's decision shall be notified to all the parties, so that they pay the fixed first advance payment.
3. After the parties have made the fixed first advance payment, the Center shall distribute a copy of the dossier to the arbitral tribunal.

### Article 43

#### Subsequent Advance Payment

The Center shall review its value of the application according to the statement of claim and the value and complexity of the case, and shall, based on the fee-related regulations, determine the amount of subsequent advance payment to be made by each party and, at the same time, have the parties notified thereof.

### Sub-section II

#### Arbitral Tribunal

### Article 44

#### Composition of Arbitral Tribunal

1. The parties are at liberty to agree on the number of arbitrators of the arbitral tribunal. If it is agreed that the arbitral tribunal shall be composed of more than one arbitrator, a chief arbitrator shall be appointed.
2. The arbitral tribunal shall operate as a single tribunal or a collective tribunal. The single tribunal is composed of a sole arbitrator while a collective tribunal shall be composed of more than one arbitrator.
3. If the parties have not agreed on the number of arbitrators, they shall, within 5 days from the date of the receipt of the notification of admission of the request, agree on the composition of the arbitral tribunal.
4. If the parties, within the aforementioned period, fail to reach an agreement, the arbitral tribunal shall be composed of three arbitrators.

## Article 45

### Secretary of Arbitral Tribunal

After accepting a case, the Center shall appoint a staff member as the secretary of the arbitral tribunal, who shall be responsible for the management of the proceedings of the case.

## Article 46

### Selection of Arbitrator

1. If the parties agree that the arbitral tribunal shall be composed of one arbitrator, the parties shall, within 15 days after receiving the notice of acceptance of the case, jointly select or authorize the Center to select the arbitrator.
2. If the parties agree that the arbitral tribunal shall be composed of an odd number (greater than one) of arbitrators, each party shall select the same number of arbitrators respectively within 15 days after receiving the notice of arbitration, the appointed arbitrators shall jointly appoint the last arbitrator. The parties may also authorize the Center to appoint all the arbitrators.
3. If the parties agree that the arbitral tribunal shall be composed of an even number of arbitrators, each party shall select the same number of arbitrators respectively within 15 days after receiving the notice of arbitration or authorize the Center to appoint all the arbitrators.
4. If the parties or the arbitrators do not select the arbitrators according to the above paragraphs or do not authorize the Center to appoint the arbitrators, the arbitrators shall be appointed by the Center.
5. The above-mentioned time limits and those stipulated in Article 44(3) and (4) shall run from the time of agreement of the parties or from the expiry of the time limit set for reaching agreement.

## Article 47

### Chief Arbitrator

1. If the parties intend to appoint the chief arbitrator by agreement, they shall, within five days after selecting arbitrators, jointly appoint or authorize the Center to appoint the chief arbitrator.

2. If the parties fail to select or fail to authorize the Center to appoint the chief arbitrator, then the chief arbitrator shall be appointed by the Center.

## Article 48

### Acceptance of Appointment

1. The persons appointed as arbitrators are at liberty to accept or reject the appointment.
2. The persons who accept the appointment as arbitrators shall, within ten days after receiving the notice of appointment, inform the Center and the parties in writing of their acceptance of the appointment.
3. Before the end of the time limit specified in the preceding paragraph, if the appointee acts utterly to express his/her willingness to serve as an arbitrator, he/she shall be deemed to have accepted the appointment.

## Article 49

### Approval for Arbitral Tribunal

All arbitrators appointed by the parties or by the arbitrators who are not on the list must be approved by the Center before they can act as arbitrators and form the arbitral tribunal.

## Article 50

### Notice of Formation of Arbitral Tribunal

The Center shall notify the parties in writing of the formation of the arbitral tribunal and deliver to the arbitral tribunal the materials pertaining to the case.

## Article 51

### Circumstances for Recusal

The arbitrators shall recuse themselves under the circumstances as follows:

- 1) The arbitrator who is a party to the case or is a close relative of either party or of either party's agent;
- 2) The arbitrator who has an interest in the case;

3) The arbitrator who has other relationships with either party and/or party's agent in the case, which may affect the impartiality of arbitration.

## Article 52

### Information Disclosure

After accepting the appointment, should the arbitrator become aware that there are any other circumstances with the parties or their agents that could reasonably affect confidence on the independent and fair trial of the case, he/she shall immediately, on his/her own initiative, inform disclose this to the Center.

## Article 53

### Replacement of Arbitrator

If an arbitrator is unable to perform his/her duties as usual for some reason, which affects the trial of the case, the arbitrator himself/herself or the parties may request replacement.

## Article 54

### Re-formation of Arbitration Tribunal

1. Under circumstances where any arbitrator shall be recused or replaced, the parties shall be notified in writing. If the arbitrator in question is selected by the parties, then the parties shall select another arbitrator within five days after being notified.

2. The provisions of Articles 45-49 shall apply to the procedure and manner of selecting another arbitrator.

## Sub-section III

### Provisional Measures and Emergency Provisional Relief

## Article 55

### Preservation Measures

1. Either party may petition the court with jurisdiction to take property preservation

measures in circumstances where the arbitral award cannot or is difficult to be enforced due to the conduct of either party or for other reasons.

2. Either party who petitions a judicial authority with jurisdiction to take preservation measures shall not be deemed to have violated or waived one or more arbitration agreements.

## Article 56

### Emergency Arbitrator

Before the formation of the arbitral tribunal, the parties may apply for emergency provisional measures in accordance with the emergency arbitrator procedure set out in Appendix 3.

## Article 57

### Provisional Measures

1. Upon request by either party and after hearing the views of the opposing party, the arbitral tribunal may order such provisional measures, as it deems necessary or proper.

2. Provisional measures refer to the following preventive measures ordered by the arbitral tribunal, by written instructions or otherwise, before the arbitral award deciding the dispute resolution means is made:

1) Maintain the status quo or revert to the original state during the resolution of a dispute;

2) Take measures to prevent the present or imminent damage or loss to the arbitration proceedings, or refrain from taking measures likely to cause such damage or loss;

3) Offer means necessary to preserve assets for the execution of the subsequent arbitral award;

4) Preserve evidence that may be relevant and important to the resolution of a dispute.

3. Before deciding in accordance with the preceding clause on the provisional measures applied for by either party, the arbitral tribunal shall consider the circumstances of the case and the following requirements:

1) The absence of the order of provisional measures may cause damage which

cannot be remedied through compensation and is far greater than the damage which such an order may cause to the party to whom the measures are applied;

2) It is possible that the party requesting provisional measures will win on the substantive issues in his/her claims.

4. The fees of provisional measures include the administration fee of the Center and the fees of the arbitrators, which are 10 per cent (10%) of the fees listed in Appendix 2 respectively.

## Article 58

### Request and Issue of Preliminary Orders

1. Either party may, without informing the opposing party, when requesting provisional measures, petition the arbitral tribunal for issuing a preliminary order that neither party may obstruct the achievement of the purpose of the requested provisional measures, unless otherwise agreed upon by the parties.

2. The arbitral tribunal may issue such a preliminary order if it considers that the prior disclosure of a request for provisional measures to the party to whom the provisional measures are applied risks impeding the achievement of the purpose of the measures.

3. The requirements stipulated in the preceding article apply to any and all preliminary orders. And the damage assessed according to Paragraph 3 1) of the preceding article shall be the possible damage of the absence or issue of a preliminary order.

## Article 59

### Specialized Regulations on Preliminary Order

1. The arbitral tribunal shall, immediately after making its decision on the preliminary order requested, notify all parties of the request for provisional measures, the request for a preliminary order, and the issued preliminary order (if any), as well as all other correspondence between either party and the arbitral tribunal in connection therewith, including the content of any oral communication.

2. When giving the above notice, the arbitral tribunal shall give the party against whom the preliminary order is made an opportunity to make a statement of the case in the shortest possible time.

3. The arbitral tribunal shall decide as soon as possible on any objection to the

preliminary order.

4. A preliminary order shall expire 20 days after the date of issue by the arbitral tribunal.

5. Without prejudice to the provisions of the preceding paragraph, after the party against whom the preliminary order is made is aware of the order and has been given an opportunity to make a statement of the case, the arbitral tribunal may order a provisional measure to adopt or modify the preliminary order.

6. A preliminary order shall be binding on the parties but shall not be enforced by a court.

## Article 60

### Modification, Termination and Annulment

The arbitral tribunal may, at the request of either party, modify, terminate, or annul provisional measures ordered or preliminary orders issued, or, in exceptional circumstances, modify, terminate, or annul the provisional measures or the preliminary orders on its own initiative after hearing the views of the parties.

## Article 61

### Provision of Security

1. The arbitral tribunal may require the party requesting provisional measures to provide proper security.

2. The arbitral tribunal shall require the party requesting a preliminary order to provide proper security unless the arbitral tribunal finds it inappropriate or unnecessary.

## Article 62

### Notifying the Arbitral Tribunal

1. The arbitral tribunal may require either party to notify the arbitral tribunal as soon as possible of any material change in the circumstances based on which a provisional measure is requested or ordered.

2. The party requesting a preliminary order shall notify the arbitral tribunal of all circumstances which may be material to the arbitral tribunal's decision on whether



to issue or maintain a preliminary order. This obligation shall be valid until the party against whom the preliminary order is made has been given an opportunity to make a statement of the case. After this point of time, the provisions of the preceding paragraph shall apply.

#### Article 63

##### Costs and Damages

1. If the arbitral tribunal then decides that a provisional measure ordered should not have been ordered in the specific circumstances, the party requesting the provisional measure, or the relevant preliminary order shall be liable for any expenses and damages caused by the measure or the order.
2. The arbitral tribunal may, at any time in the arbitration proceedings, order the responsible party to pay the expenses and damages.

#### Sub-section IV

##### Commencement and Operation of Arbitration

#### Article 64

##### Commencement of Arbitration Proceedings

The arbitration proceedings for a certain dispute shall commence on the date on which the respondent receives a summons for the dispute, unless otherwise agreed upon by the parties.

#### Article 65

##### Subject Matter of Dispute

If the parties disagree on the subject matter of the dispute, the arbitral tribunal shall decide it after hearing the opinions of the parties.

#### Article 66

##### Application of Rules

1. The Regulation shall apply to arbitration cases accepted by the Center unless the

parties agree on other rules in writing. But if the Center considers that the applicable rules agreed on by the parties cannot be implemented or conflict with the mandatory provisions of the laws and regulations at the place of arbitration, such rules shall not apply.

2. With approval by the arbitral tribunal and the Center, priority shall be given to the composition of arbitral tribunal, the way of trial and decision, the defense period, the time and place of hearing and the addresses for service that are agreed upon by the parties for the purpose of simplifying the proceedings.

3. If either party knows that any provision of the Regulation is inapplicable or any clause of the arbitration agreement has not been complied with, but the party does not raise an objection immediately or within the specified time limit (if any) and continues arbitration, then the party shall be deemed to have waived the right to raise an objection.

## Article 67

### Arbitration Principles

Arbitration shall be based on facts, comply with laws, respect the agreement between the parties, use international practice for reference, be fair, reasonable, independent, and impartial.

## Article 68

### Place of Arbitration

1. The parties are at liberty to choose the place of arbitration.
2. If the parties do not agree on the place of arbitration, the arbitral tribunal shall choose one convenient for the parties in the light of the circumstances of the case.

## Article 69

### Language

1. The parties are at liberty to agree on one or more languages to be used in the arbitration proceedings.
2. In the absence of such an agreement, the arbitral tribunal shall decide the language(s) convenient for the parties and communication in the light of the circumstances of the case.

3. The agreement or determination mentioned in the above two paragraphs refer to the written statement and oral agreement by the parties or the decision, decision or notice of the arbitral tribunal, unless otherwise agreed upon by the parties.

4. The arbitral tribunal may order that any documentary evidence be accompanied by a translation in one or more languages agreed upon by the parties or decided by the arbitral tribunal.

## Article 70

### Statement of Claim

1. The applicant shall, within 15 days after receiving the notice of formation of the arbitral tribunal, file a statement of claim to the Center.

2. The statement of claim shall include:

- 1) Names, addresses, telephone and fax numbers, e-mail addresses of the parties, and names of their legal representatives or persons in charge;
- 2) Facts and grounds on which the claims are based;
- 3) Specific claims;
- 4) Relevant evidence.

3. The Center shall send the statement of claim to the respondent and the arbitral tribunal within three days.

## Article 71

### Statement of Defense

1. The respondent shall file a statement of defense to the Center within 15 days after receiving the statement of claim mentioned in the preceding article.

2. The statement of defense shall include:

- 1) The name, address, telephone and fax numbers and e-mail address of the respondent and the name of its legal representative or person in charge;
- 2) Facts and grounds on which the defense is based;
- 3) Relevant evidence.

3. Any counterargument that the arbitral tribunal has no jurisdiction may, according to Paragraph 4 in Article 32, be submitted before or when submitting the statement

of defense.

4. The Center shall send the statement of defense to the applicant and the arbitral tribunal within three days.

## Article 72

### Counterclaim

1. The respondent has the right to counterclaim.
2. Any counterclaim shall be submitted together with the statement of defense. The arbitral tribunal may extend the defense period as proper if it considers that there are justifiable reasons.
3. The applicant may defend itself against the counterclaim of the respondent.
4. The provisions of this Sub-section concerning the statement of claim and the statement of defense also apply to counterclaims and defense against counterclaims.
5. The withdrawal of the application for arbitration or the waiver of the claims shall in no way prevent the arbitration proceedings for counterclaims.

## Article 73

### Nonconformity of the Statement of Claim or of Defense

If the statement of claim or the statement of defense does not conform with the provisions of Articles 71 and 72, the Center may require them to be supplemented within five days.

## Article 74

### Modification or Supplement to Claims or Defense

1. Either party may modify or supplement its claims or defense during the arbitration proceedings, unless the parties otherwise agree, or the arbitral tribunal considers that such changes are too late and should not be allowed.
2. The modified or supplemented claims or defense shall not exceed the jurisdiction of the arbitral tribunal.
3. The arbitral tribunal may extend the period for the defense or response by the opposing party as proper in the light of such modifications or supplements.

4. If the modified or supplemented claims result in an increase in the value of the case, the party concerned shall supplement the arbitration fee.
5. The applicant may, at any time during the arbitration proceedings, waive all or part of its claims, but the waiver of claims will invalidate the rights to be exercised.

#### Article 75

##### Further Written Statement

The arbitral tribunal shall decide whether to require or allow the parties to submit further written statements and shall decide the time limit for the submission of such further written statements.

#### Article 76

##### Time limit

The time limit set by the arbitral tribunal for the submission of written statements (including the statement of claim and the statement of defense) shall not exceed 30 days. The arbitral tribunal may extend the said time limit if it considers the reasons for extension justifiable, even if the time limit has expired.

#### Article 77

##### Withdrawal of Application for Arbitration

1. The applicant may withdraw its application for arbitration, unless the respondent objects to the withdrawal and the arbitral tribunal considers that the respondent has a legitimate interest in deciding the resolution of the dispute.
2. The withdrawal of arbitration shall terminate only the arbitration proceedings already initiated.

#### Article 78

##### Mediation Proceedings in Arbitration

1. If the parties grant the right of mediation in writing, one or more arbitrators of the arbitral tribunal may try to mediate between the parties.
2. Under the circumstance of the preceding paragraph, the arbitration proceedings

shall be suspended so that the mediation proceedings may proceed smoothly.

3. The arbitrator exercising the right of mediation may:

- 1) Communicate with the parties separately or together;
- 2) Keep confidential the information obtained from either party, except with the consent of that party or in the circumstance of the following paragraph.

4. If no agreement has been reached on the dispute resolution at the end of the mediation proceedings, the arbitrator shall disclose the confidential data material to the proceedings.

5. The parties may, at any time, jointly or unilaterally object to the arbitrator's exercise of the right of mediation.

## **Sub-section V**

### **Evidence**

#### **Article 79**

##### **Burden of Producing Evidence**

1. The parties shall produce evidence to support their claims, except for the following:

- 1) Facts admitted by the opposing party;
- 2) Well-known facts;
- 3) Natural law and its theorem;
- 4) Facts inferred by laws or by other known facts;
- 5) Facts established by a valid legal instrument;
- 6) Facts certified by a valid notarial certificate.

2. The provisions for exemption from the burden of producing evidence as set out in the above Paragraphs 2), 4), 5) and 6) shall not apply in circumstances where the opposing party has produced disproof to disprove the claims.

3. The arbitral tribunal may collect evidence that it considers helpful to the trial of the case, even if no request has been made.

## Article 80

### Requirements for Evidence

The parties shall classify, number and page the evidence submitted one by one and indicate the sources, the objects of proof, and the abstract.

## Article 81

### Submission of Evidence

1. If either party, with proper reason, does not submit the evidence within the time limit prescribed by the Regulations, the arbitral tribunal may allow it to submit the evidence during the hearing or within a certain time limit after the hearing. The arbitral tribunal may reject the evidence submitted after the time limit.
2. When there is evidence to prove that either party holding any evidence refuses to provide the evidence without proper reason, if the opposing party's claims that need such evidence are averse to the evidence holder, the claims may be deemed reasonable.

## Article 82

### Appraisal and Fee Allocation

1. Appraisal refers to the audit, evaluation, consultation, inspection, etc. carried out by specialized institutions or professionals on specific specialized issues or matters.
2. If the arbitral tribunal approves the appraisal request by either party or by both parties or considers appraisal necessary, the parties shall jointly select the appraisal institution or personnel within the time limit set by the arbitral tribunal or jointly trust the arbitral tribunal with this matter. If the parties do not jointly select the appraisal institution or personnel within the previously mentioned time limit, the arbitral tribunal shall decide the matter.
3. The appraisal fee shall be paid in advance by the party requesting appraisal. If both parties request appraisal at the same time, each party shall pay half of the appraisal fee in advance.
4. The parties' request for re-appraisal shall be subject to the decision by the arbitral tribunal.

## Article 83

### Cooperation Obligation

If the arbitral tribunal agrees to appraisal, the parties shall cooperate. If either party refuses to provide the data necessary for appraisal or to cooperate on the appraisal without justifiable reasons, thus preventing the appraisal or affecting the appraisal result, the party in question shall bear the legal consequences arising therefrom.

## Article 84

### Appraisal Result

1. After the appraisal result is available, the arbitral tribunal shall send the appraisal report to the parties. The parties shall give their opinions on the appraisal report and result within the time limit specified by the arbitral tribunal.
2. Upon request by either party or if the arbitral tribunal considers it necessary, the arbitral tribunal may invite the appraisal institution or personnel to attend the hearing to answer questions, so that it can decide whether to accept the appraisal result.

## Article 85

### Advice from Experts

When necessary, the arbitral tribunal may consult experts about the professional issues involved in the trial of the case. The arbitral tribunal may refer to experts' opinions when deciding on the case.

## Article 86

### On-site Inspection

1. When it is necessary to carry out an on-site inspection on goods and the site of the matter during the trial hearing, the arbitral tribunal or the institution entrusted by it shall organize the inspection.
2. The arbitral tribunal or the institution entrusted by it shall keep a written record of the circumstances and results of the inspection, which shall be signed by the inspectors, the parties, and other participants.



## **Sub-section VI**

### **Trial**

#### **Article 87**

##### **Ways of Trial**

1. The arbitral tribunal shall decide whether to hold a hearing for evidence investigation or for oral statements or to complete the arbitration proceedings only based on documents and other evidential data, unless otherwise agreed upon by the parties.
2. Without prejudice to the provisions of the preceding paragraph, upon request by either party, the arbitral tribunal shall hold a hearing at a proper time during the arbitration proceedings, unless the parties have agreed not to hold a hearing.
3. The parties shall be informed sufficiently in advance of all hearings and all meetings that the arbitral tribunal holds to examine property or documents.
4. All statements, documents or data provided by either party to the arbitral tribunal shall be sent to the opposing party. Any report on which the arbitral tribunal may base its award, or any document submitted as evidence shall also be sent to the parties.

#### **Article 88**

##### **Inaction or Non-compliance by Either Party**

1. Unless otherwise agreed upon by the parties, without sufficient interference:
  - 1) If the applicant does not submit the statement of claim in accordance with Article 70, the arbitral tribunal shall order the termination of the arbitration proceedings and the applicant shall bear the expenses arising from the setting up of the arbitral tribunal.
  - 2) If the respondent does not submit a statement of defense in accordance with Article 71, the arbitral tribunal shall confirm whether the respondent has been notified of the arbitration proceedings. If the respondent has been notified, the arbitral tribunal shall order the continuation of the proceedings. But the respondent's failure to respond shall not constitute an acknowledgment of the applicant's statement.
  - 3) If either party does not attend the hearing or produce documentary evidence, the arbitral tribunal may proceed with the arbitration proceedings and make decision

based on the evidential data available.

4) If either party does not or ceases to comply with an order of the arbitral tribunal, the arbitral tribunal may issue a new order and set such a period for compliance as it thinks fit.

2. If either party does not comply with the order issued under the above Paragraph 4, the arbitral tribunal may:

1) Decide adverse to the party not complying with the order, considering the severity of the consequences relating to the non-compliance.

2) Impose a monetary penalty on the party not complying with the order, which shall be in such an amount as the arbitral tribunal may deem proper and shall be paid to the opposing party.

## Article 89

### Principle of Confidentiality

In principle, the arbitration hearing shall not be held in public, and the arbitrators, the secretary of the arbitral tribunal, the parties, and their agents as well as other participants in the arbitration shall not disclose any information about the entities and proceedings of the case to any other party.

## Article 90

### Time and Place of Hearing

1. The arbitral tribunal shall decide the time for the hearing and notify the parties in writing of the time and place of the hearing seven days before the hearing.

2. The parties may jointly request the arbitral tribunal to hold the hearing ahead of schedule. With justified reasons, the parties may apply for postponing the hearing, but they shall submit a written application three days before the hearing for the arbitral tribunal to decide.

3. The hearing shall be held at the Center's place of operation. If the parties agree on another place and form of hearing, they shall obtain the consent of the Center and shall bear the relevant expenses arising therefrom.

## Article 91

### Joint Trial of Separate Cases

If a party is involved in two or more cases in which the subject matters are the same or of the same kind or are interrelated and the arbitral tribunals have the same members, with the consent of all the parties, the cases may be tried at the same time.

## Section IV

### Arbitral Award

## Article 92

### Preliminary Adjudication

When trying a dispute, the arbitral tribunal may preliminarily decide on the issues of which the facts have been proved.

## Article 93

### Trial Period

1. The arbitral award shall be made within six months from the date of formation of the arbitral tribunal.
2. If the trial period needs to be extended due to extraordinary circumstances, it may be appropriately extended after approval by the Center.
3. The trial period stipulated in the Regulation excludes the appraisal period.

## Article 94

### Adjudication Principles

1. If the arbitral tribunal is composed of more than one arbitrator, the arbitral award shall be based on the majority opinion of arbitrators, and the dissenting opinion of minority arbitrators shall be recorded in writing.
2. If there is no majority view, the arbitral award shall be based on the view of the chief arbitrator.

## Article 95

### Rules Applicable to Substantive Issues of Cases

1. The arbitral tribunal shall decide on the dispute in accordance with the laws appointed by the parties applicable to the substantive issues of the case.
2. The designation of the law or legal system of a country or region shall be deemed to directly designate the substantive law of that country or region, instead of its conflict rules, unless otherwise expressly designated.
3. If the parties did not designate any law, the arbitral tribunal shall apply the law designated by the conflict rules, as it considers applicable.
4. Only with the express permission of the parties may the arbitral tribunal make an arbitral award based on equity (*ex aequo et bono*) or by balancing the interests of the dispute (*amiable compositeur*).
5. In any case, the arbitral tribunal shall make an arbitral award in accordance with the provisions of the contract and considering the practice applicable to the specific case.

## Article 96

### Reconciliation

1. In arbitration proceedings, if the parties resolve the dispute through reconciliation, the arbitral tribunal shall terminate the arbitration proceedings. At the request of the parties, the arbitral tribunal may make an arbitral award to confirm the parties' reconciliation if it has no objection.
2. The adjudication confirming the reconciliation shall be made in accordance with the following paragraph and shall specify that it is an arbitral award.
3. The adjudication confirming the reconciliation is of the same nature and effects as any other arbitral award made on the substantive issues of the case.

## Article 97

### Content of Arbitral Award

1. The arbitral award shall specify the following:
  - 1) Identity information of the parties concerned;
  - 2) Citation of the arbitration agreement;

- 3) Identity information and appointment manner of the arbitrators;
  - 4) Subject matter of the dispute and stances of the parties concerned;
  - 5) Facts and legal basis for the arbitral award; if the arbitrator has been allowed to make an arbitral award on the basis of equity, only the facts shall be recorded;
  - 6) Allocation of arbitration fees;
  - 7) Place of arbitration, and place and date of arbitral award;
  - 8) The minority vote of arbitrators, if any.
2. The arbitral award shall be made in writing and signed by one or more arbitrators. If the arbitration proceedings involve more than one arbitrator, the arbitral award shall be signed by a majority of the members of the arbitral tribunal, but the reason other members do not sign it shall be specified.
3. The arbitral tribunal shall send the original of the arbitral award signed by the arbitrators to the Center for the Center to affix its seal.
4. The arbitrators who have different views on the arbitral award may attach their written views to the arbitral award, but the written views attached shall not form an integral part of the arbitral award.

## Article 98

### Allocation of Fees

1. If the arbitration agreement does not specify the party to bear the arbitration fees, the parties shall decide it. If the arbitration agreement does not specify it and the parties do not reach an agreement, the arbitration fees shall be borne by the losing party. However, the arbitral tribunal may decide the allocation of the arbitration fees according to the fault liability of the parties and the adjudication.
2. At the request of the parties, the arbitral tribunal may adjudicate that the losing party of the case shall compensate the winning party for the reasonable expenses incurred by the arbitration case. For this purpose, the arbitral tribunal shall consider such factors as the adjudication on the case, the complexity of the case, the actual workload of the winning party, the amount in dispute in the case, as well as the charging standards stipulated by the competent authorities.

## Article 99

### Effectiveness of Arbitral Award

1. The arbitral award shall be final, unless the parties have agreed, before the arbitral award is made, that they may appeal to another arbitral tribunal.
2. After the arbitral award is made, if the parties apply for arbitration again for the same dispute, the Center will reject the application.

## Article 100

### Correction and Interpretation of Arbitral Award

1. Unless the parties have agreed on another time limit, within 30 days after receiving the arbitral award, either party may, after notifying the opposing party, request the arbitral tribunal to:
  - 1) Correct any miscalculation, mistake, omission, typographical error, or other similar errors in the arbitral award;
  - 2) Interpret a certain point or a specific part of the arbitral award, provided that the parties have such an agreement.
2. If the arbitral tribunal considers that the requests made under the preceding clause are reasonable, it shall do the correction or interpretation within 30 days after receiving the requests.
3. The interpretation made by the arbitral tribunal as requested in Paragraph 1 2) shall be an integral part of the arbitral award.
4. The arbitral tribunal may, within 30 days after the date of the arbitral award, correct any of the errors set out in Paragraph 1 1) on its own initiative.

## Article 101

### Additional Arbitral Award

1. Within 30 days after receiving the arbitral award, either party may request the arbitral tribunal to make an additional arbitral award on the claims that have been put forward in the arbitration proceedings but omitted in the arbitral award, unless otherwise agreed upon by the parties.
2. The arbitral tribunal shall notify the opposing party that it shall submit its opinion on the request for an additional arbitral award within ten days. The arbitral tribunal may extend this time limit if it considers it necessary.
3. If the arbitral tribunal considers that the request for an additional arbitral award is reasonable, it shall make an additional arbitral award within 60 days after the

request is made.

4. The additional arbitral award shall have the effect specified in Article 99.

#### Article 102

##### Enforcement Effect of Arbitral Award

The arbitral award has the same enforcement effect as the judgments of lower courts.

#### Article 103

##### Notification of Arbitral Award

The Center shall send the arbitral award to the parties, each of whom shall hold one copy, except for the party who has not paid the arbitration fees.

#### Article 104

##### Termination of Arbitration Proceedings

1. Arbitration proceedings shall terminate after the arbitral tribunal issues the arbitral award or orders the termination of them.
2. In particular, the arbitral tribunal shall order the termination of arbitration proceedings if:
  - 1) The applicant withdraws its claims, except in circumstances where the respondent objects to the withdrawal and the arbitral tribunal confirms that the respondent has a legitimate interest in deciding the resolution of the dispute;
  - 2) The parties agree to terminate the arbitration proceedings;
  - 3) For other reasons, the arbitral tribunal holds that the arbitration proceedings are no longer necessary or are impossible to continue.

### Chapter IV

## **Mediation**

### Article 105

#### Definitions

Mediation refers to the way of resolving a dispute with the help of a mediator. In mediation, the mediator shall not provide any private opinions or suggestions.

### Article 106

#### General Principles

Mediation shall be based on the principles of party's autonomy, impartiality, confidentiality, and promptness.

### Article 107

#### Request for Mediation

Either party to a dispute who intends to request mediation from the Center shall file with the Center an application containing the identity information of the parties, the subject matter of mediation and the basis for the applicant's claims.

### Article 108

#### Notifying the Other Party

1. The opposing party shall be notified of the application for mediation and invited to inform the Center within ten days of its acceptance or refusal of the mediation proceedings.
2. If the respondent fails to reply or gives a negative reply, the Center shall notify the applicant that the proposed mediation is not accepted.

### Article 109

#### Accepting Mediation and First Meeting

1. After the proposed mediation is accepted, the Center shall appoint a mediator.



2. The Center shall facilitate the first meeting between the parties and the mediator after the period specified in Paragraph 3 of Article 110, provided that the mediator appointed has not applied for avoidance or raised any objection.
3. At the first meeting, the mediator shall:
  - a) Explain to the parties the mediation proceedings, and the procedure and techniques of the proceedings;
  - b) Ask the parties to describe their points of contention and state their expectations;
  - c) Strive to reach an agreement on the work schedule, set a time limit for the parties to state their claims and grounds in writing, and set a time limit for presenting the evidence pertaining to the matter in dispute which the parties deem necessary.
4. A mediator's participation in the first meeting does not entitle him/her to receive any remuneration.

## Article 110

### Appointment of Mediator

1. The mediator shall be appointed by the President of the Executive Committee from the Center's list of mediators.
2. The appointment of the mediator shall be notified to the parties.
3. The parties may refuse the appointment within ten days after being notified and may propose the appointment of another specific mediator or of any mediator from a particular group of mediators.

## Article 111

### Mediator's Actions and Mediation Meeting

1. The mediator may freely organize the mediation proceedings, but he/she shall comply with the Code of Ethics set out in the Regulation.
2. The mediator may, at any stage, require the parties to provide such data and items as he/she deems necessary.
3. The mediation meeting shall, as far as possible, be held in the presence of all the parties. If necessary and with the consent of the parties, the mediator may meet with the parties separately, but he/she comply with the Code of Ethics set out in the Regulation and adhere to the principle of equality of opportunity and confidentiality.

## Article 112

### Undertaking of Confidentiality

When accepting the mediation proceedings, the parties shall keep the proceedings confidential and undertake not to use the following as arguments or evidence of any nature during the arbitration or judicial proceedings:

- a) The facts revealed, and statements and proposals made by the opposing party for the possible resolution of the dispute;
- b) Proposals made by the mediator or by either party;
- c) The fact that either party declares during the mediation that it accepts the proposals made for the purpose of reaching an agreement.

## Article 113

### Termination of Mediation

1. The mediation proceedings shall terminate after the parties have signed a reconciliation agreement, which shall be in the specific form required by law.
2. The agreement between the parties shall be kept confidential, unless otherwise agreed upon by the parties or unless the agreement must be disclosed for the purpose of application or enforcement.
3. If the dispute cannot be resolved through mediation, the mediator shall make a written statement to terminate the mediation proceedings, but the statement need not explain the reasons.
4. Mediation proceedings may terminate immediately after either party notifies the mediator in writing of its intention not to continue the mediation.
5. The reconciliation agreement signed by the parties, the declaration of mediation failure made by the mediator, the notice by either party or both parties of unwillingness to continue the mediation shall be kept in the Center.
6. The documents submitted in the mediation proceedings shall, after analysis, be returned to the parties, while other documents shall be destroyed or filed as agreed.

## Article 114

### Avoidance of Mediator

1. Unless otherwise agreed upon by the parties, the mediator shall not act as an arbitrator or act as either party's agent or counsel in the arbitration or judicial proceedings for the dispute relating to the subject matter of the mediation.
2. Unless otherwise agreed upon by the parties, neither party may call the mediator to express his/her views in any arbitration or judicial proceedings for the dispute relating to the subject matter of the mediation proceedings.

## Article 115

### Mediation Fees

Mediation fees shall be calculated in accordance with Appendix 2 hereto, which is an integral part of the Regulation.

## **Chapter V**

### **Final Regulations**

#### Article 116

##### Agent in Proceedings

1. In arbitration, mediation and other alternative dispute resolution proceedings, the parties are not required to entrust agents.
2. In arbitration and other alternative dispute resolution proceedings, the parties may attend on their own and may appoint agents or other persons to offer assistance.

#### Article 117

##### Duty of Confidentiality

1. Arbitrators, mediators, members of other alternative dispute resolution proceedings, the parties as well as the persons who have access to arbitration proceedings during the performance of their duties shall keep confidential all information obtained and documents known through the proceedings.
2. The duty of confidentiality shall not be terminated unless otherwise agreed upon by the parties or prescribed by law, or unless the termination of the duty of confidentiality is necessary for the registration of the arbitral award or for the parties to exercise their rights in court.
3. The duty of confidentiality shall not prejudice the Center's publication of the relevant arbitral award, providing the published content does not contain identity information of the parties or the information that makes the parties identifiable, unless either party objects to the publication of the arbitral award within five days after receiving the notice of the arbitral award.

#### Article 118

##### Time Limit

1. All time limits mentioned in the Regulation are continuous without any suspension.
2. For the time limits that expire on Saturday, Sunday or a holiday, the deadline shall be postponed to the next working day. For the activities that shall be done in

the Center within a time limit, the non-business day of the Center shall be treated as Saturday, Sunday, or a holiday.

3. All time limits shall be calculated from the first day following the date of occurrence of the relevant issue.

## Article 119

### Extension of Time Limit

1. Unless otherwise specified, the time limit for a party to apply for any act or measure, to argue against ineffectiveness, to put forward any collateral issues or to exercise any other right of action shall be ten days. The time limit for either party to respond to an issued put forward by the opposing party shall also be ten days.

2. Upon agreement by the parties, the aforesaid time limit may be extended by ten days.

3. Whether or not the parties have reached an agreement, each party may apply to the Center or the arbitral tribunal for an extension only once.

## Article 120

### Receipt of Written Notice

1. Unless otherwise agreed upon by the parties, any written notice delivered in the following ways shall be deemed to have been received by the addressee:

1) The notice delivered to the addressee face-to-face or delivered to the addressee's place of business, habitual residence, postal or e-mail address;

2) The notice delivered to the last known place of business, habitual residence, postal or e-mail address of the addressee by certified mail or by other means which can prove that delivery has been attempted, in circumstances where the addresses mentioned in the preceding paragraph cannot be confirmed after reasonable investigation.

2. The notice shall be deemed to have been received on the date of delivery or attempted delivery.

3. The provisions of the preceding two paragraphs shall not apply to the notices given within the scope of proceedings.

## Article 121

### Effectiveness

The Regulation shall come into effect upon approval by the Board of Directors of WTC Macau.

## Appendix 1

### Code of Ethics

#### 1. Party's Autonomy

Arbitrators and mediators shall embody the principle of party's autonomy, and their acts shall be premised on this principle.

#### 2. Basic Principles

Arbitrators and mediators shall regulate their conduct in accordance with the principles of impartiality, good faith, competence and confidentiality as set out below:

- 1) The principle of "impartiality" means that arbitrators and mediators shall be in no conflict of interest with the parties and have no stance that prejudices their impartiality, and shall strive to understand the actual situation of the parties and avoid letting their prejudice or personal values interfere with their work;
- 2) The principle of "good faith" means that arbitrators and mediators shall show and maintain good faith in the presence of both parties, and shall be independent, frank and organized;
- 3) The principle of "competence" means that arbitrators and mediators shall have the ability to mediate in substantive disputes. Therefore, arbitrators and mediators shall accept assignments only when they have the qualifications necessary to meet the reasonable expectations of the parties.
- 4) The principle of "confidentiality" means that any facts and circumstances of and proposals made in the arbitration and mediation proceedings shall be confidential and of a particular nature. Any person participating in the proceedings shall have the obligation to keep confidential all information known. Unless otherwise agreed upon in the agreement or unless otherwise required by the public order, such persons shall not act as a witness in the case.

#### 3. Appointment of arbitrators and mediators

Arbitrators and mediators shall:

- 1) Accept the appointment only if they are willing to act in accordance with the law and the Code of Ethics;
- 2) Declare any interest relationship that is likely to impair impartiality, stimulate bias or undermine independence before accepting the appointment, so that the parties assess and decide whether they are eligible;
- 3) Evaluate their own ability to lead the proceedings in advance;
- 4) Abide by the agreement after accepting the appointment.

#### 4. Relationship between the arbitrators/mediators and the parties

Arbitrators/mediators are selected based on the trust of the parties and may be changed only for reasonable reasons and with the express consent of the parties. Therefore, arbitrators and mediators shall:

- 1) Ensure that the parties have the opportunity to have a clear understanding of the arbitration/mediation proceedings, and give comments on the issues involved in the matters discussed in the proceedings and the developments thereof;
- 2) Explain the service fee, administration fee and payment method to the parties;
- 3) Be cautious and loyal and avoid any promise and guarantee for the results;
- 4) Have a separate conversation with either party only after informing the opposing party and giving the opposing party the same opportunity;
- 5) After each separate conversation, explain to the party what shall be kept confidential and what shall be known to the opposing party;
- 6) Ensure the parties' right to speak and their legitimacy in the proceedings, to ensure their equal rights;
- 7) Ensure that the parties have sufficient data to evaluate and make decisions on issues;
- 8) Avoid forcing the parties to accept any agreement and/or make any decision;
- 9) Strictly adhere to the principle of not being employed as a professional of either party or dealing with issues related to the mediated dispute for either party.

## 5. Proceedings of arbitrators and mediators

Arbitrators and mediators shall:

- 1) Explain to the parties the development procedure of the proceedings;
- 2) Determine with the parties the necessary and appropriate procedure for the proceedings;
- 3) Explain the confidentiality requirements;
- 4) Ensure the quality of the proceedings and use all techniques available to help achieve the arbitration/mediation purpose;
- 5) In order to ensure the confidentiality of the procedure, the administrative and information staff of the Center shall also take a cautious attitude;
- 6) Advise the parties to seek an expert in a specific field and/or suggest inviting such an expert to participate in the proceedings, if they consider that professional information can help resolve any dispute;
- 7) Discontinue the proceedings immediately upon discovery of any circumstances in which they shall morally or legally avoid getting involved;
- 8) Suspend and terminate the proceedings upon request by the parties or when the continuation of the proceedings is likely to harm either party;

## 6. Relationship between the arbitrators/mediators and the Center



Arbitrators and mediators shall:

- 1) Make contributions and efforts to maintain and improve the quality of services of the Center;
- 2) Maintain the training quality, specialization and professionalization required by the Center.

## Appendix 2

### Rules of Fees

#### Chapter I

#### Arbitration Fees

#### Section I

#### General Provisions

##### Article 1

##### Definition

Arbitration fees include:

- 1) Service fees and expenses of arbitrators;
- 2) Administration fee;
- 3) Expenses for investigation of evidence.

##### Article 2

##### Case Value for the Calculation of Fees

1. In order to calculate the fees of the proceedings, the Executive Committee of the Center shall determine the value of each arbitration proceeding. And the value shall be equal to the direct economic benefit of the applicant in making the claim.
2. If a counterclaim is put forward, the value of the proceedings shall be equal to the sum of the direct economic benefits of the two claims.

##### Article 3

##### Exemption

1. The Executive Committee of the Center may reduce or exempt the administration fee of the proceedings if the dispute affects interests of a humanitarian nature or if there is any other reasonable justification.

2. In all cases, the expenses for investigation of evidence, as the arbitral tribunal determines within its authority or at the request of the parties, shall be paid.

#### Article 4

##### Reduction

1. If the arbitration agreement is annulled as stipulated in Article 33 hereof, the administration fee and arbitrator service fees listed in the Appendix hereto shall be reduced according to the following provisions:

- a) If it is annulled before the arbitral tribunal is formed in accordance with Article 50 hereof, the fees shall be reduced by 75%;
- b) If it is annulled before the statement of defense is submitted, the fees shall be reduced by 50%;
- c) If it is annulled after the statement of defense is submitted and before the preliminary hearing is held, the fees shall be reduced by 25%;

2. In the circumstance of the above Paragraph a), the fees shall be determined in accordance with Paragraphs 1 and 2 of Article 42 hereof after appropriate adjustment.

#### Section II

##### Calculation of Arbitrator Service Fees and Expenses

#### Article 5

##### Calculation of Arbitrator Service Fees

- 1. Arbitrator service fees shall be calculated in accordance with the relevant schedule of these Rules.
- 2. For the disputes submitted to the arbitral tribunal for resolution, the Executive Committee of the Center may increase the arbitrator service fees in the light of the complexity of the disputes or the excessive working hours required of the arbitrators, up to the maximum amount applicable in the relevant schedule.
- 3. The service fees payable by the Executive Committee of Center to the arbitrators shall be calculated on the basis of the value of the arbitration proceedings, taking into account the characteristics of each dispute and the details of each proceeding, but the amount shall not be less than the minimum amount listed in the relevant schedule.

#### Article 6

##### Special Circumstances

1. If there is a single tribunal, the Executive Committee of the Center may raise the maximum service fee of the sole arbitrator to, at most, 50% of the service fee set out in the relevant schedule hereto.
2. If there is a collective tribunal, composed by three arbitrators, the Chairman Arbitrator shall be entitled to 50% and the remaining arbitrators shall be entitled to 25% of the total amount of the service fees stipulated in Paragraph 3 of the preceding article.
3. In other forms of the composition of the arbitral tribunal, the arbitrators' fees shall be determined by the Executive Committee of the Centre.

#### Article 7

##### Expenses

1. The expenses of arbitrators include travel expenses and the subsidies for expenses incurred during arbitrators' stay.
2. Arbitrators' travel expenses and the subsidies for expenses incurred during arbitrators' stay shall be determined by the Executive Committee of the Center.

### Section III

#### Administration Fee and Expenses for Investigation of Evidence

#### Article 8

##### Administration Fee

1. The administration fees of arbitration proceedings shall be based on the amount in dispute and the value of arbitration proceedings as listed in the relevant schedule hereto.
2. When submitting the application for arbitration, the applicant shall pay the arbitration application fee to the Center in accordance with the schedule hereto.

#### Article 9

##### Expenses for Investigation of Evidence

The amount of expenses incurred in investigating evidence and taking relevant measures shall be determined according to the actual expenditure.

### Section IV

## **Advance Payment and Final Fees**

### Article 10

#### Types and Amounts of Advance Payments

1. In order to ensure payment of proceeding fees, the advance payment shall be made in three installments, including the initial advance payment, the subsequent advance payment and the final advance payment.
2. The initial advance payment of each party shall be 35% of the minimum amount of the proceeding fee specified, and the amount of the subsequent advance payment shall be the same as the initial advance payment. The final advance payment shall be 30% of the minimum amount of the proceeding fee specified.
3. If necessary, the Executive Committee of the Center may order additional advance payments during the proceedings to ensure that the total proceeding fee has been paid before the arbitral award is made.
4. The Executive Committee of the Center shall order the parties to make advance payments for the expenses to be incurred by arbitrators and by the measures ordered by the arbitral tribunal, which are not required to be paid beforehand.
5. Both parties shall pay an advance of the same amount, except in the exceptional circumstances specified in the following two paragraphs.
6. The advance payment for application for taking measures shall be paid by the applicant.
7. The advance payment to an arbitrator shall be paid by the party appointing the arbitrator.

### Article 11

#### Time limit

1. Each party shall make the advance payment within five days after receiving the payment notice.
2. If an advance payment is not made on time, the Executive Committee of the Center shall give a notice to ask the interested party to make the outstanding advance payment within five days and pay an additional amount of 10% of the advance payment as a penalty.
3. If no advance payment has been made after the time limit specified in the preceding paragraph, the provisions of the following article shall apply.

### Article 12

#### Non-payment of Advance Deposit

1. If the applicant fails to pay the initial advance deposit, it will result in the termination of the proceedings.
2. In the arbitration proceedings, without prejudice to the preceding provisions, if any party fails to pay the required advance deposit within the period specified under these rules, the Center shall notify the parties. One or the other party shall make the payment within ten days to enable the proceeding to continue. If the payment is not settled, the Executive Committee of the Center may issue a decision to suspend the proceeding for a period not exceeding six months.
3. During the suspension period, the Parties may pay or make a deposit with the center for the outstanding advance deposit and related fines to the Center, in order to continue the proceedings.
4. In the absence of the situation mentioned in the preceding paragraph, the proceedings shall be deemed withdrawn by the parties upon the expiration of the suspension period.
5. The provisions of Article 4 of this appendix shall apply to the situation referred to in the preceding paragraph after appropriate adjustment.
6. If one party has made the advance deposit which should be payable by the other party, at the request of the advancing party, the arbitral tribunal shall require in the award that the party that has not paid the advance deposit shall compensate the party that made the advance deposit.
7. In any circumstances, a party who fails to pay the required advance deposit may not be allowed to present any evidence or submit any statement.
8. Failure to pay the advance deposit of any measure, shall result in the non-adoption of the measure.
9. The provision of this Article shall apply to situation where the Respondent who demand counterclaims after appropriate adjustment.

### Article 13

#### Final Fees and Settlement of Final Fees

1. After the arbitral award is made, the Secretariat shall settle the fees immediately and inform both parties of the settlement of fees and/or payment of arrears, if any.
2. Any objection of the parties to the settlement of fees shall be notified to the arbitral tribunal within eight days.
3. The Center shall make a report on the matter and submit it to the arbitral tribunal together with the statement of objection.
4. If the arbitral tribunal is unable to hold a meeting, the Executive Committee of the Center shall decide on this matter.

### Article 14

### Final Outstanding Fees

1. If there are any outstanding proceedings fees in the end, the party responsible for the fees shall pay off them within ten days from the date of notification.
2. After the time limit for payment, interest shall be charged at the statutory interest rate on the amount of overdue payment.
3. The party failing to pay off the outstanding fees shall not get any certificate of the proceedings or cite the relevant arbitral award in any matter.

## Chapter II

### Mediation Fees

#### Article 15

#### Calculation of Mediation Fees

Mediation fees shall be calculated in accordance with these Rules and the relevant schedule.

## Chapter III

### Fees

#### Schedule I

#### Service Fee, Administration Fee and Application Fee of Arbitration Proceedings

Unit: MOP

Value of Claims	Service Fee of Sole Arbitrator	Administration Fee	Application Fee
At or under 250,000.00	5%, at least 5,000.00	2.5%, at least 3,500.00	1,000.00
250,001.00 to 500,000.00	12,500.00+4% of the excess over 250,000.00	6,250.00+2% of the excess over 250,000.00	
500,001.00 to 1,250,000.00	22,500.00+2.5% of the excess over 500,000.00	11,250.00+1.25% of the excess over 500,000.00	
1,250,001.00 to 2,500,000.00	41,250.00+1.5% of the excess over 1,250,000.00	20,625.00+0.75% of the excess over 1,250,000.00	
2,500,001.00 to 5,000,000.00	60,000.00+0.75% of the excess over 2,500,000.00	30,000.00+0.35% of the excess over 2,500,000.00	

5,000,001.00 to 12,500,000.00	78,750.00+0.6% of the excess over 5,000,000.00	38,750.00+0.3% of the excess over 5,000,000.00	
12,500,001.00 to 25,000,000.00	123,750.00+0.5% of the excess over 12,500,000.00	61,250.00+0.25% of the excess over 12,500,000.00	
25,000,001.00 to 50,000,000.00	186,250.00+0.4% of the excess over 25,000,000.00	92,500.00+0.2% of the excess over 25,000,000.00	
Over 50,000,000.00	286,250.00+0.2% of the excess over 50,000,000.00	142,500.00+0.1% of the excess over 50,000,000.00	

## Schedule II

### Service Fee, Administration Fee and Application Fee of Mediation Proceedings

Unit: MOP

Value of Claims	Service Fee of Sole Mediator	Administration Fee	Application Fee
Under 150,000.00	2.5%, at least 3,000.00	1,000.00	200.00
150,001.00 to 300,000.00	3,750.00+2% of the excess over 150,000.00	1,000.00+0.5% of the excess over 150,000.00	
300,001.00 to 600,000.00	6,750.00+1.5% of the excess over 300,000.00	1,750.00+0.33% of the excess over 300,000.00	
600,001.00 to 1,000,000.00	11,250.00+1.25% of the excess over 600,000.00	2,740.00+0.25% of the excess over 600,000.00	
1,000,001.00 to 3,000,000.00	16,250.00+1% of the excess over 1,000,000.00	3,740.00+0.08% of the excess over 1,000,000.00	
Over 3,000,000.00	36,250.00+0.75% of the excess over 3,000,000.00	5,340.00+0.03% of the excess over 3,000,000.00	



## Appendix 3

### Emergency Arbitrator Procedure

1. The party applying for emergency provisional measures may submit to the Center the Application for Appointment of An Emergency Arbitrator (the "Emergency Arbitrator") (the "Application") when or after submitting the application for arbitration and before the formation of the arbitral tribunal.
2. The Application shall be submitted in the manner specified in Article 34 of the Regulation. The Application shall include:
  - 1) Names, addresses, telephone and fax numbers and e-mail addresses of the parties involved in the Application and their agents;
  - 2) The matters leading to the Application, the basic dispute submitted for arbitration, and the amounts involved in the arbitration claims;
  - 3) Emergency provisional measures applied for;
  - 4) The reasons why the applicant urgently needs to apply for emergency relief before the formation of the arbitral tribunal;
  - 5) Reasons for the applicant's right to emergency relief;
  - 6) Any relevant agreements, especially the arbitration agreement;
  - 7) Suggestions on the language, place and applicable law of the emergency relief proceedings;
  - 8) Other documents or data that the applicant considers appropriate or conducive to the efficient examination of its application.
3. The fees of emergency provisional measures include the administration fee of the Center and the fees of the Emergency Arbitrator, which are 10 percent (10%) of the fees listed in Appendix 2 respectively.
4. The applicant shall prepay to the Center the full amount of the aforesaid fees within five days after submitting the Application referred to in the above Paragraph 2. If the applicant fails to prepay the relevant fees within the time limit, the application shall be rejected.
5. If the Center decides to accept the Application, it shall try to appoint an Emergency Arbitrator within five days of receipt of the Application and the application fee.

6. After appointing an Emergency Arbitrator, the Center shall notify the applicant and transfer the case to the Emergency Arbitrator. After that, all applications and documents of the applicant and other parties (if any) shall be submitted directly to the emergency arbitrator, and a duplicate of them shall be sent to the other parties (if any) and the Center. Any notice and documents issued by the Emergency Arbitrator to the parties shall also be sent to the Center.

7. The provisions of Articles 51 to 54 of the Regulation shall apply to the Emergency Arbitrator.

8. If the Emergency Arbitrator dies, is replaced or is unable to perform his/her duties for any reason, the Center shall try to appoint a replacement within five days.

9. The place of arbitration agreed upon by the parties shall be the place where the emergency relief proceedings shall take place. If the parties did not agree on the place of arbitration, the emergency relief proceedings shall be carried out in Macau. However, this shall not prejudice the decision made by the arbitral tribunal thereafter on the place of arbitration in accordance with Article 68 of the Regulation.

10. The Emergency Arbitrator in such a manner may conduct emergency relief proceedings, as he/she considers appropriate. The Emergency Arbitrator shall consider the inherent urgency of the proceedings and ensure that all parties have a reasonable opportunity to state their views on the application. The Emergency Arbitrator has the right to adjudicate on any objections to his/her jurisdiction, including objections to the existence, effectiveness and applicable scope of arbitration clauses and/or separate arbitration agreements. The Emergency Arbitrator shall also adjudicate on any dispute over whether this Appendix is applicable.

11. The Emergency Arbitrator shall decide on the Application ("Decision on Emergency Provisional Measures") within 15 days after receiving the case from the Center. The above time limit may be extended according to the agreement between the parties or may be extended by the Center as proper.

12. Even if an arbitral tribunal is established during the processing of an application for emergency provisional measures, the Emergency Arbitrator still reserves the right to decide on the application for emergency provisional measures.

13. The Decision on Emergency Provisional Measures shall:

1) Be made in writing;

2) State the date of the Decision and the reasons for the Decision (including whether the Application should be accepted in accordance with Article 56 of the Regulation and whether the Emergency Arbitrator has jurisdiction to order emergency relief); and

3) Be signed by the Emergency Arbitrator.

14. The Decision on Emergency Provisional Measures shall specify the allocation of expenses arising from the emergency provisional measures. But this Decision does not prejudice the final decision made by the arbitral tribunal on the allocation of the expenses in accordance with the Regulation.

15. The Decision shall have the same effect as the provisional measures prescribed in Article 57 of the Regulation and shall be binding upon the parties immediately after it is made.

16. The Emergency Arbitrator shall have the right to order the applicant to provide an appropriate guarantee.

17. The Emergency Arbitrator or the arbitral tribunal (once formed) may modify, suspend or terminate the Decision upon request by the parties with justifiable reasons.

18. The Decision will no longer be binding in the following circumstances:

- 1) The Emergency Arbitrator or the arbitral tribunal decides so;
- 2) The arbitral tribunal has made the final arbitral award, unless otherwise expressly decided by the arbitral tribunal;
- 3) All arbitration claims are withdrawn before the final arbitral award is made, or the arbitration proceedings are terminated;
- 4) The arbitral tribunal fails to be formed within 30 days after the Decision is made.

19. After deciding on the application for emergency provisional measures, the Emergency Arbitrator's authority shall be immediately lifted and transferred to the arbitral tribunal. The authority of the Emergency Arbitrator shall be reserved until the arbitral tribunal is established.

20. The emergency arbitrator procedure does not prevent any party from requesting, at any time, emergency provisional or preservative measures from a court of competent jurisdiction.

21. For matters not mentioned in this Appendix, the Emergency Arbitrator shall act in accordance with the Regulation and the prevailing laws and regulations for arbitration.

22. The Emergency Arbitrator shall make reasonable efforts to ensure the validity of the Decision.