CHAPTER ONE: GENERAL PROVISIONS

ARTICLE 1: SCOPE OF APPLICATION

1.The Rules of Arbitration shall apply where so provided by an arbitral clause text / or other agreement between the parties on their application however expressed. A reference in the agreement to the Palestinian International Arbitration Chamber shall be deemed to provide for the application of these Rules:

- 2. Apart from what has been stipulated in paragraph 1, these Rules shall apply where
 - a. a party files a personally signed request asking for arbitration and proposing arbitration under the Rules;
 - b. the other party accepts this proposal by a personally signed statement within the time limit set by the Executive Director of the Arbitration Chamber.

ARTICLE 2: RULES APPLICABLE TO PROCEEDINGS

1. The arbitration proceedings shall be governed by the Rules as well as by those rules agreed upon by the parties and the rules set by the Arbitration Tribunal.

2.In all cases, mandatory provisions that are applicable to the arbitration proceedings shall apply, and in all cases, the rights of the due process and equal treatment of parties shall be respected.

ARTICLE 3: RULES APPLICABLE TO THE MERITS OF THE DISPUTE

- 1.The Arbitration Tribunal shall decide on the merits of the dispute in accordance with the rules of law unless the parties explicitly agreed that it (the Arbitration Tribunal) decides ex aequo et bono.
- 2. The Arbitration Tribunal shall decide in accordance with the rules chosen by the parties or with those set subsequently until the formation of the arbitration Tribunal.
- 3.If the parties failed to agree, pursuant to paragraph 2, the Arbitration Tribunal shall apply the Rules with which the subject matter of the dispute has its closest connection.

CHAPTER TWO: COMMENCEMENT OF THE PROCEEDINGS

ARTICLE 9: REQUEST FOR ARBITRATION

- 1. The claimant shall file a request for arbitration with the Executive Director of the Arbitration Chamber.
- 2. The request for arbitration shall be duly signed by the party submitting it or by its counsel(lawyer) with the power of attorney and shall contain or be accompanied by:
 - a. the names and domiciles of the parties;
 - b. a description of the dispute and claims and an indication of their financial value;
 - c. the appointment of the arbitrator or all necessary indications as to the number of the arbitrators and the manner of their appointment;
 - d. the evidence, if any, and all documents, in support of the claim of the party requesting the arbitration;
 - e. all indications, if any, as to the rules applicable to the proceedings, the rules applicable to the merits of the dispute or the ex aequo et bono decision;
 - f. the seat and the language of the arbitration
 - g. the power of attorney to counsel, if already appointed;
 - h. the arbitration agreement.
- 3. The Executive Director shall forward the request for arbitration to the defendant within seven days of the filing of the claim. The claimant may notify / forward the request for arbitration directly to the defendant provided that the request is also filed with the Chamber's Executive Director. In all conditions, time limits shall be calculated as stipulated / provided for in the Rules starting with the delivery of the request to the Executive Director.

ARTICLE 7: TIME LIMITS

- 1. The expiry of a time limit set by these Rules, or by the Secretariat of the Arbitration Chamber or the Executive Director or the Arbitration Tribunal shall not cause the related right to lapse, unless so stipulated (determined) by these Rules or by the order setting the time limits.
- 2. The Secretariat of the Arbitration Chamber and the Executive Director and the Arbitration Tribunal may extend a time limit they have set before it expires. Time limits that entail lapse of right may be extended only for serious reasons or by agreement of all parties.
- 3. In the calculation of time limits, the initial [first] day shall be excluded. Where the date of expiry falls on a Friday or an official holiday, it shall be extended to the first subsequent possible working day.

ARTICLE 8: CONFIDENTIALITY

- 1.The Chamber of Arbitration and the Arbitration Tribunal and the expert [witnesses] shall undertake to keep all information related to the proceedings strictly confidential.
- 2. The award of the arbitration may be published only with the prior written consent of the parties to the Arbitration Chamber.

ARTICLE 11: ADMISSIBILITY OF THE ARBITRATION PROCEEDINGS

1.Where a party objects to the application of these Rules before the Arbitration Tribunal is constituted, the secretariat shall decide on the extent of the admissibility/ acceptance of the arbitration.

2. The decision of the secretariat that the arbitration is admissible shall not be binding to the Arbitration Tribunal.

ARTICLE 12: LACK OF JURISDICTION OF THE ARBITRATION TRIBUNAL

Any objection to the existence, the validity or effectiveness of the arbitration agreement or lack of jurisdiction of the Arbitration Tribunal shall be raised in the first brief or at the first hearing following the claim to which the objection relates or shall be deemed to be waived. The Arbitration Tribunal shall decide on the objection raised over its jurisdiction/competence.

ARTICLE 10: STATEMENT OF DEFENCE

- 1.The defendant shall file his/her statement of defence accompanied by the counterclaim, if any, with the Executive Director of the Arbitration Chamber within thirty days of the delivery of the request for the arbitration he/ she has sent to the Executive Director. The Executive Director may extend this time limit in case of the presence of justified reasons.
- 2. The statement of defence shall be duly signed by the party (claimant) or by its counsel with the power of attorney and it shall contain or be accompanied by:
 - a. the name and domicile of the defendant;
 - b. a (summary) description of the defence;
 - c. the appointment of the arbitration or all necessary indications as to the number of arbitrators and the manner of their selection or appointment;
 - d. the legal evidence, if any, and all documents in support of the defendant;
 - e. all indications, if any, pertinent to the rules applicable to the proceedings, the rules applicable to the merits of the dispute or the ex aequo et bono decision, the seat and the language of the arbitration;
 - f. the power of attorney to counsel, if already appointed.
- 3. The Executive Director of the Arbitration Chamber shall forward the statement of defence and the counterclaim, if any, to the claimant within seven working days as of date of filing.

The defendant may forward directly the statement of defence and the counter- claim to the claimant, if any, provided that it is also filed with the Executive Director of the Arbitration Chamber.

- 4. Where the defendant fails to file a statement of defence with the Executive Director of the Arbitration Chamber, the arbitration shall proceed in its absence.
- 5. Where the defendant has submitted (filed) a counterclaim, the claimant shall have the right to file a reply, to the counterclaim submitted by the defendant, with the Executive Director of the Chamber of Arbitration within thirty days of receiving the statement of the counterclaim (defence).

b. The parties may, however agree that the President(who also heads the Arbitration Tribunal) be appointed by common agreement of the two arbitrators appointed by the two parties. If the two arbitrators fail to reach an agreement within the time limit indicated by the two parties or by the Executive Director of the Chamber of Arbitration where the parties have not indicated it, the Secretariat appoint the umpire who shall be the president of the Arbitration Tribunal.

5. Where the parties have different nationalities, or are domiciled in different countries, the Secretariat shall appoint a sole arbitrator or an umpire who shall be the president of the Arbitration Tribunal, a person of a nationality other than those of the parties, unless otherwise agreed by the parties.

ARTICLE 15: APPOINTMENT OF ARBITRATORS IN MULTI-PARTY **ARBITRATION**

1. Where the request for arbitration is filed by or against several parties, coupled with a text in the arbitration agreement to resort to an arbitral tribunal without specifying the competent authority which shall appoint this tribunal or its president, and where the parties form into two groups at the outset, since filing first, and each group appoints an arbitrator, the Secretariat shall appoint an umpire who shall be the president of the Tribunal.

2.Where the parties fail to form into two groups upon submission of the statement of the claim or the plea, the Secretariat shall assume the appointment of all the Arbitration Tribunal members or a sole arbitrator if it deems that appropriate regardless of any text contrary to the arbitration agreement, or notwithstanding any appointment made by any of the parties.

ARTICLE 16: CONFLICT OF INTEREST(INCOMPATIBILITY)

The following persons may not be appointed as arbitrators:

- a. the members of the Secretariat of the Arbitration Chamber;
- b. the auditors of the Arbitration Chamber:
- c. the employees of the Arbitration Chamber;
- d. the professional partners and employees of the persons sub who have an ongoing cooperative professional relationship with those persons aforementioned in paragraph a.

CHAPTER THREE: THE ARBITRATION TRIBUNAL

ARTICLE 13: NUMBER OF ARBITRATORS

- 1. The Arbitration Tribunal shall consist of a sole arbitration or a panel of an uneven number of arbitrators. These arbitrators shall have been registered with Chamber's registry, all in line with what the parties shall decide on.
- 2.In the absence of an agreement as to the number of the arbitrators, the Arbitration Tribunal shall consist of a sole arbitrator. The Secretariat may refer the dispute to a panel of three arbitrators if it deems appropriate given the complexity or financial value/cost of the dispute.
- 3. Where the arbitration agreement provides for an even number of arbitrators the Arbitration Tribunal shall consist of that number of arbitrators plus one with a decision of the Secretariat
- 4.A registry of arbitrators shall be created at the Palestinian International Arbitration Chamber in accordance with Article 11 of the Statute of the Chamber.

ARTICLE 14: APPOINTMENT OF ARBITRATORS

- 1. The arbitrators shall be appointed in accordance with the rules established by the parties in the arbitration agreement.
- 2.Unless stipulated otherwise in the arbitration agreement, the Arbitration Tribunal shall be appointed by the Secretariat.
- 3. Where the parties have agreed on the common appointment of the sole arbitrator without indicating a time limit thereof, this time limit shall be set by the Executive Director of the Arbitration Chamber.
- 4. Unless stated otherwise in the arbitration agreement, the Arbitration Tribunal shall be appointed in the following manner:
 - a. Each party shall appoint an arbitrator in the request for arbitration and the statement of defence, respectively. If a party fails to do so, the arbitrator shall be appointed by the Secretariat;

within fifteen days of receiving of statement of independence or of becoming aware of the ground for challenge.

- 3. The Executive Director of the Arbitration Chamber shall forward the challenge to the arbitrators and the other parties and set a time limit for filing comments, if any.
- 4. None of the arbitration parties may request challenge of arbitrator it has appointed itself or has participated in his/ her appointment except based on reasons found after appointment. Request for challenge of Arbitration Tribunal may not submitted after conclusion of the statements of the parties and closure of the proceedings.
- 5. The Secretariat shall decide on the challenge.

ARTICLE 20: REPLACEMENT OF ARBITRATORS

- 1.An arbitrator shall be replaced by another arbitrator where:
 - a. he/she does not accept his/ her appointment or he/ she resigns after accepting it;
 - b. he is not confirmed;
 - c. the Secretariat accepts the challenge against the arbitrator;
 - d. the Secretariat removes the arbitrator for violation of the duties of the Arbitration Tribunal under these Rules or on other serious ground;
 - e. he/ she dies or is no longer able to perform his/ her assignments due to health reasons or other serious grounds.
- 2. The Executive Director of the Arbitration Chamber may suspend the proceedings in any of the cases stipulated in paragraph 1.
- 3. The new arbitrator shall be appointed by the same entity that appointed the arbitrator who is being replaced. If the replacing arbitrator must be also replaced, a third new arbitrator shall be appointed by the Secretariat.
- 4. The Secretarial shall determine the fees, if any, due to the arbitrator who has been replaced, taking into account the amount of work done and the ground for replacement.
- 5. In case of replacement of the arbitrator, the Arbitration Tribunal may decide that all or some of the acts in the proceedings be repeated.

ARTICLE 17: ACCEPTANCE BY ARBITRATORS

The Executive Director of the Arbitration Chamber shall give notice of their appointment as arbitrators. Within fifteen days of receiving the notice, the arbitrators shall give notice in writing of their acceptance to the Executive Director of the Arbitration Chamber.

ARTICLE 18: STATEMENT OF INDEPENDENCE AND CONFIR-MATION OF APPOINTMENT OF ARBITRATORS

- 1. When giving notice of their acceptance, the arbitrators shall submit their statement of independence to the Executive Director of the Arbitration Chamber.
- 2. The arbitrator shall indicate in the statement of independence the following matters along with the date and duration:
 - a. any relationship with the parties or their counsel which may affect his/her impartiality and independence;
 - b. any personal or economic interest, either direct or indirect, in the subject matter of the dispute;
 - c. any prejudice or reservation as to the subject matter of the dispute.
- 3. The Executive Director of the Arbitration Chamber shall forward a copy of the statement of independence to the parties. Within ten days of receiving the statement, each party may file written comments and reservation with the Executive Director of the Arbitration Chamber.
- 4. After expiry of time limit in paragraph 3, the Executive Director of the Arbitration Chamber shall confirm the appointment of the arbitrator if he/ she has filed a statement of independence without considerable qualifications and the parties file no written comments thereto.

In any case, the Arbitration Tribunal shall decide on any matter pertinent to the confirmation of the appointment of the arbitrator.

5. Where necessary due to supervening facts or at the request of the Executive Director, the statement of independence shall be repeated in the course of the arbitration until its conclusion.

ARTICLE 19: CHALLENGE OF ARBITRATORS

- 1. Each party may file a reasoned challenge against the arbitrators on any ground that casts a doubt on their independence or impartiality.
- 2. The challenge shall be filed with the Executive Director of the Arbitration Chamber

ARTICLE 23: ORDER OF THE ARBITRATION TRIBUNAL

- 1. Save the arbitration award, the Arbitration Tribunal shall decide by order.
- 2. Orders shall be issued by majority vote and the arbitrators shall not necessarily meet in personal conference.
- 3. Orders shall be written and the President of the Arbitration Tribunal may sign them
- 4. The arbitration order shall be issued unanimously or by over- whelming majority after deliberation, if the Arbitration Tribunal had more than one arbitrator, or by order of the umpire in the event of failing to obtain the majority.

ARTICLE 24: HEARINGS

- 1.Together with the Executive Director of the Arbitration Chamber, the Arbitration Tribunal shall determine the dates of the hearings and shall communicate these dates to the parties with adequate notices.
- 2. The parties may appear at the hearings either in person or through duly empowered representation and may be assisted by counsel with power of attorney.
- 3. Minutes shall be taken of the hearings of the Arbitration Tribunal. Minutes shall bear date and seat of hearing held and shall be signed by the Arbitration Tribunal. Copies of the minutes shall be sent to the parties upon their request.

ARTICLE 25: EVIDENCE TAKING

- 1. The Arbitration Tribunal shall handle the hearing by gathering in an acceptable way all the evidence pertinent to the dispute and in the way it deems appropriate.
- 2. The Arbitration Tribunal shall freely evaluate all evidence, with the exception of legal evidence under mandatory provisions applicable to the proceedings or the issue of dispute.
- 3. The Arbitration Tribunal may delegate the evidence taking to one of its members.

ARTICLE 26: TECHNICAL EXPERTISE

- 1. The Arbitration Tribunal may appoint one or more expert witness upon request of one party, or of its own volition or delegate their appointment to the Arbitration Chamber.
- 2. Expert witness shall be bound by the same duties as arbitrators under these Rules; the challenge provisions for arbitrators shall apply.

CHAPTER FOUR: THE PROCEEDINGS

ARTICLE 21- CONSTITUTION OF THE ARBITRATION TRIBUNAL

- 1. The Executive Director shall forward the request for arbitration and the statement of defence to the arbitrators, together will all the annexed documents when the advance payment is made.
- 2. The arbitrators shall constitute the Arbitration Tribunal within thirty days of receiving the acts and documents forwarded by the Executive Director of the Arbitration Chamber. The Executive Director may extend this time limit for justified reasons.
- 3. The constitution of the Arbitration Tribunal shall be formalized in minutes dated and signed by the arbitrators, establishing the modalities and time limits of the proceedings.
- 4. Where the arbitrators are replaced after the Arbitration Tribunal has been constituted, the Executive Director of the Arbitration Chamber shall forward a copy of the acts and documents of the proceedings to the new arbitrators. The new Arbitration Tribunal shall be constituted pursuant to paragraphs 2 and 3.

ARTICLE 22 POWER OF THE ARBITRATION TRIBUNAL

- 1.At any stage in the proceedings, the Arbitration Tribunal may attempt conciliation between the parties.
- 2.The Arbitration Tribunal may issue all urgent and interim measures of protection of an anticipatory nature, that are not prohibited by mandatory provisions applicable to the proceedings, if the arbitration agreement provided for it.
- 3. Where several proceedings are pending before the Arbitration Tribunal, the Tribunal may order that they be consolidated if it deems them to be objectively connected.
- 4. Where the same proceedings concern several disputes, the Arbitration Tribunal may order these disputes be separated.
- 5. The Arbitration Tribunal may take all necessary measures to correct or supplement the parties' representation and provide them with legal assistance.

ARTICLE 29- SETTLEMENT AND WITHDRAWAL

The parties or their counsels shall inform the Executive Director of the Arbitration Chamber that they withdraw their claims because of a settlement or on other grounds, thereby relieving the Arbitration Tribunal , if it has not yet been constituted; if it has already been constituted, the Arbitration Tribunal shall issue a decision approving of the settlement between the parties on the basis of the conditions agreed on; and shall be considered a decision rendered by it without being obliged to following the proceedings justifying duly the award.

- 3. Expert witness appointed by the Arbitration Tribunal shall allow the parties to be present, either directly or through their counsel, when they perform their assignment/task.
- 4. The arbitration parties shall present to the appointed expert witnesses all information they possess or documents pertinent to the expert witness's assignment/task.
- 5. The Executive Director of the Arbitration Chamber shall forward copies of the expert witness's report to each party to provide them with an opportunity to discuss it with the expert witness in a hearing set for this purpose.
- 6. Where expert witnesses to the arbitration body are appointed, the parties may appoint their own expert witnesses to express their opinion on issues raised in the report of the expert witnesses who have been appointed by the Arbitration Tribunal. The expert witnesses' activities at which the party-appointed witnesses were present shall be deemed to have been performed in the presence of these parties.

ARTICLE 27: NEW CLAIMS

- 1. The Arbitration Tribunal shall decide on the merits of new claims filed by the parties in the course of the proceedings where one of the following conditions is met:
 - a. the party against which the claim is filed declares that it accepts adversarial proceedings on that claim or does not object thereto before raising any defence on the merits;
 - b. the new claim is objectively connected with one of the claims in the proceedings.
- 2. The Arbitration Tribunal shall always allow for a written reply to new claims.

ARTICLE 28: CONCLUSION OF PROCEEDINGS

- 1. Where it deems that the case is ripe for issuing a final award, the Arbitration Tribunal shall close all the evidence taking phrase and ask all parties to file their conclusions / defence.
- 2. The Arbitration Tribunal shall set a time limit for filing final statements, if it deems that such statements are necessary or if a party so requests. The Arbitration Tribunal may set further time limits for statements in reply and schedule a final hearing.
- 3. When asked by the Arbitration Tribunal to file their conclusions, the parties may not file new claims, plead new facts, submit new documents or request new evidence taking.
- 4. The above paragraphs shall also apply where the Arbitration Tribunal deems it appropriate to issue a partial award, with respect to the dispute which is the subject matter of that award.

ARTICLE 31: FILING AND NOTIFICATION OF THE AWARD

- 1. The Arbitration Tribunal shall file the arbitration award with the Executive Director of the Arbitration Chamber in as many original copies as there are parties plus another original copy.
- 2. The Executive Director of the Arbitration Chamber shall forward an original copy of the arbitration award to each party within ten days of receiving the award of the Arbitration Tribunal.

ARTICLE 32: TIME LIMIT FOR FILING THE FINAL AWARD

- 1. The Arbitration Tribunal shall file the final award and shall submit it to the Executive Director within twelve months of its being constituted, unless the parties have agreed upon otherwise.
- 2. The Arbitration Tribunal may extend the time limit stipulated in paragraph 1. The Executive Director of the Arbitration Chamber may also extend the time limit in cases stipulated explicitly by these Rules or in any other justified case.

ARTICLE 33: PARTIAL AWARD AND INTERIM AWARD

- 1. The Arbitration Tribunal may render a partial award when it settles only one or some of the issues of the dispute.
- 2. The Arbitration Tribunal may render an interim award to settle one or more preliminary, procedural or substantive issues or in any other case allowed by the rules applicable to the proceedings.
- 3. In all cases, under paragraphs 1 and 2, the Arbitration Tribunal shall order the continuation of the proceedings.
- 4. A partial or interim award shall not affect the time limit for filing the final award, requests for extension to the Arbitration Chamber excepted.
- 5. The provisions on the award in these Rules shall apply to partial and interim awards. An interim award shall not contain a decision on the costs of the proceedings and the legal costs.

CHAPTER FIVE: THE ARBITRATION AWARD

ARTICLE 30- DELIBERATION OF THE AWARD

- 1. The award shall be deliberated by the Arbitration Tribunal by majority vote. The arbitrators shall deliberate in personal conference only if the rules applicable to the proceedings so require or by decision of the umpire if there was majority vote.
- 2.The award shall be in writing and shall indicate:
 - a. The statements of the parties to the dispute and their counsels;
 - b. Summary (description) of the arbitration agreement;
 - c. Seat of the arbitration;
 - d. The claims filed by the parties and summary of heard evidence;
 - e. The reasons for the award decisions;
 - f. The "rituale" or "irrituale" nature of the award;
 - g. The decision on the cost of the proceedings, referring to the assessment thereof of the Secretariat of arbitration and on the legal costs of the parties;
 - h. The date, place and manner of deliberation.
- 3. The award shall be signed by all the members of the Arbitration Tribunal or by the majority of them. In this latter case only, the award shall state that the arbitrators who did not sign, could not sign or did not wish to do so.
- 4. Each signature shall indicate its place and date. The arbitrators may sign at different places and times.
- 5. The Executive Director shall draw the arbitrators' attention to any non-compliance with the formal requirements under this Article (30) where the Executive Director shall submit verification a draft of the arbitration award for examination before signing it.

CHAPTER SIX: COSTS OF PROCEEDINGS

ARTICLE 35: VALUE OF DISPUTE

- 1. For the sake of assessing arbitration expenses, the value of the dispute shall be the total number of claims filed by all the parties.
- 2. The Executive Director of the Arbitration Chamber shall assess the value of the dispute on the basis of the request for arbitration and statement of defence as well as on the basis of other statements submitted by the parties and the Arbitration Tribunal according to specific criteria used for assessment of value of disputes cited in Annexes a and c accompanying these Rules.
- 3. In any phase of the proceedings, where it shall be appropriate, the Executive Director of the Arbitration Chamber may apportion the value of the dispute according to the claims of each party. He may also oblige each party to bear the costs pertinent to these claims.
- 4. In the case of apportioning the value of the dispute according to claims of each party, as stipulated in paragraph 3 above of Article 35, the fees of the Arbitration Chamber or the costs of the arbitrators shall not exceed the value calculated according to Article 35, paragraph 1.

ARTICLE 36: COSTS OF ARBITRATION

- 1. The Secretariat shall finally determine the costs of the proceedings before filing the arbitration award.
- 2. The Arbitration Tribunal shall be informed of the determination of the costs of arbitration and shall refer thereto in the decision on the costs in the arbitration award.
- 3. The costs of the proceedings shall include:
 - a. fees of the Arbitration Chamber;
 - b. fees of the Arbitration Tribunal;
 - c. fees of the expert witnesses to the arbitration body;
 - d. reimbursement of expenses of the arbitrators
 - e. reimbursement of expenses of the expert witness appointed by the Arbitration Tribunal (body).
- 4. The fees of the Arbitration Chamber for administering the proceedings shall be

ARTICLE 34: CORRECTION OF THE AWARD

- 1. The Arbitration Tribunal may correct the award, by itself or upon a request by one of the parties, in the cases and within the time limits provided for in the rules applicable to the proceedings.
- 2. A request for correction shall be filed with the Executive Director of the Chamber of Arbitration, who in turn shall forward it to the Arbitration Tribunal. The Arbitration Tribunal shall decide by order after hearing the parties within a month of receiving the request for correction.
- 3. The correction shall be of arithmetical and or writing errors or material errors in the report. This shall apply to the original copy of the report and it shall be signed by both the Arbitration Tribunal and the Executive Director of the Arbitration Chamber.

ARTICLE 38: FAILURE TO PAY

- 1. Where a party fails to make a requested payment, the Executive Director of the Arbitration Chamber may request the other party to make payment of that amount and set a time limit thereof, or may divide the value of the dispute, if it has not yet been estimated, request each party to make a payment based on the value of its claim and set a time limit thereof.
- 2. If any of the requested payments is not made within the time limit given there for, the Executive Director of the Arbitration Chamber may suspend the entire proceedings or only the proceedings on the request to which the payment refers. The Executive Director shall lift the suspension order when the payment is made.
- 3. Where the parties fail to make payments within two months of the notice of the order of suspension under paragraph 2, the Executive Director of the Chamber of Arbitration may declare the entire proceedings, or the proceedings on the request to which the payment refers, concluded.

determined on the basis of the value of the dispute in accordance with the Schedule of Fees annexed to these Rules. Where the proceedings end before the award is rendered, lower fees may be determined. These activities included and excluded, respectively, in the fees of the Arbitration Chamber are indicated in Annex B to these Rules.

- 5. The fees of the Arbitration Tribunal on the basis of the value of the dispute in accordance with the Schedule of Fees annexed to these Rules. When determining these fees of the Arbitration Tribunal, the Secretariat shall take into account the work done, the complexity of the dispute, the degree of difficulty and rapidity of the proceedings, and any other circumstances. Different fees may be established separately for each member of the Arbitration Tribunal. Lower fees than the minimum fees provided for in the Schedule may be determined where the proceedings end before the award is rendered; fees in excess of the Schedule may be determined in exceptional cases.
- 6. The fees of the expert witnesses to the arbitration body shall be determined in equity, taking into account the Schedule of Fees of their profession, the court schedule fees and any other circumstance.
- 7. The reimbursement of the expenses of the arbitrators and expert witnesses to the arbitration body shall be against documents proving such expenses. If such documents are lacking, the expenses shall be deemed to be included in the fees due to arbitrators

ARTICLE 37: ADVANCE AND FINAL PAYMENTS

- 1. After the request for arbitration and the statement of defense are filed, the Executive Director of the Chamber of Arbitration shall request the parties to make an advance payment and set a time limit for this payment.
- 2. The Executive Director of the Arbitration Chamber may request further advance payments from the parties in relation to work done or changes made in the value of the dispute, and set a time limit for these payments.
- 3. The Executive Director of the Arbitration Chamber shall request payment of the balance of the costs following the final determination by the Secretariat before the award is filed and shall set a time limit for these payments.
- 4. The payments in paragraphs 1,2 and 3 shall be requested of all parties in equal parts where the Executive Director of the Arbitration Chamber estimates one value of the dispute on the basis of all the claims filed by the parties, or shall be requested of the parties in different proportions on the basis of the value of their respective claims.
- 5. For requesting payments, the Executive Director of the Arbitration Chamber may consider several parties as one, taking into account the manner in which the Arbitration Tribunal is constituted or the community of interest of the parties.

ANNEX A

CRITERIA FOR DETERMINING THE VALUE OF THE DISPUTE

- 1. The value of the dispute shall be the sum of all the claims filed by the parties-unless an order was taken to apportion the value of the dispute according to the claims of each party-that aims at obtaining a declarative order, an order to pay or perform or an order that establishes a new juridical situation.
- 2. Where a party files primary and subsidiary claims, only the primary claims shall be taken into account for determining the value of the dispute.
- 3. Where it is necessary to make preliminary estimate of several alternative claims, rather subordinate claims, filed by the parties, the value of the dispute shall be determined on the basis of the sum of these claims.
- 4. Where a party seeks ascertainment of a debt while only seeking a declarative order, an order to pay, or perform or an order that modifies the existing juridical situation with respect to a part thereof, the value of the claim shall be the total amount of the debt to be ascertained.
- 5. The value of debt claimed as set-off shall not be calculated if it is lower than or equal to the debt claimed by the other party. If it is higher, only the value of the excess shall be calculated.
- 6. Where a party modifies the value of its claims, when filing its conclusions, the value of the claims shall be calculated with respect to the claims that the Arbitration Tribunal has examined.
- 7. Where the value of the dispute is undetermined and undeterminable, the Arbitration Chamber shall determine it in equity.
- 8. The Arbitration Chamber may determine the value of the dispute according to criteria other than those provided for in the above paragraphs, where the application of criteria in the above paragraphs is manifestly unjust.

CHAPTER SEVEN: PROVISIONAL **PROVISIONS**

ARTICLE 39: ENTRY INTO FORCE

- 1.These Rules shall take effect as of January 1,2014.
- 2. The Secretariat of the Arbitration Chamber may add to, amend and replace these Rules and establish the date on which the new or amended provisions shall enter into force with a decision from the Secretariat of the Arbitration Chamber.
- 3. Unless provided otherwise, the new provisions introduced, pursuant to paragraph 1, shall apply to proceedings commenced after the date on which the provisions have entered into force.
- 4. Where something has not been provided for in this system (Rules of Arbitration) the UNCITRAL rules and Statute of the Palestinian International Arbitration Chamber shall apply to it.

CODE OF ETHICS OF ARBITRATORS

ARTICLE 1: ACCEPTANCE OF THE CODE OF ETHICS

- 1. An arbitrator accepting a mandate in an arbitration administered by their Palestinian International Arbitration Chamber shall act in accordance with the Rules of the Chamber and this Code of Ethics, independent of the party that appointed him, whether he / she has been appointed by the parties or by other arbitrators or by the Chamber or by any person or any other body.
- 2. This Code of Ethics shall apply by analogy to expert witnesses to the arbitration body.

ARTICLE 2: PARTY- APPOINTED ARBITRATION

A party-appointed arbitration shall be bound by all the duties under this Code of Ethics throughout the entire course of the proceedings; he may contact the party that has appointed him/her or its counsel regarding the appointment of the President of the Arbitration Tribunal umpire who is also its President if asked to appoint him / her. The instructions given to the arbitrator shall not be binding in this context.

ARTICLE 3: COMPETENCE

Upon acceptance of his /her mandate, the arbitrator shall be able to perform his /her assignment with the necessary competence with the respect to his /her adjudicating function and subject matter of the dispute.

ARTICLE 4: AVAILABILITY

Upon acceptance of his /her mandate, the arbitrator shall be able to devote the necessary time and attention to the arbitration to perform and complete his/ her assignment as expeditiously as possible.

ARTICLE 5: IMPARTIALITY

Upon acceptance of the mandate, the arbitrator shall be able to perform his/ her assignment with the necessary impartiality, a quality that characterizes his /her adjudicating function; he/she undertakes to achieve in the interest of all parties.

ARTICLE 6: INDEPENDENCE

When accepting his/ her mandate, the arbitrator shall be objectively independent. He /she shall remain objective during the entire process of the arbitration proceedings as well as after the award is filed, during the period in which annulment of the award can be sought.

ANNEX B

FEES OF THE ARBITRATION CHAMBER: INCLUDED AND **EXCLUDED ACTIVITIES**

- 1. The following activities shall be included in the fees of the Chamber of Arbitration indicated in the Schedule of Fees:
 - a. Managing and administering proceeding as defined in the Preamble to these Rules with respect to each body of the Arbitration Chamber;
 - b. Receiving and forwarding acts;
 - c. Controlling the formal validity of these acts;
 - d. Convening and hosting hearings on its premises;
 - e. Supplying its staff at hearings and taking minutes of hearing.
- 2. The following activities shall be excluded from the fees of the Arbitration Chamber and shall be paid separately, if/ when requested:
 - a. Photocopying of acts and documents filed by the parties where the number of copies is insufficient;
 - b. Adding revenue stamp taxes or certifying acts when necessary;
 - c. Recording of hearings and their proceedings and transcription of tapes;
 - d. Interpretation and translation services;
 - e. Communication services

ARTICLE 12: COSTS

The arbitrator shall avoid superfluous expenses which could increase the costs of the proceedings in an unjustified manner.

The arbitrator shall not accept any direct or indirect agreements on fees and expenses with any of the parties or their counsels

The arbitrator shall be entitled to a fee and reimbursement of expenses as solely determined by the Chamber of Arbitration in accordance with its Schedule of Fees which is deemed to be approved by the arbitrator when accepting his/her mandate.

ARTICLE 13: VIOLATION OF THE CODE OF ETHICS

The arbitrator who does not comply with this Code of Ethics shall be replaced by the Arbitration Chamber, which may also refuse to confirm him/her in subsequent proceedings due to his/her violation of the Code of Ethics.

ARTICLE 7: STATEMENT OF IMPARTIALITY AND INDEPENDENCE

1. When accepting the arbitration mandate, the arbitrator shall supply a written statement in order to guarantee his/ her impartiality and independence, as provided for by the Rules of the Palestinian International Arbitration Chamber.

- 2. All doubts as to the extent of the necessity to disclose a fact, circumstance or relationship shall be resolved in favor of the disclosure.
- 3. Where facts, circumstances and relationships that should have been disclosed are subsequently discovered, the Arbitration Chamber may deem that these facts, circumstances and relationships as grounds for rejecting and replacing the arbitrator during the proceedings or not confirming his/her appointment in other arbitration disputes.

ARTICLE 8: DEVELOPMENT OF THE PROCEEDINGS

- 1.The arbitrator shall promote a thorough and expeditious development of the proceedings.
- 2. In particular, he/ she shall decide on the date and manner of the hearings in such a way as to allow for equal treatment of all the parties and the full respect of the due process of law.

ARTICLE 9: UNILATERAL CONTACTS WITH PARTIES

In the entire course of the proceedings, the arbitrator shall refrain from making unilateral contacts with the parties or their counsels (lawyers). Where there is such a unilateral contact, the arbitrator shall immediately notify the Arbitration Chamber so that the Chamber can inform other parties or the arbitrators of such unilateral contract.

ARTICLE 10: CONCILIATION

The arbitrator may at all stages suggest the possibility of a settlement or conciliation of the dispute to the parties but may not influence their decision by indicating that he /she has already reached a settlement on the outcome of the proceedings.

ARTICLE 11: DELIBERATION OF THE AWARD

The arbitrator shall refrain from any obstructive or non-cooperative conduct and promptly express his/ her willingness to participate in the deliberation to issue an arbitration award. He /she shall remain free to refuse to sign the award where the decision is taken by majority vote by the Arbitration Tribunal, and he / she was holding a different opinion.

SCHEDULE OF FEES (IN JORDANIAN DINARS)

Num-	Value of	Fees of Arbitration	Fees of Sole Arbitra-	Fees of Arbitration Tribunal
1	Up to 5000	200	400	600
2	5,001-15,000	300	500	1,200
3	15,001-25,000	400	800	1,800
4	25,001-50,000	800	1,000	25,000
5	50,001-100,000	1,500	1,800	4,200
6	100,001-150,000	2,000	2,400	5,000
7	150,001- million	2,000 + (amount-150,000)*6%	42% of value of Tribunal	
8	1 million- 2 mil-	7,100+(amount-mil- lion)*3%	42% of value of Tribunal	30,500+(amount-mil-
9	2 millions- 4	10,100+(amount-2mil- lions)*2%	42% of value of Tribunal	50,500+(amount- 2 mil-
10	More than 4	14,100+(amount-4 mil- lions)*1%	42% of value of Tribunal	70,500+(amount-4 mil-

- Fees of Arbitration Chamber shall not exceed 50,000 Jordanian dinars regardless of amount in dispute.
- Official currency shall be the Jordanian dinar.
- Administrative expenses include work of record-keeper of hearing costs and services provided by the center. These services includes stationery, typing, photocopying of documents, hospitality, etc.
- Costs of expert witnesses, interpretation/ translation, labs, transportation of arbitrators and their inspection visits shall be collected through agreement of the

This Schedule of Fees shall take effect as of April 1, 2014; it does not include Value Added Tax (VAT) and any other legal and fiscal duties mandated by law. The total amount of fees is indicated; therefore, it should be apportioned among the parties. Payments shall be made at the Arbitration Chamber headquarters or by bank transfer to the Arbitration Chamber bank account.

ANNEX C

REGISTRATION FEES

The claimant shall pay an advance registration fee of 75 Jordanian dinars, when submitting the notice of arbitration (filing a request for arbitration) . This registration fee shall be non-refundable.

AMOUNTS IN DISPUTE

The claimant shall specify his/her claims in the statement of claim and shall indicate the value of each claim and the total financial value of his/her claims.

The defendant shall specify any of his/her counterclaims in his/her plea (rejoinder) and shall indicate the value of each counterclaim and the total financial value of all his/her counterclaims.

The amounts requested to be paid by each party shall be specified according to the baskets of amounts in dispute in the Schedule of Fees.

ADVANCE PAYMENT

At the start of the course of arbitration proceedings and before signing the assignment document, each party shall pay 50% of arbitration costs requested from it.

FINAL PAYMENT

The parties to the dispute shall pay the balance due on them and the costs of arbitrator provided for in the arbitration award. An original copy of the arbitration award shall be given only to the party that has paid all the amounts due on it (arbitration costs).