

RULES OF PROCEDURE OF THE ARBITRATION CHAMBER OF PARIS

In force the 1st of September 2005

In the event of dispute as to interpretation of the text, the French text shall be valid.

1 INTRODUCTION

Article 1 :

The aim of the Arbitration Chamber of Paris is to settle disputes submitted to it by arbitration, which it shall arrange or by conciliation of the parties.

Arbitrations or conciliations are held in the premises of the Arbitration Chamber of Paris, unless there is any expressly agreed provision to the contrary.

The Arbitration Chamber of Paris reserves its right to organize by video conference preliminary hearings to the holding of arbitration hearings themselves if the Chairman of the Arbitration Chamber of Paris deems it necessary.

It is for the arbitrators appointed by the parties or the Chairman of the Arbitration Chamber of Paris, once they have accepted the role of arbitrator in compliance with the Rules of Arbitration herein, to examine and settle disputes within the framework of the Arbitral Tribunals on which they sit.

The same is true of disputes referred to the Chamber from Courts.

In addition, the Arbitration Chamber of Paris provides the Arbitral Tribunals with all necessary material assistance either by placing at their disposal all the resources which it habitually uses or by implementing measures which may be decided by them in the course of proceedings in order to fully perform their mission.

The preceding provisions may be extended to ad hoc arbitration. In such cases, arbitrators and/or parties who intend to make use of its services have to determine with the Arbitration Chamber of Paris which services they wish it to perform.

Finally, the Arbitration Chamber shall cause to be carried out all expert evaluations, analyses and formalities which are under its responsibility or which may be called for.

Article 2 :

The legal representative of the Paris is its Chairman, who exercises the powers hereby entrusted both to the Arbitration Chamber of Paris and to himself in pursuance of these Rules of Arbitration.

Where the Chairman is prevented from doing so, his powers shall be exercised by one of the Vice-Chairmans officially designated as surrogate and only for the duration of such impediment.

32 RULES OF ARBITRATION

Article 3 :

The Arbitration Chamber shall arrange arbitration between parties in dispute by forming an Arbitral Tribunal specific to each case referred to it.

36 The Arbitration Chamber reserves the right to refuse any application for arbitration
37 without obligation to explain such refusal.

38 When agreeing to request arbitration from the Arbitration Chamber of Paris, parties shall
39 be deemed to accept the Rules herein and to abide by their enforcement unless there is any expressly
40 agreed provision to the contrary.

41 The claimant shall choose the arbitration procedure to be applied to their case amongst
42 the procedures provided for under the present rules and the annexes. The Arbitration Chamber of
43 Paris will not be held responsible for any consequences resulting from such a choice.

44 In order to facilitate the recovery of small money claims that qualify as being
45 unquestionable, liquid and due, the parties may request implementation of the P.A.R.A.D. procedure
46 as described in appendix 1.

47 In order to facilitate the recovery of limited money claims, unless contrary opinion raised
48 by one of the parties, the rules to be applied will be those under the P.A.R. procedure as described in
49 appendix 2.

50 When the parties are bound by a contract involving the application of procedural rules
51 specific to a particular branch of the trade, such shall be observed by the Arbitral Tribunal or
52 Tribunals called upon to resolve the dispute. The rules herein shall apply where their provisions do
53 not contradict the procedural rules of the trade so adopted.

54 JURISDICTION

55 Article 4 :

56 Once formed an Arbitral Tribunal shall be in each case the judge of its own competence to sit.

57 Under penalty of being considered unacceptable, any plea in bar of jurisdiction must be
58 raised by the interested party before any defence on the merits of the case itself.

59 POWERS

60 Article 5 :

61 Referral to a dispute to the Arbitration Chamber of Paris necessarily implies the waiver
62 by the parties involved of any right of appeal before the relevant Court. Awards shall be final and
63 subject only to an application for the award to be set aside.

64 It also necessarily implies acceptance by them that the Court to which application is
65 made for the award to be set aside may not rule on the merits of the case where the original award is
66 so set aside.

67 Arbitral Tribunals constituted by the Arbitration Chamber are under no obligation
68 during proceedings to observe the procedure, time limits or formalities governing Courts. However,
69 the general principles for the conduct of proceedings set out in Articles 4 to 10, 11 (first paragraph)
70 and 13 to 21 of the Nouveau Code de Procédure Civile (French New Code of Civil Procedure) shall
71 apply to arbitration proceedings.

72 Any Arbitral Tribunal shall settle the dispute referred to it according to the rules of law
73 unless the parties expressly agree to request the Arbitrators to rule as amiable compositeurs.

74 In this case the Arbitral Tribunal is appointed according to Article 15 covering First
75 Degree Tribunals but the award, based on a majority vote, shall be final and the parties involved shall
76 be deemed to have waived any possibility of requesting a new examination of the case by a second
77 Degree Tribunal as provided for by Articles 17 and 18 below. Arbitration fees are those payable for
78 First Degree proceedings.

79 If during proceedings which have already begun the parties agree to change the nature of
80 their request from a request for a judgement according to the rules of law to a request that the
81 Arbitrators rule as amiable compositeurs, a statement recording this agreement shall be drawn up
82 before the Tribunal and signed by the parties and the arbitrators. The award, based on a numerical
83 majority, shall then be final.

84 THE ARBITRATORS

85 Article 6 :

86 The Arbitral Tribunals shall be formed by Arbitrators who are either nominated or
87 appointed according to Articles 15, 18 or 35 herein.

88 When Arbitrators are appointed by the Arbitration Chamber, they are selected, without
89 prejudice to the exception provided for in Article 9, from the Single List of Arbitrators drawn up
90 according to the provisions of Article 8 herein.

91 The parties in dispute shall have the right to nominate an Arbitrator not mentioned on
92 the Single List if the Arbitrator satisfies the conditions laid down by Article 7. The appointment of this
93 Arbitrator is within the competence of the Chairman of the Arbitration Chamber of Paris.

94 Article 7 :

95 The Arbitrators may be French nationals or foreigners. They must enjoy full citizen's
96 rights and must currently hold or have held a post of responsibility of a commercial, technical, legal,
97 financial, industrial or professional nature.

98 Whatever the procedure by which they are appointed, the Arbitrators shall be Judges
99 and as such enjoy all the rights and be governed by all the duties applicable to such status. In no event
100 whatsoever may they act or intervene as representatives of any of the parties.

101 Article 8 :

102 The names of the Arbitrators are set out in a Single List drawn up by the Arbitration
103 Chamber of Paris under specialised sections after an application has been made for a position of
104 Arbitrator made by the Professional Group, member of the Arbitration Chamber to which they
105 belong. Acceptance of the aforementioned application is decided by the Board of the Arbitration
106 Chamber upon due consideration.

107 The names of newly enrolled Arbitrators will be added to the end of the Single List until
108 being classed in the relevant specialists section of the new edition of the list.

109 An Arbitrator may appear in more than one specialised section where this reflects his special
110 expertise or in the limited list provided for in article 14, paragraph 4, of the statutes of the Arbitration
111 Chamber of Paris.

112 Article 9 :

113 Notwithstanding Article 6 and in exceptional cases, when the nature of the dispute is
114 such as to require it, the Chairman of the Arbitration Chamber may, in forming an Arbitral Tribunal,
115 appoint any person whose name does not appear on the List of the Arbitration Chamber, provided he
116 or she satisfies the conditions laid down in Article 7.

117 Article 10 :

118 An Arbitrator may be challenged for the same reasons as a Judge. In particular, he must
119 not be related to or be an associate of any of the parties and must have no personal interest in the
120 settlement of the dispute.

121 The challenge of an Arbitrator for any reason preceding his appointment may be
122 requested only within a period of 15 days following notification of his appointment. After this period,
123 he may be challenged only for a reason which has become apparent or has come to exist since his
124 appointment.

125 The decision as to whether such a challenge is justified and must be upheld is that of the
126 Chairman of the Arbitration Chamber of Paris alone and is final.

127 An Arbitrator may be removed by the party having nominated him only with the
128 agreement of the other party.

129 Article 11 :

130 In the event of the death, refusal, abstention, inability to sit of any kind, challenge,
131 removal or loss of full citizen's rights of any Arbitrator due to sit or already sitting on the bench of an
132 Arbitral Tribunal, the Chairman of the Arbitration Chamber shall replace him without needing to call
133 for any new nomination by either of the parties.

134 However, if this replacement occurs during the debates or during consideration of the
135 award by an Arbitral Tribunal, the debates must start again from the beginning before the newly
136 appointed Arbitrator or Arbitrators.

137 Article 12 :

138 The Chairman of the Arbitration Chamber cannot be appointed or nominated as an
139 Arbitrator.

140 However should an arbitrator be elected to the presidency of the Arbitration Chamber
141 while sitting at an Arbitral Tribunal, he shall carry out to its end his commission to arbitrate.

142 The same provisions shall apply to any Vice-Chairman where he stands in for the
143 Chairman, and only for the period of such replacement.

144 **REFERRAL - ARBITRATION AGREEMENTS - ARBITRATION APPLICATIONS**

145 Article 13 :

146 A dispute is referred to the Arbitration Chamber either by an agreement to do so signed
147 by the parties, or by an application for arbitration based on an arbitration clause contained in writing
148 in the main contract or in an appendix to that contract.

149 The Chamber shall arrange arbitration between parties in dispute in compliance with
150 article 3 of these Rules.

151 The Arbitration agreement or application must include the names, professions and
152 addresses of the parties, a summary of the main facts of the dispute and a precise definition of the
153 subject of the request.

154 Whenever the Arbitration Chamber receives an application for arbitration, it shall inform
155 the defendant or defendants without delay.

156 Where the matter is referred to the Arbitration Chamber by E-mail, telex or fax, same
157 must be confirmed immediately in writing by a letter signed by the claimant in order to authenticate
158 and date the application.

159 **WRITS OF SUMMONS**

160 Article 14 :

161 In the case of First Degree proceedings, of urgent arbitration or of summary procedure,
162 the Arbitration Chamber shall issue a summons to appear at an initial hearing before the Arbitral
163 Tribunal once the claimant or counterclaimant has satisfied, on the one hand, the payment of the
164 arbitration fees in compliance with Article 43 and, on the other hand, the supplying of all documents,
165 observations or submissions supporting the application for arbitration, thus making it possible for the
166 case to be judged.

167 Hearings may not be held until at least 15 days after the date of the summons to appear
168 is sent to the parties, other than exceptions provided for herein.

169 Where Second Degree proceedings are concerned, the Arbitration Chamber of Paris shall
170 summon the parties to attend an initial hearing once the applicant for Second Degree proceedings has
171 paid arbitration fees in compliance with Article 43.

172 **ARBITRAL TRIBUNALS : FIRST DEGREE**

173 Article 15 :

174 The dispute shall be referred to a so-called First Degree Arbitral Tribunal of which the
175 bench shall comprise three members nominated or appointed as follows :

176 1) The Chairman of the Arbitration Chamber shall appoint an Arbitrator. This Arbitrator
177 is invariably the Chairman of the Arbitral Tribunal.

178 2) Where proceedings are taken against a single defendant, the claimant shall have the
179 right to nominate an Arbitrator within 15 days of the date of his arbitration application or of the
180 arbitration agreement. This Arbitrator is chosen either from the list already drawn up by the
181 Arbitration Chamber or according to the criteria set out in Article 7 herein. Subject to a time limit of 15
182 days from date of receipt of notification of the arbitration application or of the arbitration agreement,
183 the defendant shall have the same right to nominate an Arbitrator. The Chairman of the Arbitration
184 Chamber appoints these arbitrators according to the provisions of articles 6 and 7 of the Rules of
185 arbitration.

186 If, within the time allowed, one of the parties have not exercised the option to nominate
187 an arbitrator, the Chairman of the Arbitration Chamber shall appoint an arbitrator ex officio.

188 3) If the dispute involves more than two parties, the Chairman of the Arbitration Chamber shall
189 appoint the three members of the Arbitral Tribunal.

190 Article 16 :

191 If the parties present or represented do not arrive at an arrangement during the
192 proceedings, the Arbitral Tribunal shall issue a provisional award on the basis of a majority vote.

193 This provisional award shall include the names of the Arbitrators, that of the Secretary in
194 attendance, a concise summary of the cases of the parties, their respective arguments and the given
195 facts, the reasons for the award reached and a statement of the fines.

196 Copy thereof shall be signed by all the Arbitrators, except where a minority refuse to so
197 sign, such refusal being recorded, and requires the visa of the Secretary in attendance appointed by
198 the Chairman of the Arbitration Chamber.

199 An authenticated copy of the provisional award shall be sent to the parties and/or to their
200 counsels by the Arbitration Chamber.

201 **PROVISIONAL AWARD**

202 Article 17 :

203 Each of the parties may request a second examination of the case (i.e. by a Second Degree
204 Arbitral Tribunal) within 15 days following the date of receipt of notification of the provisional
205 award.

206 If within the time allowed in the above paragraph the Arbitration Chamber has not
207 received written notice of withdrawal of the arbitration submission by mutual agreement between the
208 parties, nor received a written request for institution of Second Degree proceedings, the provisional
209 award shall become the final award on receipt of a simple request that it be so by one or other of the
210 parties and notice thereof shall be served to the parties concerned.

211 Withdrawal of a request to institute Second Degree proceedings by one party or the
212 failure to satisfy the requirements of Article 43 within the stipulated time limits, notice having been
213 given to the other party, shall leave open the possibility for the other party to request such Second
214 Degree proceedings subject to a time limit of 15 days from the date of notification.

215 **ARBITRAL TRIBUNALS : SECOND DEGREE**

216 Article 18 :

217 If within the time limit laid down by Article 17 above the Arbitration Chamber has
218 received an application for Second Degree proceedings, it shall form a second Arbitral Tribunal
219 comprising five Arbitrators, all appointed by the Chairman of the Arbitration Chamber.

220 Each of the parties shall have the right to obtain the replacement of one of the Arbitrators
221 thus appointed within 8 days from receipt of notification of the names of the Arbitrators sitting in the
222 Second Degree Arbitral Tribunal.

223 This provision does not preclude the implementation of Article 11 concerning
224 replacement of Arbitrators prevented from sitting.

225 Article 19 :

226 Arbitrators sitting on the bench of a First Degree Arbitral Tribunal cannot sit in a Second
227 Degree Arbitral Tribunal examining the same case. This also applies to those Arbitrators nominated
228 by one party for First Degree hearings and who have been replaced.

229 **AWARD**

230 Article 20 :

231 The provisional award of a First Degree Arbitral Tribunal shall become null and void
232 once the formalities for a Second Degree arbitration application have been carried out within the
233 stipulated time limit.

234 The award of a Second Degree Arbitral Tribunal shall be issued on the basis of a majority vote.

235 Article 21 :

236 The award shall include the names of the Arbitrators, that of the Secretary in attendance,
237 a concise summary of the cases of the parties, their respective arguments and the given facts, the
238 reasons for the award reached and a statement of the fines.

239 Copy thereof shall be signed by all the Arbitrators, except where a minority refuse to so
240 sign, such refusal being recorded, and requires the visa of the Secretary in attendance appointed by
241 the Chairman of the Arbitration Chamber.

242 An authenticated copy of the award shall be sent to the parties and/or to their counsels
243 by the Arbitration Chamber.

244 DEPOSIT WITH THE CLERK OF THE COURT

245 Article 22 :

246 Awards shall be deposited by the Arbitration Chamber of Paris or by any mandated
247 person at the office of the Clerk to the Tribunal de Grande Instance of Paris (District Court) pursuant
248 to the law, but only when requested by one of the parties.

249 ENFORCEMENT

250 Article 23 :

251 The designation of the Arbitration Chamber of Paris to organise arbitration implies that
252 the parties agree to execute the award to be made.

253 It is up to the parties to file suit, if necessary, to obtain execution of the awards.

254 DEPOSIT OF DOCUMENTS

255 Article 24 :

256 All documents, evidence and submissions must be handed or sent to the Secretariat of
257 the Arbitration Chamber, for examination by the Arbitrators and for consultation by the parties, on
258 days and at times of opening of the Secretariat as from the date of the writ of summons.

259 Once the date of the hearing is set in compliance with article 14, the defendant is under
260 the obligation to file his dossier with the Secretariat at the latest on the eighth day preceding the date
261 of the arbitration hearing of which he has been notified. All evidence after this date may if challenged
262 be declared to have been filed too late and therefore inadmissible by the Arbitral Tribunal.

263 Any counterclaim must be duly formulated at First Degree proceedings at the latest 8
264 days before the date set for the hearing and at the latest within 15 days from the first summons to
265 appear before a Second Degree Arbitral Tribunal. Its acceptance is dependant on payment of
266 arbitration fees before the hearing according to Articles 41 and 43.

267 Any counterclaim shall afford to the claimant the possibility of requesting that the
268 Arbitral Tribunal adjourn in order to enable him to present a statement. The Arbitral Tribunal will in
269 this event set a date for the next hearing and the time limits governing exchange of documents and
270 submissions.

271 The applicant for Second Degree proceedings must file his dossier with the Secretariat
272 within 15 days after depositing the costs, the dossier of the other party having to be filed no later than
273 the eighth day preceding the date of the hearing.

274 Upon a motivated request to do so, the time limit of 15 days provided for by the
275 preceding paragraph may be exceptionally prorogued by the Chairman of the Arbitral Tribunal or, in

276 the event that the latter is impeded, by the Chairman of the Arbitration Chamber of Paris, who may
277 then possibly decide to postpone the hearing to a later date.

278 Article 25 :

279 The parties must notify each other of their files (statements and evidences) and deposit
280 with the Arbitration Chamber as many copies of the aforementioned files as there are Arbitrators
281 sitting in First Degree or Second Degree Arbitral Tribunal, plus one for the Arbitration Chamber.

282 Dossiers filed with the Secretariat for the First Degree proceedings and still in the
283 possession of the Secretariat may, should the occasion arise, be authenticated for Second Degree
284 proceedings by any or all of the interested parties.

285 Documents in foreign languages must be accompanied by a French translation.

286 However, if the arbitration so requires, the Chairman of the Arbitration Chamber of Paris
287 may decide to allow documents that are drafted or translated in English.

288 There must be no communication of any kind whatsoever with the Arbitrators.

289 When samples are produced by parties, they must be delivered to the Secretariat of the
290 Arbitration Chamber before proceedings begin. The samples remain at the disposal of the party which
291 has deposited them for a three month period following the ruling of the Arbitral Tribunal or the
292 withdrawal of the application for arbitration. Beyond this period, the Arbitration Chamber may
293 decide on the disposal of them.

294 **APPEARANCE AT HEARINGS AND LEGAL REPRESENTATION**

295 Article 26 :

296 Parties to the arbitration may appear at hearings in person or may be represented by a
297 duly accredited representative. Barristers are dispensed from producing a mandate.

298 Parties may be accompanied by advisors.

299 The parties may present any remarks orally or in writing. Hearings are usually conducted in
300 French.

301 However, if the arbitration makes it necessary, the Chairman of the Arbitration Chamber of
302 Paris can decide that the debates will be conducted in English.

303 Article 27 :

304 If in spite of a duly issued writ of summons the defendant does not appear, is not
305 represented and fails to produce arguments or evidence, the Arbitral Tribunal may proceed with the
306 arbitration on the basis of the evidence available.

307 **CONDUCT AND PROGRESS OF HEARINGS**

308 Article 28 :

309 The hearings of Arbitral Tribunals shall take place on premises placed at their disposal
310 by the Arbitration Chamber of Paris within the framework of its role of facilitating arbitration, other
311 than in the exceptional circumstance that the Arbitral Tribunal chooses another location, notably
312 should it decide to conduct proceedings on site.

313 The Chairman of the Arbitral Tribunal shall set the rules governing hearings and conduct
314 the debates with regard to maintaining good order. The hearings imply cross-examination and are not
315 open to persons not concerned by the dispute except where the Arbitrators decide otherwise with the
316 agreement of the parties. Where persons not involved in the case are admitted they shall be reminded
317 of their duty to avoid any disturbance of the hearings and to keep the matter confidential. During the
318 debates and the private sitting, the Secretary in attendance appointed by the Chairman of the
319 Arbitration Chamber assists the Arbitral Tribunal.

320 At the end of the hearing, except where the case is to be continued at a further hearing,
321 the Chairman shall pronounce the hearing closed and the private sitting open. From this time on no
322 further application or evidence may be brought before the Tribunal. Similarly, no remarks may be
323 made and no documents produced, unless the Chairman of the Tribunal so wishes, duly notifying the
324 parties in this event.

325 Where the proceedings are to continue, the Arbitral Tribunal shall set a date for the next
326 hearing, relevant writs of summons being served later on its behalf by the Secretariat of the
327 Arbitration Chamber.

328 INVESTIGATION PROCEDURES

329 Article 29 :

330 The Arbitral Tribunals have the widest possible powers to seek evidence.

331 They may subsequently request the parties to supply explanation of facts, order them to
332 produce evidence or ask, even ex-officio, for submission of documentary evidence in the possession of
333 third parties where no legal hindrance to this exists.

334 They may also and generally speaking order all and any investigation which they
335 consider to be pertinent. The parties are required to provide assistance in the conduct of such
336 investigation, the Arbitrators being at liberty to interpret as they wish any failure or refusal to so
337 assist the Tribunal.

338 The Tribunals may finally decide to consult whomsoever they wish on any matter
339 whatsoever.

340 ADJOURNMENT OF HEARINGS

341 Article 30 :

342 At the request of one of the parties a case called for an initial hearing may be adjourned
343 with the Chairman's consent.

344 Such an application for adjournment must be filed at least 8 days before the date set for
345 the hearing, with the exception of specific cases on the merits of which the Arbitral Tribunal shall rule.

346 The Chairman of the Arbitral Tribunal shall evaluate the merits of any further request for
347 adjournment made by the parties and decide whether such a request is to be granted or refused.

348 Article 31 :

349 If the resolution of a dispute is unduly delayed on the part of one of the parties to the
350 extent that an adjournment is necessary, the fee required for consideration of the case at a further
351 hearing of the Arbitral Tribunal may be equal to one third of the standard arbitration fee and payable
352 by the party having caused the adjournment.

353 The Arbitral Tribunal decides whether this measure is to be implemented.

354 TIME LIMITS GOVERNING ARBITRATION PROCEEDINGS

355 Article 32 :

356 Adoption of the Rules of Arbitration herein by the parties in arbitration shall necessarily
357 imply their acceptance that the conventional time limit for consideration of any case by the Arbitrators
358 of First and Second Degree Arbitral Tribunals is set at one year from the date of the formal recording
359 of the undertaking to sit by each of the Arbitrators as well as of the setting up of the Arbitral Tribunal
360 in which they are to sit.

361 However, after the First Degree Arbitral Tribunal has ruled on its provisional award, the
362 proceedings are held to continue until expiry of the time limit for application at second Degree as
363 provided for by Articles 17 and 18 above.

364 If application for Second Degree proceedings is made within the stipulated time limit,
365 proceedings shall continue under the core of the Arbitration Chamber until expiry of the assignment
366 of the Arbitrators sitting in the Second Degree Arbitral Tribunal.

367 By authority of the parties in pursuance of the provisions herein, the Chairman of the
368 Arbitration Chamber may decide, according to his own judgement as to what is necessary, to extend
369 the assignment of the Arbitrators making up each of the First and Second Degree Arbitral Tribunals.
370 In this event, the Arbitrators and the parties shall be notified accordingly.

371 Where the above provision has not been applied by the Chairman of the Arbitration
372 Chamber, the time limit of one year set by these Regulations may be extended by the Chairman of the
373 Tribunal de Grande Instance of Paris (District Court) either with the agreement of the parties involved
374 or upon request of one of the parties or of the Arbitral Tribunal.

375 The latter clause may be applied if necessary at the expiry of the one-year extension
376 granted by decision of the Chairman of the Arbitration Chamber.

377 Article 33 :

378 When at least one of the parties is resident outside France, the various time limits shall be
379 extended as follows :

- British Isles and countries bordering on France 4 days
- Other countries in Europe 10 days
- Other countries 1 month

380 However, the extensions described above shall not apply to the time limit of 8 days
381 governing the cases covered in Articles 24 (second and third paragraphs) and 30 (second paragraph).

382 Article 34 :

383 All time limits mentioned herein are calculated on the basis set out by Articles 641 and
384 642 of the Nouveau Code de Procédure Civile (French New Code of Civil Procedure).

385 When a period is expressed in days, the day of the notification setting into motion the
386 period concerned shall not count.

387 All time limits expire on the last day at midnight.

388 Any period which would normally expire on a Saturday, a Sunday, a bank-holiday or a
389 non-working day shall be extended until the first following working day.

390 Proceedings are barred by limitation when neither party has accomplished any diligence
391 for a three-year period. This time limitation may be pronounced ex officio by the Chairman of the
392 Arbitration Chamber after a reminder to parties made by registered letter has given no result. In case
393 of time-limitation, all advance deposits shall become the property of the Arbitration Chamber of Paris.

394 URGENT ARBITRATION PROCEDURE

395 Article 35 :

396 Implementation of an exceptional urgent procedure may be requested at the time of the
397 application for arbitration accompanied by the deposit of a non refundable lump sum amounting to
398 four times the fixed part of the first bracket of the Arbitration Chamber's scale of fees and being
399 deductible from the advance deposit mentioned in article 38, paragraph 3.

400 It is incumbent on the Chairman of the Arbitration Chamber to decide at the earliest
401 opportunity if such a procedure is to be implemented ; he is under no obligation to justify his
402 decision.

403 If the application for urgent consideration of the case is refused, the application shall be
404 treated according to standard procedure.

405 If the application for urgent consideration of the case is granted, the Arbitral Tribunal
406 shall be composed of five Arbitrators nominated or appointed as follows :

407 1) The Chairman of the Arbitration Chamber shall appoint three Arbitrators, among
408 them the Chairman of the Arbitral Tribunal.

409 2) Where the proceedings are taken against a single defendant, the claimant shall have
410 the right to nominate in his application for arbitration one Arbitrator who may be chosen from the list
411 already drawn up by the Arbitration Chamber or who satisfies the criteria set out in Article 7 herein.

412 The defendant shall have the same right subject to a time limit of 8 days from the date of
413 receipt of the notification of the application for arbitration.

414 If one of the parties has not availed himself of his right to nominate an Arbitrator, the
415 Chairman of the Arbitration Chamber shall do so.

416 3) If there are more than two parties to the action, the Chairman of the Arbitration
417 Chamber shall appoint all five Arbitrators on the panel of the Arbitral Tribunal.

418 Each of the parties shall have the right of obtaining the replacement of an Arbitrator
419 appointed by the Arbitration Chamber provided such replacement is requested within a time limit of
420 five days following receipt of notification of the names of the Arbitrators. This right may be exercised
421 only once by each party.

422 Arbitration proceedings shall take place as promptly as possible and the Chairman of the
423 Arbitration Chamber shall set, notwithstanding all other provisions herein, the time limits governing
424 the formalities of arbitration and in particular those governing the filing at the Secretariat of papers,
425 documents, submissions and statements by the parties.

426 Article 36 :

427 Implementation of a special accelerated procedure may furthermore be requested where
428 the arbitration required involves a look and sniff research.

429 The implementation of this procedure shall be granted by the Chairman of the
430 Arbitration Chamber after payment by the claimant of a fixed deposit equal to twice the amount
431 shown in the first level of the scale of arbitration fees.

432 If the special accelerated procedure is applied, an Arbitral Tribunal shall be set up with a
433 panel of five Arbitrators nominated or appointed according to Article 35 above.

434 Once the parties involved have been called to appear according to due process, the
435 Arbitral Tribunal shall decide prior to any ruling on the existence of given characteristics of smell on
436 the basis of samples contractually drawn at the time and place of delivery of the goods under dispute.

437 Continuation of proceedings in this connection shall be dependent firstly on the
438 deposition by the claimant of papers, documents, statements or submissions supporting his
439 application and such that the case may be duly considered and, secondly, on complete payment of
440 arbitration fees due according to Article 38, paragraph 3 below, including the deposit paid in advance.

441 The Tribunal shall rule on the basis of a numerical majority (3 votes out of 5). Its ruling
442 shall be final and not subject to appeal.

443 Article 37 :

444 The assignment of the Arbitrators forming the Tribunal ruling under the accelerated
445 procedure shall last only six months, but by authority of the parties in pursuance of the
446 implementation of the Rules herein and on his own initiative, the Chairman of the Arbitration
447 Chamber may extend this duration by a renewable period of six months with the proviso that
448 extensions do not exceed two in number. On each occasion the Arbitrators and parties shall be
449 notified of any such extension.

450 In the exceptional circumstance where the task of the Arbitrators sitting in an Arbitral
451 Tribunal has not been completed when such consecutive extensions have expired, a further extension
452 may be granted by the Chairman of the Tribunal de Grande Instance of Paris (District Court) either
453 with the approval of the parties involved or upon request of one of the parties or of the Arbitral
454 Tribunal.

455 The arbitration period shall begin to run from the date of the official document recording
456 both of the willingness to sit of each of the Arbitrators and the setting up of the Arbitral Tribunal of
457 which they are to form the panel.

458 Article 38 :

459 The ruling of a Arbitral Tribunal governed by this accelerated procedure shall be given
460 on the basis of a straightforward numerical majority (3 votes out of 5) ; copy thereof shall be signed by
461 all the Arbitrators, except where a minority refuse to do so, in which case this is mentioned in the
462 record, and by the Secretary in attendance. An authenticated copy of the award shall be notified to the
463 parties.

464 This award shall be final.

465 Arbitration fees for this accelerated procedure shall be once and a half those applicable
466 for First Degree arbitration.

467 Article 39 :

468 If the benefit of the accelerated procedure is sought by one of the parties in order for the
469 Tribunal to rule on an interim or warranty measure as in a summary procedure before the Courts, the
470 Arbitral Tribunal shall be composed of three Arbitrators all appointed by the Chairman of the
471 Arbitration Chamber of Paris.

472 Fees for this accelerated procedure shall be set at twice the amount shown for the first
473 level of the scale of fees.

474 None of the three Arbitrators may sit or be asked to sit in the First Degree Arbitral
475 Tribunal, and, if applicable, in the Second Degree Tribunal, called upon to examine the full case at
476 issue.

477 The ruling of such a Tribunal shall be strictly limited to a decision on the interim or
478 warranty measure sought. The Tribunal may under no circumstances sit in full judgment of the case
479 nor anticipate the nature of its later settlement.

480 Article 40 :
481 The above provisions for Arbitral Tribunal using an accelerated procedure shall not
482 prejudice implementation of Article 11 in the matter of replacement of Arbitrators unable to sit.

483 **COSTS AND FEES**

484 Article 41 :
485 At the beginning of each calendar year arbitration costs in all categories are determined
486 by the Chairman of the Arbitration Chamber after due consideration by the Board. In particular, the
487 scale of advance fee deposits is set. This scale is available for consultation at the Secretariat of the
488 Arbitration Chamber.

489 Exceptionally, the Chairman of the Arbitration Chamber may set the arbitration fees for
490 First Degree or urgent arbitration proceedings at a higher or smaller amount than the one which
491 would result in the application of the scale of fees.

492 Arbitration fees for consideration of a case at Second Degree shall be one and a half times
493 those which have been required for the main complaint at First Degree for which it has been awarded,
494 augmented by those resulting from an eventual counterclaim formulated by the defendant(s) at First
495 Degree.

496 Where no modification is made, the scale in force in the preceding year shall be simply
497 and automatically carried forward to the new calendar year.

498 Article 42 :
499 In the absence of a decision to the contrary taken by an Arbitral Tribunal, all costs shall
500 be payable by the losing party.

501 Article 43 :
502 The parties shall pay in advance the arbitration costs claimed, as determined prorata to
503 the sums set by the arbitration fees scale and corresponding to the procedure chosen, the travel fees of
504 an appointed arbitrator being furthermore subject to a subsequent repayment.

505
506 The claimant or counterclaimant shall be required to pay the sums corresponding to his
507 claim or counterclaim to the Arbitration Chamber when this one requests him to do so. If this
508 payment is not made within the time limit set by the Arbitration Chamber, the application for
509 arbitration shall be considered to have been withdrawn and the parties shall be notified accordingly.

510 Should the claimant or counterclaimant withdraw before any writ of summons has been
511 issued, the advance payment made shall be returned to him after deduction of costs already incurred by the
512 Arbitration Chamber.

513 Advance deposits shall become the inalienable property of the Arbitration Chamber once
514 writs of summons have been issued even where withdrawal occurs after this point or where the
515 parties agree on or obtain implementation of measures which may put an end to arbitration.

516 **MISCELLANEOUS PROVISIONS**

517 Article 44 :
518 Any request for compensation put forward to a claim from a party is taken into account
519 for the calculation of the arbitration fees in the same way as a separate claim, in the case it is likely to
520 lead to the examination of additional questions by the Arbitral Tribunal.

521 Article 45 :

522 All cases referred to the Arbitration Chamber for consultation or conciliation in
523 pursuance of a Court ruling shall be heard by a Commission comprising three Arbitrators appointed
524 by the Chairman of the Arbitration Chamber.

525 A report on the case shall be drafted by the Chairman of the Commission and signed by
526 the other Arbitrators and lodged at the offices of the Clerk to the Court having ordered the referral to
527 the Arbitration Chamber with an accompanying statement of the expenses incurred by the latter
528 body.

529 **DATE OF EFFECTIVENESS AND TRANSITORY PROVISIONS**

530 Article 46 :

531 The issuing of a provisional award or an award brings to an end the mission of the Arbitral
532 Tribunal.

533 Nevertheless the Arbitral Tribunal may, of its own motion or at the petition of either party,
534 interpret the deed qualified as an award or a provisional award, correct material errors or omissions which
535 may affect this deed and supplement it when part of a claim has not been ruled on. Articles 461 to 463 of
536 N.C.P.C. (French New Code of Civil Procedure) shall apply. Either party may seize the competent Court
537 when the Arbitral Tribunal cannot sit again.

538 Article 47 :

539 The liability of the Arbitrators, the Arbitration Chamber of Paris or its General Secretary,
540 cannot, in any case, be engaged for facts, acts or omissions related to an arbitration.

541 Article 48 :

542 The present edition of the Rules of the Arbitration Chamber is effective as of the 1st of
543 September 2005 for all proceedings introduced as of this date.

Paris, the 22nd of June 2005

APPENDIX I

P.A.R.A.D. PROCEDURE RULES

ACCELERATED PROCÉDURE FOR RESOLVING DISPUTES BY ARBITRATION
(in application of article 3 paragraph 5 of the rules of arbitration of the *Chambre Arbitrale de Paris*)
In force the 1st of September 2005

Article 3.A - PRELIMINARY

The P.A.R.A.D procedure is a contradictorily held arbitration procedure, expeditious and simplified to facilitate and to accelerate the recovery of small money claims that qualify as being unquestionable, liquid and due.

This procedure complements the existing proceedings provided for in the Arbitration Rules of the Arbitration Chamber of Paris.

The collection of a money claim may be pursued under the P.A.R.A.D. procedure when the money claim has a contractual ground and does not exceed in principal the amount of 150.000 euros or equivalent in another currency as of the date of the arbitration claim), not including damages and/or indemnities under article 700 of the N.C.P.C (New French Code of Civil Procedure).

The P.A.R.A.D. procedure shall not apply where several claimants or defendants are involved.

The mandate and powers of the Arbitral Tribunal ruling under the P.A.R.A.D. procedure are set forth exhaustively in the following provisions.

Article 3.B - THE ARBITRATION CLAIM

The arbitration claim, written on a special form and in duplicate must be handed over or sent to the Secretariat of the Arbitration Chamber of Paris and despatched simultaneously to the other party by the most expedient method of communication.

Every claim shall be accompanied by the sum required for arranging the P.A.R.A.D. procedure in accordance with the provisions of the article 3.G.

The claim shall state :

- the names and addresses of the creditor and of the debtor ;
- the precise amount being claimed together with a detailed account of the various components of the money claim as well as the grounds of the claim ;
- the confirmation that the claim has been despatched to the debtor, stating by which means this has been done together with any relevant papers.

The claim must imperatively be accompanied by relevant papers and by a copy of the agreement having given rise to the money claim and mentioning the arbitration clause.

The Arbitration Chamber Paris notifies the defendant of the written case submitted by the claimant and indicates the date on which the sole arbitrator will hear the parties.

The defendant is informed as well of the name of the arbitrator constituted as Arbitral Tribunal and of the hearing dates.

Unless decided otherwise by the Arbitral Tribunal, additional claims shall not be admitted.

To be admissible, any counterclaim must be lodged within 5 days from the notification of the arbitration claim. This delay elapsed, the Secretariat shall invite the counterclaimant to lodge his case as an initial claim under an arbitration procedure independent from the procedure already engaged.

Article 3.C - CONSTITUTION OF THE ARBITRAL TRIBUNAL

The claim shall be referred to a sole arbitrator appointed by the Chairman of the Arbitration Chamber of Paris.

39 The arbitrator ruling in pursuance of the present Rules cannot act as an arbitrator in any subsequent
40 procedure involving the same parties, in which a matter in connection with those heard under the
41 P.A.R.A.D. procedure would be raised.

42 The appointment of the arbitrator may only be challenged, for a reason existing prior to his
43 appointment, within 5 days following the notification of the aforementioned appointment. This delay
44 elapsed, he may be challenged only for a reason which has become apparent or has come to exist since
45 his appointment.

46 **Article 3.D - DEPOSIT OF DOCUMENTS**

47 No document or additional paper shall be deposited by the claimant between the date of his
48 arbitration claim and the opening of the debate.

49 The defendant is invited to deposit his file at the latest two working days before the hearing.

50 Documents shall be filed either in original or in copy form. In this latter case original documents have
51 to be available for submission at the hearings.

52 **Article 3.E - AWARD**

53 If, upon examination of the documents that have been supplied, the claim appears to the Arbitral
54 Tribunal as being partially or totally substantiated, the Tribunal shall make an award ordering
55 payment of the money claim for the amount it has retained.

56 If the claim appears to be unsubstantiated or if the debate or the materials produced reveal, for
57 whatever reason, that it is necessary to further investigate the case, the Arbitral Tribunal shall dismiss
58 as such the whole or part of the payment claim and invite the claimant to refer it to the Arbitration
59 Chamber of Paris, should the occasion arise, under the ordinary proceedings provided for in its Rules
60 of Procedure. In such a case, it is incumbent on either party to lodge an arbitration claim with the
61 Secretariat of the Arbitration Chamber of Paris which claim will rank on the day of its registration.

62 All awards, once notified to the parties, are final.

63 **Article 3.F - TIME LIMITS GOVERNING ARBITRATION PROCEEDINGS**

64 The duration of the mandate of the Arbitral Tribunal ruling under the P.A.R.A.D. procedure is of one
65 month from the date of the formal recording of its acceptance to sit.

66 By authority of the parties, in pursuance of the provisions herein, the Chairman of the Arbitration
67 Chamber may, on his own initiative and if he thinks fit, extend the mandate of the arbitrator for one
68 month.

69 **Article 3.G - FEES**

70 The amount of advanced fees to be deposited by a claimant either for an initial claim and / or a
71 counterclaim is equal to the unvarying part of the level of the Arbitration Chamber of Paris scale of
72 fees in force on the date of the arbitration claim corresponding to the amount of the litigious money
73 claim.

74 Said fees shall definitively and entirely become the property of the Arbitration Chamber of Paris as
75 from the registration of the arbitration claim, whatever the outcome of the procedure might be or
76 where the claimant withdraws for any reason whatsoever.

77 The Tribunal shall rule on the bearing and eventual sharing of said fees.

78 -----

ANNEXE II

P.A.R. PROCEDURE RULES

RAPIDE ARBITRATION PROCEDURE

(in application of article 3 paragraph 6 of the rules of arbitration of the Arbitration Chamber of Paris)

(in force the 1st of September 2005)

Article 3.A - PRELIMINARY

Parties may have recourse to the P.A.R. arbitration procedure where the money claim does not exceed in principal the sum of 45.000 euros **or the equivalent in another currency as of the date of the arbitration claim** (not including arbitration fees).

This procedure completes the Rules of Arbitration of the Arbitration Chamber of Paris, provisions of which remain applicable unless contrary to the present rules.

The time limits foreseen in the following provisions are expressed in calendar days.

Article 3.B - THE ARBITRATION CLAIM

The arbitration claim, written on a special form and in duplicate, must be handed in or sent to the Secretariat of the Arbitration Chamber of Paris and despatched simultaneously to the other party by the most expedient means of communication

All claims must be accompanied by the payment required for administrating the PAR arbitration procedure in accordance with the provisions of article 3.G.

The arbitration claim must include :

- the names and the addresses of the parties;
- precise details of the money claim and the grounds on which the claim is based,
- the confirmation that the claim has been notified to the defendant, stating by which means of communication the notification has been carried out, together with any relevant documentary evidence.

The claim must imperatively be accompanied by documentary evidence and a copy of the agreement which has given rise to the dispute and which mentions the arbitration clause.

The Arbitration Chamber of Paris will notify to the defendant the case file submitted by the claimant and indicate the date on which the Arbitral Tribunal will hear the parties.

The claimant is equally informed as to the composition of the Arbitral Tribunal and the date of the hearing.

To be admissible, any counterclaim must be lodged within 10 days from the notification of the arbitration claim. This time limit elapsed, the Secretariat shall invite the counterclaimant to lodge his case as an initial claim under an arbitration procedure independent from the procedure already engaged.

Article 3.C - CONSTITUTION OR THE ARBITRAL TRIBUNAL

The claim shall be referred to the Arbitral Tribunal composed of a sole arbitrator appointed by the Chairman of the Arbitration Chamber of Paris.

33 The sole arbitrator can, in the event of a particular difficulty in the examination of the case, make
34 representation to the Chairman of the Arbitration Chamber of Paris in order that the Arbitral Tribunal
35 be composed of a panel of arbitrators. In this event, the Chairman of the Arbitration Chamber shall
36 immediately invite the parties to appoint an arbitrator within a time-limit of 10 days, failing which he
37 will proceed with an appointment on behalf of the parties.

38 The parties shall be duly informed of the definitive composition of the Arbitral Tribunal.

39 The appointment of the arbitrator may only be challenged, for a reason existing prior to his
40 appointment, within 5 days following the notification of the aforementioned appointment. This time-
41 limit elapsed, his appointment may be challenged only for a reason which has become apparent or
42 has come to exist since his appointment.

43 **Article 3.D - EXAMINATION OF THE CASE**

44 Unless a contrary decision made by the Arbitral Tribunal, the latter will rule on the basis of the
45 documentary evidence produced.

46 No document or additional piece of evidence shall be submitted by the claimant between the date of
47 the arbitration claim and the opening of the debate.

48 The defendant is invited to deposit his case file at the Secretariat at the latest five days before the date of the
49 hearing which will have been notified to him.

50 The documentary evidence must be submitted either in original or in copy form. In the latter case,
51 original documents must be available for submission at the hearing on request by the Arbitral
52 Tribunal.

53 At the request of both the parties, either one of the parties or automatically, the Arbitral Tribunal can
54 invite the parties to appear on a day and time that the Arbitral Tribunal fixes.

55 **Article 3.E - AWARD**

56 The Arbitral Tribunal will rule definitively according to the rules of equity by an award which is
57 notified to the parties.

58 **Article 3.F - TIME LIMITS GOVERNING ARBITRATION PROCEEDINGS**

59 The duration of the mandate of the Arbitral Tribunal ruling under the P.A.R. procedure is of one
60 month from the date of the formal recording of its acceptance to sit.

61 The request that the sole arbitrator rule in a panel of arbitrators, provided for under article 3 C para.2,
62 will interrupt the time limit governing the arbitration proceedings. In this particular case, a new time-
63 limit of one month shall begin to run from the date of the formal recording of the acceptance by the
64 Arbitral Tribunal to sit as a panel of arbitrators.

65 By authority of the parties, in pursuance of the provisions herein, the Chairman of the Arbitration
66 Chamber of Paris, on his own initiative, may extend the mandate of the Arbitral Tribunal.

67 **Article 3.G - FEES**

68 The amount of advanced fees to be deposited by the claimant for an initial claim and/or a counterclaim is
69 equal to the unvarying part of the level of the Arbitration Chamber of Paris' scale of fees, in force on the
70 date of the arbitration claim, corresponding to the amount of the litigious claim.

71 The aforesaid fees shall definitively and entirely become the property of the Arbitration Chamber of
72 Paris as from the registration of the arbitration claim, whatever the outcome of the procedure might
73 be or where the claimant withdraws for any reason whatsoever.

74 The Arbitral Tribunal will rule on the bearing and eventual sharing of the aforesaid fees.

STANDARD ARBITRATION CLAUSE :

"Any dispute arising out of or under this contract shall be settled by arbitration in accordance with the Rules of the CHAMBRE ARBITRALE DE PARIS (61, Bourse de Commerce, 2, rue de de Viarmes, 75040 Paris cedex 01, Phone : (33) 01.42.36.99.65, fax : (33) 01.42.36.08.54), of which both Parties hereto declare to be cognisant and which they hereby accept".

STANDARD ARBITRATION AGREEMENT

Between the undersigned :

Company X... (Name and address).

Company Y... (Name and address).

The following has been set forth as preliminary:

(Expose succinctly the main facts in the dispute and describe precisely the subject of the dispute. If the parties cannot agree on a common exposition of the facts, each party will then have to expose its own version of the dispute).

Consequently the parties have agreed, by the present arbitration agreement to refer this dispute to the Arbitration Chamber of Paris, who will intervene in accordance with its Rules, which both parties declare being cognisant and which they hereby accept.

Arbitrators will have to settle the following points :

(Define clearly the task assigned to the Arbitrators)

On the request of Company X...

On the request of Company Y...

The parties nominate (if necessary) the following arbitrators :

For company X : Mr

For company Y : Mr

**Written in three copies
in Paris, the**

Signature of the parties.

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