



مركز الشارقة للتحكيم التجاري الدولي
Sharjah International Commercial Arbitration Centre

RULES SHARJAH INTERNATIONAL COMMERCIAL ARBITRATION CENTRE

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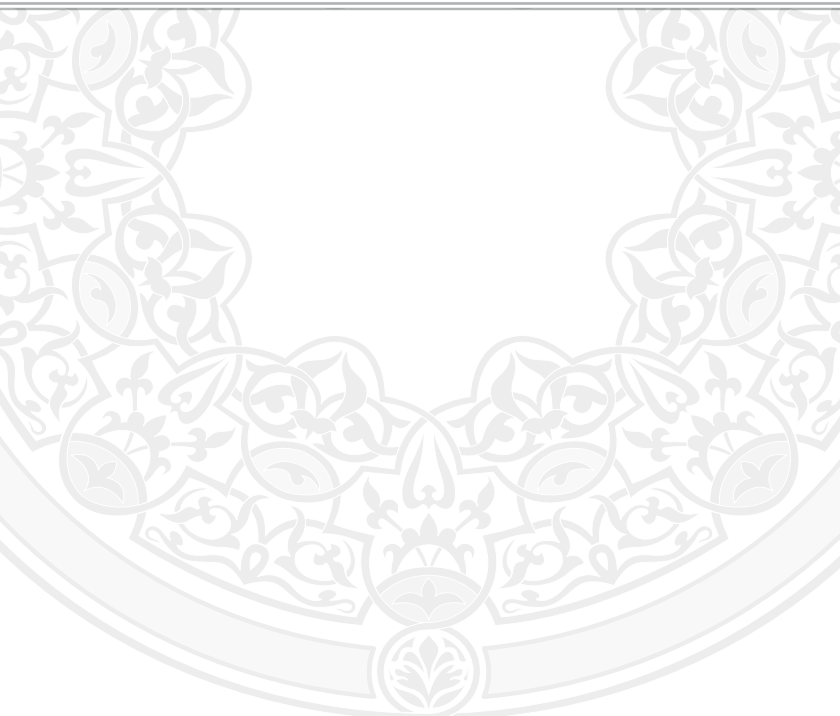


Table of Content

Chapter (1):	General Provisions	3
Chapter (2):	Arbitration Panels	9
Chapter (3):	Charges, Expenses and Fees of Arbitration	15

Rules Of Sharjah International Commercial Arbitration Centre

Chairman of the Sharjah Chamber of Commerce & Industry
Board of Directors:

- In cognizance with the law number (1) of year 2003 concerning the Sharjah Chamber of Commerce & Industry.
- And the Amiri decree number (6) of year 2009 concerning the establishment of Sharjah International Commercial Arbitration Centre.
- And based on what the Executive Committee of the Sharjah International Commercial Arbitration Centre sees.
- It is decided to apply the attached rules in regard of arbitration.

Chapter (1) General Provisions Article (1)

The following words and phrases shall have the meanings assigned to them:

The Chamber: Sharjah Chamber of Commerce & Industry.

The board of directors: The board of directors of the Sharjah Chamber of Commerce & Industry.

The chairman of the board of Directors: The chairman of the Sharjah Chamber of Commerce & Industry board of directors.

The Executive Committee: The committee formed as per the Amiri decree number (6) of year 2009 concerning the establishment of Sharjah International Commercial Arbitration Centre.

Chairman of the Executive Committee: The chairman selected from its members.

The Centre: As per these rules the Sharjah International Commercial Arbitration Centre established as per the Amiri decree number (6) of year 2009.

The Director: The centre director appointed in accordance with these rules.

The Deputy Director: The centre deputy director appointed in accordance with the proposal of the Executive Committee.

The Rules: Rules of the Sharjah International Commercial Arbitration Centre made by the chamber.

The Administrative Affairs Section: Formed from number of employees in the chamber appointed by the chairman of the board of directors to perform secretarial and administrative works in the centre.

The Arbitration Panel: The Panel formed in accordance with these rules to do arbitration and judgments in commercial disputes.

The legal consultant: The consultant appointed by the chairman of the chamber's board of directors as the centre consultant.

Article (2)

The provisions of these rules shall apply on the commercial disputes presented to the Sharjah International Commercial Arbitration Centre in the chamber under approval of the two parties.

Article (3)

The agreement of the parties to settle the disputes through arbitration in the centre means their approval on the provisions of these rules.

Article (4)

The agreement on settlement of commercial disputes as per these rules shall be established through written approval

included in the contracts concluded between them or through independent contracts.

Article (5)

- The Sharjah International Commercial Arbitration Centre in the chamber shall be established from an executive committee to be appointed by the chamber's board of directors and it shall appoint one chairman and not less than six members from the members of the board and others.
- The membership in the Executive Committee is three years and the board of directors shall appoint other members of the Executive Committee instead of those who completed their appointment period.
- In case the Executive Committee lost any of its member's for any reason whatsoever the board shall replace him with another till the completion of the period specified for the lost member after submission to the board of director's by the chairman of the Executive Committee.

Article (6)

The chairman of the board shall appoint the centre's director and deputy director from the employees of the chamber or outside as proposed by the Executive Committee.

Article (7)

The chairman of the board of directors shall appoint a sufficient number of employees from the chamber to work at the Administrative Affairs Section to perform the secretarial and administrative works related to activity of the center. The Administrative Affairs Section Shall be under the supervision and control of the Executive Committee, the director of the centre and his deputy.

Article (8)

The Executive Committee shall have the specializations stipulated for in the Amiri decree number (6) for the year 2009 specifically:

1. Determine the place of arbitration in case the disputing parties did not agree on the same.
2. Appoint the arbitrators in case the parties do not agree about their appointment.
3. Decide on the applications of any of the arbitrators appointment.
4. Set the tables of arbitrators from in and out of the country as per the standards set by the Executive Committee.
5. Determine the fees of arbitrators as per the table attached to these rules.
6. Set the internal regulations it sees important for the application of these rules and issue the same by resolution of the chamber's board of directors.
7. Propose amendments it sees important to be added to these rules.
8. Approve the balance sheet of the centre and prepare its final and closing accounts.
9. Propose the fees related to activities and transactions of the centre and raise to the Executive Council to issue by a resolution.
10. Accept the unconditional contributions and donations.

Article (9)

The decisions of the Executive Committee shall be issued by majority of its members and the Executive Committee may seek support of consultants and technicians from any place to prepare studies.

Article (10)

The director of the centre shall be reporting to the Executive Committee and shall be specialized in:

- Administrative supervision over work of the center.
- Supervision over Administration Affairs Section and follow up of its works.

Article (11)

The deputy director shall be concerned about the work transferred to him from the director and shall replace the director in his absence.

Article (12)

The legal consultant shall be reporting to the center's director and shall be concerned about offering consultation to the Executive Committee and the director of the center.



Article (13)

The Administrative Affairs Section shall be concerned about the following:

- 1. Prepare a record for arbitration applications under serial number and to register the same on each application. The said number shall be the number of the dispute (The Claim's Number).**
- 2. Receive the applications for arbitration and register the record, give it its number and forward the same to the director or his deputy according to condition.**
- 3. Notify the disputing parties about the arbitration panel to which the dispute was transferred within ten days as a maximum from the date of its determination under knowledge of the Executive Committee.**
- 4. Deliver the arbitration application to the arbitration panel to which the dispute is transferred within seven days as a maximum from the date of its determination under knowledge of the Executive Committee.**
- 5. Mark the claims applications record with the arbitration decision in the dispute.**
- 6. Keep a copy of each application and the procedures taken thereon till a decision was taken by the arbitration panel in a file allocated for each dispute (claim).**
- 7. Keep records containing the names of the arbitrators selected by the Executive Committee, their addresses, telephones and their specializations.**

Article (14)

The arbitration claimant shall submit an application to the Administration Affairs Section at the centre attaching the arbitration article or agreement and the application shall contain the following:

- Name of the complainant, his capacity, nationality and address.
- Name of defendant, his nationality and address.
- Subject of dispute and claims of the plaintiff.

Chapter (2) **Arbitration Panels**

Article (15)

- The Executive Committee shall appoint the Arbitration Panel from one or three of the arbitrators registered at the arbitrators record of the centre and in case the arbitration panel is appointed in three members the Executive Committee shall appoint the umpire arbitrator from them.
- The Executive Committee may appoint the arbitration panel from out of the record such as the employees or members of the chamber or any other body.
- The disputing parties may agree on the Arbitration Panel from the arbitrators registered at the center's record.

Article (16)

- The arbitration panel shall within seven days as a maximum from receiving the application transferred to it by the Administrative Affairs Section notify the disputing parties and shall determine a date of hearing for the parties within fifteen days as a maximum from date of the notice.

decide on the claim in absentia of the defendant and shall issue its judgment according to information available to it.

- In case the plaintiff does not attend despite having knowledge about the hearing the defendant may request the panel to hear the claim and issue its judgment in absentia of the plaintiff according to information available to it.

Article (17)

The Arbitration Panel shall review the application and issue its judgment within six months as a maximum from the date of the first hearing specified for reviewing the application.

The said period may be extended for any further period if so requested by the disputing parties or the conditions so required.

Article (18)

The Arbitration Panel shall consider the basic principles of litigation when performing its duties especially the following:

- Respect the right of defense by allowing litigants to submit their legal defenses, documents and information allowed to them by law.
- Enable each party to review the papers and documents and defenses made by the other party.
- The Arbitration Panel shall issue its judgment not limited by pleading's procedures except what is related to litigant's claim, hearing of their defenses and enabling them to submit their documents.
- The Arbitration Panel shall make minutes of the hearings held registering all the defenses of litigants and the decisions it takes in relation with the dispute and the minutes shall be signed by the umpire arbitrator.

Article (19)

The disputing parties shall be notified on their addresses or that of their attorneys as specified in the applications presented by them or the addresses taken from them by the panel. The notices shall be sent by registered mail, e-mail, fax or any other means available to the panel.

Article (20)

The litigants may attend in person before the Arbitration Panel or through their representatives from lawyers or others.

Article (21)

The Arbitration Panel may seek assistance of experts by its own discretion or as requested by the litigants if the dispute conditions so required.

Article (22)

The litigants may agree about the appointment of experts and in case of disagreement the Arbitration Panel shall appoint the expert it deems suitable.

Article (23)

The Arbitration Panel shall unanimously issue its written, substantiated and final judgment in the dispute and signed by the panel and shall include the following:

1. The arbitration agreement or the contract including the article of arbitration.
2. Names of Arbitration Panel members.
3. Names of disputing parties.
4. Complete summary of dispute subject.
5. Complete summary of statements, documents and data of details of disputing parties.
6. The date of judgments and place of its issuance.
7. The charges and expenses of arbitration and the party bearing it.
8. The judgment.

Article (24)

In case the disputing party agreed about settlement the Arbitration Panel shall issue its judgment according to the settlement between them.

Article (25)

The judgment issued by the Arbitration Panel shall be final and cannot be appealed in anyway, and the judgment creditor shall attest the same at the concerned court.

Article (26)

Arabic shall be the language of arbitration and it may be in English or any other language if so agreed by the litigants.

Article (27)

The Arbitration Panel within one week as a maximum from the date of issuing the judgment shall submit the case file including the judgment to the Administrative Affairs Section at the Centre and copy of the judgment to each of the disputing parties.

Article (28)

- The review of dispute shall stop before the Arbitration Panel by death of one party, losing his capacity to dispute or if one of his representatives lost his capacity unless one of these acts took place after pleading in the claim.
- The stop of dispute review shall result in stopping all procedures taking place against the party who caused the stopping and the invalidity of procedures taking place during the stopping.
- In case a matter was presented for the first time and is being out of the arbitrator jurisdiction, a pleading was made to suspect the forgery of one paper, criminal procedures were taken for forgery or any other criminal incident the arbitrator shall stop his work till a final judgment is issued.

The arbitrator shall also stop his work to refer to the chairman of the concerned court to make the following:

1. Issue the legally prescribed punishment against any witness not attending the hearings or refuses to answer.
2. Judge to order third parties to submit any document they have which is necessary for judgment in arbitration.
3. Approval of judicial delegation.
4. The arbitrator shall stop his work whenever the litigation was suspended or discontinued before him and shall continue his work from the date in which was made aware about the removal of suspension or discontinuity.



Article (29)

The Arbitration Panel or any of its members shall not be rejected except for reasons emerging or taking place after the appointment of the Arbitration Panel and the rejection shall be for one of the following reasons:

1. In case the arbitrator or his wife is having a claim similar to that he is looking after or in case one of the parties have a dispute with him or his wife after filing of the said claim before the arbitrator unless such claim was filed with the intention of removing him from the claim he is reviewing.
2. In case his divorcee from whom he has children or any of his relatives or relatives in marriage have a dispute before courts with any of the parties or with his wife unless such claim was filed with the intention of removing him from the claim he is reviewing.
3. In case one of the parties is working with him or he was accustomed to dine or reside with one of the parties or if he received a gift from one of them before filing the suit.
4. In case there is hostility or friendliness between him and one of the parties that makes it probably impossible for him to judge without inclination.
5. In case one of the parties had selected him in a previous claim.
6. In case he is an agent for one of the parties in his private business or whether he is a guardian or trustee or a husband to the guardian of one party, his trustee or he is a fourth degree relative or relative by marriage with this guardian, trustee or one of the parties.
7. In case he gave an opinion or pleaded for one of the parties or he has been a witness, arbitrator or expert in the claim.
8. In case he filed compensation claim against the party asking the rejection or filed a petition against him to the concerned body.
9. The work of the arbitrator shall be invalid in the above-mentioned conditions even he is selected by the parties.

Article (30)

The rejection application shall be submitted by one of the parties to the Administrative Affairs Section who shall present the same to the director of the centre or his deputy. The Executive Committee shall decide on the rejection application and its decision shall be final and is not subject to appeal in any way.

If the rejection application is accepted the Executive Committee shall have to appoint another arbitrator instead of the rejected arbitrator.

Chapter (3) Charges, Expenses and Fees of Arbitration

Article (31)

The claimant of arbitration shall pay the registration charges to the Administrative Affairs Section as per the attached appendix.

Article (32)

The arbitrators fees shall be calculated as per the attached appendix. The arbitration charges shall be paid after estimation to the centre's administrative affairs section to be paid to arbitrators by decision from the director after decision on the application.

The director shall have the right to pay 50% of the fees to the arbitrators during the review of the claim and after answering it.

Article (33)

The fees of experts shall be determined by the arbitration panel and shall be paid to the Administrative Affairs Section for payment in the same manner similar to that of arbitrators.

Article (34)

The centre may deduct 10% from the fees of arbitrators and experts in favor of the centre against the services it offers.

Article (35)

These rules shall be valid from the date of its approval by the board of directors of the Sharjah Chamber of Commerce & Industry.

Chairman of the Board of Directors

Date: 5 /3 /2009

Appendix (A)

Arbitrators and Experts Registration Fees

Article (1)

This appendix shall be considered as an integral part from the rules of the Sharjah International Commercial Arbitration Centre and shall be complementary to its provisions.

Article (2)

The centre shall collect annual charges amounting AED1,000 for registering the arbitrator at the arbitrators' record in the centre.

Article (3)

The centre shall collect annual charges amounting AED500 for registering the expert at the experts' record in the centre.

Appendix (B)

Arbitrators Fees and Administrative Charges

Article (1)

Fees of Arbitrators

Claim Amount	Fees of Individual Arbitrator		Fees of Three Arbitrators
	Minimum	Maximum	Maximum
Any Amount till 1,000,000	5,000	30,000	45,000
1,000,001-5,000,000	25,000	60,000	75,000
5,000,001-20,000,000	45,000	90,000	125,000
20,000,001-50,000,000	60,000	120,000	165,000
50,000,001-75,000,000	75,000	150,000	185,000
75,000,001 and more	95,000	180,000	250,000

The fees shall be determined between the two minimum and maximum limits under knowledge of the Executive Committee as per the conditions of each claim.

Article (2)

The arbitrators shall determine the fees of the assisting secretary with not less than AED3,000 and more than AED6,000 and shall be distributed equally between the two parties.

Article (3)

The arbitrators shall determine the fees of experts according to the assignment deputed to the expert.

Article (4)

In case a translator is appointed to translate the hearings of the arbitration his fees shall be AED 300 for one hearing and AED10,000 as a maximum to be paid by the losing party.

Article (5)

The centre shall take 10% from the fees of arbitrators or experts.

Article (6) (Administrative Charges)

- **Charges of Estimated Value Claims**

A fee of 5% from the claim value shall be charged with a minimum limit of AED5,000 and maximum limit of AED 30,000 on each claim submitted in the suit.

- **Charges of Non-estimated Value Claims**

A temporary fee of AED5,000 shall be charged in non-estimated value claims and the remaining fee shall be settled as per the claims specified by the by the disputing parties as per the percentage in paragraph (A) above.

- **Fees of Multi Claims**

In case the suit has claims resulting from one legal reason the estimation and the estimation shall be according to its total value. If its originating from different legal reasons the estimation shall the value of each separately.