

**THE JAPAN COMMERCIAL ARBITRATION  
ASSOCIATION  
COMMERCIAL ARBITRATION RULES**

As Amended and Effective on January 1, 2008

**CHAPTER**

**General Provisions**

**Rule 1. Purpose**

The purpose of these Rules shall be to provide for such matters as are necessary for arbitration at the Japan Commercial Arbitration Association (hereinafter the "Association").

**Rule 2. Definitions**

1. "Basic Date" under these Rules shall be the date after the lapse of three (3) weeks from the date on which the Association sends a notice of the request for arbitration provided for in Rule 15, Paragraph 1; provided that, if the respondent proves that it received such notice after such date, the date on which the respondent actually received such notice shall be the Basic Date.
2. Notwithstanding the provisions of the preceding paragraph, if the Association sends the notice of the request for arbitration by means provided for in Rule 15, Paragraph 2, the "Basic Date" under these Rules shall be the date of the expected time for arrival of such notice.
3. "Party" under these Rules shall be a claimant and/or respondent. Multiple claimants or respondents shall be deemed to be one party for purposes of the appointment of arbitrators.

**Rule 3. Application of these Rules**

1. These Rules shall apply where the parties have agreed to submit their dispute to arbitration under the Rules of the Association, or simply to arbitration at the Association (hereinafter the "arbitration agreement").
2. If the parties have entered into an arbitration agreement, these Rules shall be deemed incorporated into such agreement; provided that the parties may agree differently from the provisions of these Rules subject to the consent of the arbitral tribunal.

**Rule 4. Interpretation of these Rules**

If any question arises concerning the interpretation of these Rules, the Association's interpretation shall prevail; provided that the interpretation of an arbitral tribunal shall prevail over that of the Association in an arbitration case before such tribunal.

**Rule 5. Arbitration Agreement**

1. The arbitration agreement shall be in writing, such as in the form of a document signed

by all the parties, letters or telegrams exchanged between the parties (including those sent by facsimile device or other communication device for physically separated parties which provides the recipient with a written record of the transmitted content), or other documents.

2. When a written contract refers to a document that contains an arbitration clause and the reference is such as to make that clause part of the contract, the arbitration agreement shall be in writing.
3. When an arbitration agreement is made by way of recordation prepared electronically, magnetically, or by any other method incapable of recognition by human perception used for data-processing by a computer recording its content (hereinafter "electromagnetic records"), the arbitration agreement shall be in writing.
4. When the claimant submits a written request for arbitration containing the contents of an arbitration agreement, and a written answer submitted in response by the respondent does not contain anything to dispute it, the arbitration agreement shall be in writing.

#### **Rule 6. Arbitral Tribunal**

1. Arbitration under these Rules shall be conducted by an arbitral tribunal composed of one or more arbitrators who have been appointed pursuant to the provisions of Rules 23 through 26, 31, 45 (including the application *mutatis mutandis* of the provisions of Rule 44, Paragraph 2), and Rule 63.
2. The arbitral tribunal shall be established on the date when all the arbitrators have been appointed.
3. If the arbitral tribunal is composed of more than one arbitrator, the arbitrators shall agree upon and appoint a presiding arbitrator from among themselves.

#### **Rule 7. Decision of Arbitral Tribunal**

1. If the number of arbitrators is more than one, decisions of the arbitral tribunal, including the arbitral award, shall be made by a majority of votes of the arbitrators.
2. If the voting of the arbitral tribunal results in a tie, the presiding arbitrator shall cast the deciding vote.

#### **Rule 8. Secretariat**

1. Secretariat work with respect to arbitration under these Rules shall be conducted by the Secretariat of the Association.
2. The Secretariat of the Association shall, at the request of the arbitral tribunal or either party, make tape recordings and arrange for interpreting, making a stenographic transcript and providing a hearing room and the like as necessary for conducting the arbitral proceedings.

#### **Rule 9. Panel of Arbitrators**

The Association shall prepare and maintain a panel of arbitrators to facilitate the appointment of arbitrators.

### **Rule 10. Representation and Assistance**

A party may be represented or assisted by any person of its choice in the proceedings under these Rules.

### **Rule 11. Language**

1. Unless otherwise agreed by the parties, the arbitral tribunal shall determine, without delay, the language or languages to be used in arbitral proceedings. The arbitral tribunal shall, in so determining, take into consideration whether interpreting or translating will be required and how the cost thereof should be allocated.
2. The arbitral tribunal may request a party to attach to any documentary evidence its translation into the language or languages to be used in arbitral proceedings.
3. Correspondence by the party or the arbitrator with the Association shall be conducted in Japanese or English.

### **Rule 12. Period of Time of Proceedings**

1. The parties may, by written agreement, extend any period of time provided for in these Rules, except for the period of time provided for in Rule 2, Paragraph 1, Rule 18, Paragraph 1 and Rule 19, Paragraph 1. In the event of such an extension, the parties shall, without delay, notify the arbitral tribunal (or the Association if the arbitral tribunal has not been established) thereof.
2. The arbitral tribunal may, if deemed necessary, extend any period of time provided for in these Rules (including a period of time determined by the arbitral tribunal) except for the period of time provided for in Rule 65. In the event of such an extension, the arbitral tribunal shall, without delay, notify the parties thereof.
3. The Association may determine the period of time concerning the proceedings under these Rules before the establishment of the arbitral tribunal.

### **Rule 13. Exclusion of Liability**

Neither the arbitrators, nor the Association, nor the officers and staff of the Association shall be liable to any person for any act or omission in connection with the arbitration unless such act or omission is shown to constitute willful or gross negligence.

## **CHAPTER**

### **Commencement of Arbitration**

#### **Rule 14. Request for Arbitration**

1. To request the initiation of arbitral proceedings, the claimant shall submit to the Association a written request for arbitration setting forth the following:
  - (1) a demand that the dispute be referred to arbitration under these Rules;
  - (2) a reference to the arbitration agreement that is invoked;
  - (3) the full personal or corporate names of the parties and their addresses;
  - (4) if the claimant is represented by an agent, the name and address of such agent;
  - (5) the contact information (the place for delivery of documents, telephone number,

- facsimile number and email address) of the claimant or its agent;
- (6) the relief or remedy claimed;
  - (7) a summary of the dispute; and
  - (8) the basis for the claim and the manner or method of proof.
2. If the claimant is represented by an agent in the arbitral proceedings, such agent shall submit a power of attorney to the Association together with the written request for arbitration.
  3. The claimant shall, when it requests the initiation of arbitral proceedings, pay the request fee and the administrative fee provided for in the Arbitration Fee Regulations of the Association. If the claimant fails to pay such request fee and/or administrative fee, the Association may treat the request for arbitration as if it had not been made and return the written request for arbitration to the claimant with notification to such effect.
  4. Arbitral proceedings shall be deemed to be initiated on the date on which the written request for arbitration has been submitted to the Association.

#### **Rule 15. Notice of Request for Arbitration**

1. The Association, upon confirmation that the request for arbitration has been made in conformity with the provisions of Paragraphs 1 through 3 of the preceding Rule, shall notify, without delay, the respondent of the request for arbitration. A copy of the written request for arbitration shall be attached to such notice.
2. If none of the respondent's domicile, habitual residence, place of business, office or the place stipulated by the respondent as the place of delivery of documents from the claimant (hereinafter the "place of delivery") can be found after making a reasonable inquiry by the claimant, the Association may notify the respondent of the request for arbitration to the respondent's last-known domicile, habitual residence, place of business or the place of delivery by registered mail or any other means by which the attempt to deliver it can be certified.

#### **Rule 16. Continuation of Arbitral Proceedings before Establishment of Arbitral Tribunal**

The Association may proceed to constitute the arbitral tribunal even if the respondent raises objections concerning the existence or validity of the arbitration agreement before the establishment of the arbitral tribunal. If the Association proceeds with the proceedings, and the arbitral tribunal is established, the arbitral tribunal shall make a determination on the alleged existence or validity pursuant to the provisions of Rule 33, Paragraph 1.

#### **Rule 17. Request for Separation of Arbitral Proceedings**

1. If a request for arbitration against multiple respondents is submitted and any respondent submits a written request for separation of arbitral proceedings within three (3) weeks from the Basic Date and prior to the establishment of the arbitral tribunal, the claimant shall submit a new request for arbitration against each such respondent and the other respondent(s).
2. All newly submitted requests for arbitration under the preceding paragraph shall be deemed to have been submitted on the date on which the initial request for arbitration was submitted to the Association; provided that the Basic Date shall be determined

based on the newly submitted requests for arbitration.

3. The provisions of Paragraph 1 shall not preclude the application of Rule 44.

#### **Rule 18. Answer**

1. The respondent shall, within four (4) weeks from the Basic Date, submit to the Association a written answer setting forth the following:
  - (1) the full personal or corporate names of the parties and their addresses;
  - (2) if the respondent is represented by an agent, the name and address of such agent;
  - (3) the contact information (the place for delivery of documents, telephone number, facsimile number and email address) of the respondent or its agent;
  - (4) confirmation or denial of the claims;
  - (5) a summary of the dispute; and
  - (6) the basis for the answer and the manner or method of proof.
2. If the respondent is represented by an agent in the arbitral proceedings, such agent shall submit a power of attorney to the Association together with the written answer.
3. Subsequent to submission of the written answer, the Association shall send, without delay, a copy thereof to the other party or parties and, if an arbitrator has, or arbitrators have, been appointed, to such arbitrator or arbitrators.
4. If the written answer contains a counterclaim, the provisions of the following Rule shall apply to such counterclaim.

#### **Rule 19. Counterclaims**

1. The respondent may, only within four (4) weeks from the Basic Date, submit a counterclaim that is related to the claimant's claim(s) and covered by the same arbitration agreement. The arbitral tribunal shall examine any such counterclaim(s) together with the claimant's claim(s).
2. The provisions of Rules 14, 15 and 18 shall apply *mutatis mutandis* to any counterclaim provided for in the preceding paragraph.

#### **Rule 20. Amendments to Claims or Counterclaims**

1. The claimant (including counterclaimant) may, to the extent that the claim and counterclaim are covered by the same arbitration agreement, amend or supplement its claim (which shall hereinafter include a counterclaim for purposes of this Rule) by submitting a written request for amendment to the Association; provided that, after the establishment of the arbitral tribunal, such claimant or counterclaimant shall submit a written application for approval of such amendment to the arbitral tribunal and obtain its approval thereof.
2. The arbitral tribunal shall hear the other party's opinion before making a determination on the request for approval provided for in the preceding paragraph.
3. The arbitral tribunal may deny approval as provided for in Paragraph 1 if it considers it inappropriate to approve such amendment in view of the substantial delay in conducting the arbitral proceedings, or the prejudice to the other party that such amendment will cause, or any other circumstances.
4. The provisions of Rules 18 or 19 shall apply *mutatis mutandis* to an answer to or counterclaim with respect to an amended claim; provided that such answer or counterclaim shall be submitted within three (3) weeks from the date on which the

Association or the arbitral tribunal sends written notice of such amendment to such other party.

#### **Rule 21. Number of Copies of Documents to be Submitted**

The number of copies of documents to be submitted pursuant to the provisions of Rule 14, Paragraph 1 and Rule 18, Paragraph 1 (including the application *mutatis mutandis* of such provisions under Rule 19, Paragraph 2 and Paragraph 4 of the preceding Rule) and the provisions of Paragraph 1 of the preceding Rule shall be equal to the number of arbitrators (three (3) if not yet determined) and the other party or parties plus one (1); provided that one copy of a power of attorney shall suffice.

#### **Rule 22. Withdrawal of Request for Arbitration**

1. The claimant may, before the establishment of the arbitral tribunal, withdraw its request for arbitration by submitting a written withdrawal of request for arbitration to the Association.
2. After the establishment of the arbitral tribunal, the claimant may withdraw its request for arbitration by submitting a written withdrawal of request for arbitration to the arbitral tribunal and obtaining its consent thereto.
3. If the claimant submits the withdrawal as provided for in the preceding paragraph, the arbitral tribunal shall, upon hearing the respondent's opinion, give its consent to the withdrawal of request for arbitration unless the respondent objects thereto and the arbitral tribunal recognizes a legitimate interest on the respondent's part in obtaining a resolution of the dispute of the arbitral proceedings.
4. The arbitral tribunal shall terminate arbitral proceedings if the request for arbitration is duly withdrawn pursuant to the preceding paragraphs.

### **CHAPTER**

#### **Arbitral Tribunal**

#### **Rule 23. Appointment of Arbitrators**

1. The arbitrator(s) shall be appointed pursuant to the agreement of the parties.
2. If no agreement exists between the parties concerning the appointment of arbitrators, the arbitrator(s) shall be appointed pursuant to the following Rule 24 through Rule 26.

#### **Rule 24. Number of Arbitrators**

1. If the parties fail to notify the Association within three (3) weeks from the Basic Date of their agreement with respect to the number of arbitrators, such number shall be one (1).
2. Either party may, within three (3) weeks from the Basic Date, notify the Association of the request that such number shall be three (3). If the party notifies the Association of such request, the number of arbitrators shall be three (3) if the Association, taking into consideration the amount in dispute, the complexity of the case and other circumstances, considers it appropriate and notifies the parties to that effect.

### **Rule 25. Appointment of Arbitrator - Single Arbitrator**

1. If the number of arbitrators is one (1) under the provisions of the preceding Rule, the parties shall agree upon and appoint a single arbitrator within two (2) weeks from the time limit provided for in Rule 24, Paragraph 1.
2. If the parties fail to submit to the Association a notice of the appointment of an arbitrator pursuant to Rule 27 within the period of time provided for in the preceding paragraph, the Association shall appoint such arbitrator.
3. If the Association is to appoint an arbitrator pursuant to the provisions of the preceding paragraph, the Association shall give consideration to a request submitted by either party that the Association shall appoint as such arbitrator a person of a different nationality from those of the parties.

### **Rule 26. Appointment of Arbitrators - Three Arbitrators**

1. If the number of arbitrators is fixed at three (3) pursuant to Rule 24, Paragraph 2, each party shall appoint one (1) arbitrator within three (3) weeks from the date on which the Association notifies the parties in accordance with Rule 24, Paragraph 2.
2. If either party fails to submit to the Association a notice of the appointment of an arbitrator pursuant to Rule 27 within the period of time provided for in the preceding paragraph, the Association shall appoint such arbitrator.
3. The arbitrators appointed by the parties, or pursuant to the provisions of the preceding paragraph, shall agree upon and appoint the third arbitrator within three (3) weeks from the date on which the Association notifies the arbitrators to the effect that the two arbitrators have been appointed.
4. If the arbitrators fail to submit to the Association the notice of the appointment of the third arbitrator pursuant to Rule 27 within the period of time provided for in the preceding paragraph, the Association shall appoint such arbitrator.
5. If the Association is to make the appointment under the provisions of the preceding paragraph, the provisions of Paragraph 3 of the preceding Rule shall apply *mutatis mutandis*.

### **Rule 27. Notice of Appointment of Arbitrator**

1. Upon appointment of an arbitrator by a party or the arbitrators, such party or arbitrators shall, without delay, submit to the Association a written notice of appointment of arbitrator setting forth such arbitrator's name, address, contact information (telephone number, facsimile number and email address) and occupation, together with such arbitrator's written acceptance of appointment. The Association shall, without delay, send a copy of such notice to the other party and the arbitrator(s) already appointed if a party makes the appointment and to the parties if arbitrators further make the appointment, respectively.
2. Upon appointment of an arbitrator by the Association, it shall, without delay, notify the parties and the arbitrator(s) already appointed of such arbitrator's name, address, contact information (telephone number, facsimile number and email address) and occupation.

### **Rule 28. Impartiality and Independence of Arbitrators**

1. Arbitrators shall be, and remain at all times, impartial and independent.
2. When a person is approached in connection with his or her possible appointment as an arbitrator, he or she shall fully disclose to that person any circumstances likely to give rise to justifiable doubts as to his or her impartiality or independence.
3. When a person is appointed as an arbitrator, he or she shall, without delay, submit to the Association his or her written undertaking to disclose any and all circumstances likely to give rise to justifiable doubts as to his or her impartiality or independence, or to declare that there are no such circumstances. The Association shall, without delay, send a copy of such undertaking to the parties.
4. An arbitrator, during the course of the arbitral proceedings, shall without delay disclose in writing any and all such circumstances to the parties and the Association unless they have already been informed of the circumstances by the arbitrator.

### **Rule 29. Challenge of Arbitrators**

1. An arbitrator may be challenged by a party if circumstances exist that give rise to justifiable doubts as to the impartiality or independence of the arbitrator.
2. A party may challenge an arbitrator appointed by it, or in whose appointment it has participated by way of recommendation or any similar acts, only for reasons of which it becomes aware after the appointment has been made.
3. A party who intends to challenge an arbitrator shall, within two (2) weeks from the date of receipt of the notice of the appointment of the arbitrator or the date when it became aware of any circumstance provided for in Paragraph 1, submit a written request for the challenge to the Association.
4. If the request under the preceding paragraph is made, the Association shall, without delay, give notice to the other party and the arbitrators to that effect along with a copy of such request.
5. The Association shall, after hearing the opinions of the parties and the arbitrators and consulting with the Association's Committee for the Review of Challenges to Arbitrators, make a decision on the challenge.

### **Rule 30. Removal of Arbitrator**

The Association may remove any arbitrator who fails to perform his or her duties or unduly delays in the performance of his or her duties, or is legally or actually unable to perform his or her duties.

### **Rule 31. Replacement of Arbitrator**

1. If an arbitrator resigns or dies, the Association shall, without delay, notify the parties and the remaining arbitrator(s) thereof.
2. Unless otherwise agreed by the parties, if the arbitrator who resigns or dies is one appointed by a party or parties or the remaining arbitrators, such party or parties or remaining arbitrators shall appoint a substitute arbitrator within three (3) weeks from the date on which such party or parties or such arbitrators receive the notice provided for in the preceding paragraph. If the arbitrator who resigns or dies is one appointed by the Association, the Association shall appoint a substitute arbitrator within three (3) weeks from the date on which it learns of such resignation or death.
3. If such party or parties or arbitrators fails or fail to submit to the Association the notice



of the appointment of a substitute arbitrator pursuant to Rule 27 within the period of time provided for in the preceding paragraph, the Association shall appoint such substitute arbitrator.

4. The provisions of the preceding two paragraphs shall apply *mutatis mutandis* to the appointment of a substitute arbitrator in case of the decision made by the Association that grounds for challenge exist if an arbitrator is challenged as provided for in Rule 29 and in case of removal provided for in the preceding Rule.

## **CHAPTER**

### **Arbitral Proceedings**

#### **Section 1. Examination Proceedings**

##### **Rule 32. Supervision of Examination Proceedings**

1. The examination proceedings, including hearings, shall be conducted under the supervision of the arbitral tribunal.
2. The arbitral tribunal shall treat the parties equally and give each party sufficient opportunity to state and prove its case and present a defense against the other party's case.
3. The arbitral tribunal may proceed with the arbitral proceedings even if either party fails to submit its arguments or to apply to present its evidence.
4. The arbitral tribunal shall make efforts towards the expedited resolution of the dispute.
5. The arbitral tribunal shall, by consultation with the parties, make a schedule of arbitral proceedings as soon as the arbitral tribunal is established.
6. A party shall send any documents to be submitted in the arbitral proceedings to the arbitrators, the other party and the Association and the arbitral tribunal shall send the Association a copy of any communication which is sent to the parties.
7. The submission of the documents by the party provided for in the preceding paragraph may be made by way of electromagnetic record or facsimile if the arbitral tribunal considers it appropriate.

##### **Rule 33. Competence of Arbitral Tribunal to Decide Jurisdiction**

1. The arbitral tribunal may decide challenges made regarding the existence or validity of an arbitration agreement or its own jurisdiction.
2. The arbitral tribunal shall decide to terminate arbitral proceedings if it considers it has no arbitral jurisdiction.

##### **Rule 34. Hearings**

1. The date and place of hearings shall be decided by the arbitral tribunal upon consultation with the parties. If a hearing lasts more than one (1) day, it shall be held on consecutive days, to the extent possible.
2. After the date and place of hearings have been decided, the arbitral tribunal shall, without delay, notify the parties thereof. One notice shall suffice even if hearings are held on consecutive days.
3. Oral arguments and examination of evidence shall occur at hearings.

4. The date of a hearing shall be changed at the request of both parties. In the event that one of the parties requests that the date of a hearing be changed, the arbitral tribunal may change such date only if it determines that there are unavoidable circumstances.
5. The request provided for in the preceding paragraph shall be made in writing, unless made at a hearing.

#### **Rule 35. Appearance by the Parties at Hearings**

1. Hearings shall in principle be held in the presence of both parties.
2. If one or both parties fails to appear without good cause, hearings may be held in its or their absence.
3. If one of the parties fails to appear, hearings and other examination proceedings may be conducted based on the allegations and proof of the party who has appeared.

#### **Rule 36. Submission of Written Statements**

1. Each party shall, within the period of time determined by the arbitral tribunal, submit to the arbitral tribunal written statements setting forth such party's case on the law and the facts (hereinafter the "written statements").
2. The arbitral tribunal shall confirm the receipt of the written statements submitted by each party.

#### **Rule 37. Application to Present Evidence and Examination of Evidence**

1. Each party shall have the burden of proving the facts relied on to support such party's claims or defenses.
2. The arbitral tribunal may, when it deems it necessary, examine evidence that a party has not applied to present.
3. Such examination of evidence may be made other than at a hearing. If the arbitral tribunal decides to examine evidence other than at a hearing, the parties shall be given the opportunity to be present.
4. A party may request the arbitral tribunal to order the other party to produce documents which it possesses.
5. If the request under the preceding paragraph is made, the arbitral tribunal may, after hearing the other party's opinion, order the production provided for in the preceding paragraph if it considers it necessary to the examination proceedings, unless it determines there are legally justified reasons for the party to refuse the production.

#### **Rule 38. Appointment of Experts by Arbitral Tribunal**

1. The arbitral tribunal may appoint one or more experts to advise with respect to any necessary issues and to report the findings in writing or orally.
2. If a party so requests, the arbitral tribunal shall, after delivery of the report provided for in the preceding paragraph, give an opportunity to the parties to put questions to the expert in a hearing.

#### **Rule 39. Assignment of Arbitrator's Authority**

The arbitral tribunal may, when it deems it necessary and after obtaining the

consent of the parties, cause one or more of the arbitrators constituting the arbitral tribunal to proceed with a part of the proceedings.

#### **Rule 40. Closed Proceedings; Obligation of Confidentiality**

1. Arbitral proceedings, and records thereof, shall be closed to the public.
2. The arbitrators, the officers and staff of the Association, the parties and their representatives or assistants shall not disclose facts related to arbitration cases or facts learned through arbitration cases except where disclosure is required by law or required in court proceedings.

#### **Rule 41. Rules Applicable to Substance of Dispute**

1. The arbitral tribunal shall decide the dispute in accordance with such rules of law as are agreed by the parties as applicable to the substance of the dispute.
2. Failing agreement provided for in the preceding paragraph, the arbitral tribunal shall apply the law of the country or state to which the dispute in the arbitral proceedings is most closely connected.
3. Notwithstanding the provisions contained in the preceding two paragraphs, the arbitral tribunal shall decide *ex aequo et bono* only if the parties have expressly requested it to do so.

#### **Rule 42. Place of Arbitration**

1. Unless otherwise agreed by the parties, the place of arbitration shall be the place of business of the Association where the claimant submitted the written request for arbitration provided for in Rule 14, Paragraph 1.
2. Notwithstanding the place of arbitration determined in accordance with the provisions of the preceding paragraph, the arbitral tribunal may carry out the arbitral proceedings at any place it considers appropriate.

#### **Rule 43. Participation in Proceedings**

1. Any interested person who is not a party to a particular arbitration may, with the consent of all the parties to such arbitration, participate in such arbitration as a claimant or be allowed to participate therein as a respondent.
2. If the participation in the arbitration provided for in the preceding paragraph occurs before the establishment of the arbitral tribunal, the arbitrators shall be appointed subject to the provisions of Rule 45 and, if such participation occurs after the establishment of the arbitral tribunal, the composition thereof shall not be affected.
3. Notwithstanding that the consent provided for in Paragraph 1 has been given, the arbitral tribunal may deny participation in the arbitration if the arbitral tribunal determines that such participation will delay the arbitral proceedings or for any other proper reason.
4. The provisions of Rule 14 shall apply *mutatis mutandis* to an application for participation in the arbitration; provided that the administrative fee mentioned in Rule 14, Paragraph 3 shall be repaid if such participation is denied.

#### **Rule 44. Examination of Multiple Requests for Arbitration**

### **in the Same Proceedings**

1. If the Association or the arbitral tribunal determines that it is necessary to consolidate multiple requests for arbitration that contain claims that are essentially and mutually related, the arbitral tribunal, after obtaining the written consent of all the relevant parties, may examine such cases together in the same proceedings; provided that, if multiple requests for arbitration arise out of the same arbitration agreement, no consent of the parties is necessary.
2. If it is determined, pursuant to the provisions of the preceding paragraph, that multiple requests for arbitration are to be disposed of in the same proceedings, the provisions of Paragraph 2 of the preceding Rule shall apply *mutatis mutandis* to the appointment of arbitrators.

### **Rule 45. Appointment of Arbitrators where Third Party Participates in Proceedings**

1. If, prior to the establishment of an arbitral tribunal, a third party participates or is allowed to participate in arbitral proceedings under the provisions of Rule 43, the claimant, the respondent and such third party shall agree and appoint one or more arbitrators.
2. If the number of arbitrators has not been agreed upon or the appointment of the number of arbitrators fixed by the agreement provided for in the preceding paragraph has not been completed within three (3) weeks from the date on which such third party has participated in arbitral proceedings, the Association shall appoint an appropriate number of arbitrator(s) or the number of arbitrators agreed upon, respectively.

### **Rule 46. Interlocutory Award**

The arbitral tribunal may, when it deems it appropriate, make an interlocutory award to decide a dispute arising during the course of the arbitral proceedings. The provisions of Rule 54, Paragraph 1 and Rule 55, Paragraphs 1 and 2 shall apply *mutatis mutandis* to such interlocutory award; provided that the statement of a reason for the interlocutory award may be dispensed with.

### **Rule 47. Settlement of Dispute by the Arbitral Tribunal**

An arbitral tribunal may attempt to settle the dispute in the arbitral proceedings if all of the parties consent, orally or in writing, thereto.

### **Rule 48. Interim Measures of Protection**

1. The arbitral tribunal may, at the request of a party, order any party to take such interim measures of protection as the arbitral tribunal may consider necessary in respect of the subject matter of the dispute.
2. The arbitral tribunal may order any party to provide appropriate security in connection with such measures as prescribed in the preceding paragraph.

### **Rule 49. Conclusion and Reopening of Examination Proceedings**

1. The arbitral tribunal may decide to conclude the examination upon determining that the proceedings have matured enough for the arbitral tribunal to render an arbitral award. If such decision is made other than at a hearing, an appropriate period of time for advance notice shall be provided.
2. The arbitral tribunal may, if it deems it necessary, reopen the examination. An examination shall, in principle, not be reopened after the lapse of three (3) weeks from the date of conclusion of the examination proceedings.

#### **Rule 50. Termination of Arbitral Proceedings**

1. The arbitral proceedings are terminated at the time when the arbitral award, or the decision to terminate the arbitral proceedings, has been made.
2. The arbitral tribunal shall decide to terminate arbitral proceedings, other than as provided for in Rule 22, Paragraph 4 or Rule 33, Paragraph 2, if the arbitral tribunal finds that the continuation of the arbitral proceedings has become unnecessary or that the continuation of the arbitral proceedings has become impossible.
3. The mandate of the arbitral tribunal terminates at the time when the arbitral proceedings have been terminated, subject to the provisions of Rules 56 through 58.
4. The provisions of Rule 54, Paragraph 1, Paragraph 3, Paragraph 4 and Paragraph 5 and Rule 55 shall apply *mutatis mutandis* to the decision under this Rule.

#### **Rule 51. Right to Object**

A party who knows or ought to know that the arbitral proceedings have not been conducted properly and who fails to object without delay, shall be deemed to have waived its right to object; provided that no party shall be deemed to have waived any right that it cannot waive.

#### **Rule 52. Examination Proceedings only on Documents**

1. The parties may, at any time, by written agreement, request examination based only on documents. If the parties make such a request, the proceedings already conducted shall remain valid.
2. If it is a violation of the spirit of the provisions of these Rules to apply them to examination proceedings based only on documents, the arbitral tribunal's determination shall prevail.

### **Section 2. Arbitral Award**

#### **Rule 53. Time of Arbitral Award**

1. Once the arbitral tribunal has determined that the proceedings have matured enough for it to render an arbitral award and the examination has been concluded, the arbitral tribunal shall make an arbitral award within five (5) weeks from the date of such conclusion; provided that the arbitral tribunal may, if it deems it necessary in view of the complexities of the case or for any other reason, extend such period of time to an appropriate period of not more than eight (8) weeks.
2. The arbitral tribunal shall, upon conclusion of the examination pursuant to the preceding paragraph, notify the parties of the period of time during which it shall make

an arbitral award.

#### **Rule 54. Arbitral Award**

1. The arbitral award shall state the following and bear the signature of each arbitrator; provided that the statement of Item (4) below shall be omitted if the parties have agreed that no statement is necessary, and in the case provided for in the following paragraph, and the reason for such omission shall be set forth in the arbitral award:
  - (1) the full personal or corporate names of the parties and their addresses;
  - (2) if a party is represented by an agent, the name and address of such agent;
  - (3) the text of the award;
  - (4) the reason for the award;
  - (5) the date of the award; and
  - (6) the place of arbitration.
2. The arbitral tribunal may, at the request of the parties reaching a settlement during the course of the arbitral proceedings, set forth the contents of any settlement reached in its arbitral award. The arbitral tribunal shall state to that effect in the arbitral award.
3. The arbitral tribunal shall set forth in the text of its arbitral award the total amount and the allocation of the administrative fee, the arbitrators' remuneration and the necessary expenses incurred during the proceedings.
4. If one party should repay to the other based on the allocation described in the preceding paragraph, the arbitral tribunal shall set forth in the text of its arbitral award the order that that party shall repay such amount to the other party.
5. If there is more than one arbitrator and an arbitrator fails to sign the arbitral award, the arbitral tribunal shall set forth the reasons for such failure in the arbitral award.
6. The arbitral award shall be final and binding upon the parties.

#### **Rule 55. Service of Arbitral Award**

1. A copy of the arbitral award shall be lodged with the Association.
2. The Association shall serve a copy of the arbitral award signed by the arbitrators on each party by hand delivery, by delivery-certified registered mail, or by any other method proving receipt.
3. Service under the preceding paragraph shall occur after the arbitrators' remuneration and the necessary expenses incurred during the proceedings have been fully paid to the Association.

#### **Rule 56. Correction of Arbitral Award**

The arbitral tribunal may upon request by a party, or on its own authority, correct any errors in computation, clerical errors, or any other errors of a similar nature.

#### **Rule 57. Interpretation of Arbitral Award by Tribunal**

A party may request the arbitral tribunal to give an interpretation of a specific part of the arbitral award.

#### **Rule 58. Additional Arbitral Award**

A party may request the arbitral tribunal to make an additional arbitral award as to claims presented in the arbitral proceedings but omitted from the arbitral award.

## **CHAPTER**

### **Expedited Procedures**

#### **Rule 59. Application of Expedited Procedures**

1. In any case where the amount and economic value of the claimant's claim are not more than ¥20,000,000, arbitration shall be conducted under the provisions set forth in this Chapter; provided that the provisions set forth in this Chapter shall not apply to any of the following cases:
  - (1) if the parties notify the Association, within two (2) weeks from the Basic Date, of their agreement that they shall not submit their dispute to the Expedited Procedures;
  - (2) if the parties notify the Association, within two (2) weeks from the Basic Date, of their agreement that the number of arbitrators shall be more than one (1); or
  - (3) if a counterclaim is submitted pursuant to the provisions set forth in Rule 61 and the amount and/or economic value of such counterclaim exceeds ¥20,000,000.
2. The amount of interest and other legal fruits, compensation for damages, penalty for breach of contract and expenses incidental to a principal claim shall not be included in either the amount or the economic value of the claim provided for in the preceding paragraph.
3. Where the economic value of a claim cannot be calculated, or its calculation is extremely difficult, or where there is a dispute between the parties concerning such economic value, the economic value provided for in Paragraph 1 shall be deemed to exceed ¥20,000,000.

#### **Rule 60. Provisions applied to Expedited Procedures**

1. Expedited Procedures shall be conducted as provided for in Rules 61 through 67.
2. Matters not provided for in this Chapter shall be governed *mutatis mutandis* by the provisions of the other Chapters of these Rules.

#### **Rule 61. Time Limit of Counterclaims**

If the amount and economic value of the claimant's claim provided for in Rule 59 are not more than ¥20,000,000, the respondent may, only within two (2) weeks from the Basic Date, submit its counterclaim(s) as provided for in Rule 19.

#### **Rule 62. Prohibition against Amendments to Claims or Counterclaims**

Neither the claimant nor the counterclaimant may amend or supplement its claims or counterclaims.

#### **Rule 63. Appointment of Arbitrators**

1. The arbitral tribunal shall consist of a single arbitrator.

2. The parties shall agree upon and appoint an arbitrator within four (4) weeks from the Basic Date.
3. If the parties fail to submit to the Association the notice of the appointment of an arbitrator under Rule 27 within the period of time provided for in the preceding paragraph, the Association shall appoint such arbitrator.
4. If the Association is to appoint an arbitrator pursuant to the provisions of the preceding paragraph, the Association shall give consideration to a request submitted by either party that the Association shall appoint as such arbitrator a person of a different nationality from those of the parties.
5. The provisions of Rules 23 through 26 and Rule 45 shall not apply to Expedited Procedures.

#### **Rule 64. Restriction against Hearings**

The arbitral tribunal may hold a hearing for one (1) day only; provided that an additional one (1) day may be permitted if unavoidable.

#### **Rule 65. Time Limit of Arbitral Award**

1. The arbitral tribunal shall make an arbitral award within three (3) months after the establishment of the arbitral tribunal.
2. Notwithstanding the provisions of the preceding paragraph, the Association may extend such time limit if the arbitrator and all the parties so agree, or if the Association determines that the arbitrator is unable to make an arbitral award within the time limit as a result of his or her mental and/or physical difficulties, or other reason for which the arbitrator is incapable to perform the arbitrator's duties; provided that, in either case, the extension of the time limit by the Association shall be limited to a maximum of an additional three (3) months.

#### **Rule 66. Exclusion of Application of Provisions concerning Participation in Proceedings and Consolidated Examination**

The provisions of Rules 43 and 44 shall not apply to Expedited Procedures.

#### **Rule 67. Replacement of Words**

If the purview of Rule 2, Paragraph 1 and Rule 17, Paragraph 1 applies, the words "three (3) weeks" provided for in Rule 2, Paragraph 1 and in Rule 17, Paragraph 1 shall be replaced by the words "one (1) week" and "four (4) weeks," respectively.

### **CHAPTER**

#### **Supplementary Rules**

#### **Rule 68. Obligation to Pay Fees, etc.**

The parties shall be jointly and severally liable for payment to the Association of the fees provided for in the Arbitration Fee Regulations, the arbitrators' remuneration and the necessary expenses incurred during the proceedings.



### **Rule 69. Allocation of Fees and Expenses**

The parties shall bear, in the manner provided below, the fees provided for in the Arbitration Fee Regulations and the necessary expenses incurred during the proceedings:

- (1) the request fee shall be borne by the party requesting the initiation of arbitral proceedings; and
- (2) the administrative fee and the necessary expenses incurred during the proceedings shall be borne subject to the allocation determined by the arbitral tribunal and set forth in the arbitral award.

### **Rule 70. Allocation of Remuneration for Arbitrators**

The parties shall bear equally the cost of the remuneration fixed by the Association for the arbitrators; provided that the arbitral tribunal may, in view of the circumstances, allocate such cost in any other manner.

### **Rule 71. Payment to the Association**

1. The parties shall pay to the Association, in the manner and within the period of time determined by the Association, a sum of money fixed by it to cover the arbitrators' remuneration and necessary expenses incurred during the proceedings.
2. If a party fails to make payment as provided for in the preceding paragraph, the Association may request the arbitral tribunal to suspend or terminate the arbitral proceedings unless the other party makes such payment on behalf of the first party.
3. If, subsequent to termination of the arbitral proceedings, the total sum of money paid under the provisions of Paragraph 1 and the administrative fee exceeds the total sum of the administrative fee, the arbitrators' remuneration and the necessary expenses incurred during the proceedings and paid by the parties to the Association determined by the arbitral tribunal under the provisions of Rule 54, Paragraph 3, the Association shall refund the difference to either or both of the parties.

### **Rule 72. Costs incurred by a Party**

Unless otherwise agreed by the parties, the arbitral tribunal may include as part of the necessary expenses incurred during the proceedings all or part of the legal representation fees and expenses incurred by the legal representative of a party to pursue the proceedings.

### **Supplementary Provisions**

(Effective as of October 1, 1992)

1. These Rules shall come into effect on October 1, 1992.
2. The Commercial Arbitration Rules, as amended on June 1, 1991 (hereinafter the "Former Rules"), are hereby repealed.
3. Any arbitral proceedings initiated before these Rules come into effect shall be governed by the Former Rules; provided that subsequent proceedings may, upon agreement of the parties, be conducted pursuant to these Rules. In the event of such an agreement between the parties, the proceedings that already have been conducted

pursuant to the Former Rules shall remain valid.

### **Supplementary Provisions**

(Effective as of October 1, 1997)

1. These Rules shall come into effect on October 1, 1997.
2. Any arbitral proceedings initiated before these Rules come into effect shall be governed by the former Rules; provided that subsequent proceedings may, upon agreement of the parties, be conducted pursuant to these Rules. In the event of such an agreement between the parties, the proceedings that already have been conducted pursuant to the former Rules shall remain valid.

### **Supplementary Provisions**

(Effective as of March 1, 2004)

1. These Rules shall come into effect on March 1, 2004.
2. Any arbitral proceedings initiated before these Rules come into effect shall be governed by the former Rules; provided that subsequent proceedings may, upon agreement of the parties, be conducted pursuant to these Rules. In the event of such an agreement between the parties, the proceedings that already have been conducted pursuant to the former Rules shall remain valid.

### **Supplementary Provisions**

(Effective as of July 1, 2006)

1. These Rules shall come into effect on July 1, 2006.
2. Any arbitral proceedings initiated before these Rules come into effect shall be governed by the former Rules; provided that subsequent proceedings may, upon agreement of the parties, be conducted pursuant to these Rules. In the event of such an agreement between the parties, the proceedings that already have been conducted pursuant to the former Rules shall remain valid.

### **Supplementary Provisions**

(Effective as of January 1, 2008)

1. These Rules shall come into effect on January 1, 2008.
2. Any arbitral proceedings initiated before these Rules come into effect shall be governed by the former Rules; provided that subsequent proceedings may, upon agreement of the parties, be conducted pursuant to these Rules. In the event of such an agreement between the parties, the proceedings that already have been conducted pursuant to the former Rules shall remain valid.

**THE JAPAN COMMERCIAL ARBITRATION  
ASSOCIATION**

**ARBITRATION FEE REGULATIONS**

As Amended and Effective on March 1, 2004

**Article 1. Request Fee and Administrative Fee**

1. The request fee and the administrative fee that the claimant should pay at the time of submitting a request for arbitration shall be as follows:

Request Fee : ¥52,500	
Administrative Fee :	
Amount of Economic Value of Claim	Amount of Fee
Not more than ¥5,000,000	¥210,000
More than ¥5,000,000 but not more than ¥10,000,000	¥210,000 plus 3.15% of excess over ¥5,000,000
More than ¥10,000,000 but not more than ¥20,000,000	¥367,500 plus 1.575% of excess over ¥10,000,000
More than ¥20,000,000 but not more than ¥100,000,000	¥525,000 plus 1.05% of excess over ¥20,000,000
More than ¥100,000,000 but not more than ¥1,000,000,000	¥1,365,000 plus 0.315% of excess over ¥100,000,000
More than ¥1,000,000,000 but not more than ¥ 5,000,000,000	¥4,200,000 plus 0.2625% of excess over ¥1,000,000,000
More than ¥5,000,000,000	¥14,700,000
Claim whose economic value cannot be calculated or is extremely difficult of its calculation	¥1,050,000 per claim

2. Where the claim includes a claim for interest, damages, etc. accruing or being caused continuously, the administrative fee shall be calculated based upon the amount of the claim plus the amount of interest, damages, etc. for a period of one year from the date of submitting the request for arbitration.

**Article 2. Administrative Fee in Case of Modification of Amount of Claim**

If, after paying the administrative fee, the claimant increases the amount of the claim or adds another claim, the administrative fee shall be the amount obtained by applying Article 1 to the claim as modified; provided that the date of submitting the request for

arbitration+in the provisions of Article 1, Paragraph 2 shall be replaced with %the date of increasing the amount of the claim or adding another claim.+

### **Article 3. Request for Decision on Propriety of Amount of Administrative Fee Already Paid**

The parties or the Japan Commercial Arbitration Association (hereinafter the %Association+) may request the arbitral tribunal to decide on the propriety of the amount of the administrative fee already paid under the provisions of the preceding two (2) Articles. Upon such a decision, if the amount already paid falls short of the amount of the administrative fee so decided, the Association may request the claimant to pay the difference, or, if the amount already paid exceeds the amount of the administrative fee so decided, the Association shall refund the difference to the claimant.

### **Article 4. Administrative Fee in Case of Withdrawal of Request for Arbitration**

1. If the claimant, within thirty (30) days after the initiation of the arbitral proceedings and when no arbitrator has been appointed, withdraws the request for arbitration, the Association shall refund the total amount of the administrative fee.
2. The provisions of the preceding paragraph shall not apply to arbitration under the Expedited Procedures provided for in Chapter V of the Commercial Arbitration Rules.

### **Article 5. Administrative Fee in Case of Withdrawal of Request for Arbitration where Expedited Procedures Apply**

In the case of arbitration under the Expedited Procedures provided for in Chapter V of the Commercial Arbitration Rules, if the claimant, within ten (10) days after the initiation of the arbitral proceedings and when no arbitrator has been appointed, withdraws the request for arbitration, the Association shall refund the total amount of the administrative fee.

### **Article 6. Application in Case of Counterclaim**

The provisions of the preceding five (5) Articles shall apply to a counterclaim made by the respondent.

\* The fees described above do not cover the rental of a hearing room.

**THE JAPAN COMMERCIAL ARBITRATION  
ASSOCIATION**

**REGULATIONS FOR ARBITRATOR'S  
REMUNERATION**

As Amended and Effective on January 1, 2008

**Article 1. Application of these Regulations**

These Regulations shall apply to the arbitrator's remuneration and related matters for arbitration under the Commercial Arbitration Rules of the Japan Commercial Arbitration Association (hereinafter called the "Association").

**Article 2. Arbitrator's Remuneration**

The basic amount of an arbitrator's remuneration shall be based on the amount equal to the Hourly Rate multiplied by the number of the Arbitration Hours. Taking into consideration the complexity of the case, the speed of examination proceedings, the circumstances of each arbitrator, the role of the third arbitrator and other circumstances, the Association shall determine, within the upper limit specified in the annexed table, the amount of remuneration for each arbitrator pursuant to these Regulations.

**Article 3. Arbitration Hours and Hourly Rate**

1. The term "Arbitration Hours" means the time spent for hearings and the time reasonably required for preparation for arbitral proceedings and related matters; provided that, only one-half of the traveling time the arbitrator spends for arbitral proceedings shall be added to the Arbitration Hours except for the time spent for preparation for arbitral proceedings.
2. Taking into consideration their experience as arbitrators, the complexity of the case and related matters, the Association will determine an Hourly Rate within the range of ¥30,000 to ¥80,000 for each arbitrator; provided that the Hourly Rate for the third arbitrator shall not be lower than these for the other arbitrators.
3. Notwithstanding the provisions of the preceding paragraph, the Association may determine any other Hourly Rate if all of the parties agree.
4. If one of the arbitrators has been entrusted by the arbitral tribunal to draw up a draft of the arbitral award or to do any other things, an amount equal to Hourly Rate multiplied by the number of hours spent for the entrusted work shall be added to the amount calculated pursuant to the preceding three (3) paragraphs, and such total amount shall be the basic amount of remuneration for that arbitrator as calculated under the provisions of Article 2.
5. The arbitrator(s) shall provide the Association with a monthly report stating the time reasonably required for preparation for arbitral proceedings and related matters as well as the traveling time set forth in the proviso of Paragraph 1 of this Article.

#### **Article 4. Reduction of Hourly Rate**

1. When the Arbitration Hours exceed sixty (60) hours, the Hourly Rate shall be reduced by ten (10)% for every fifty (50) hours in excess of the initial sixty (60) hours; provided that the reduction shall not exceed fifty (50)% of the original Hourly Rate and provided further that the Hourly Rate for the time spent for the entrusted work by the arbitrator entrusted to do such work as set forth in Article 3, Paragraph 4 shall be equal to that arbitrator's original Hourly Rate.
2. At the time of calculating the number of hours set forth in the preceding paragraph, the traveling time set forth in the proviso of Article 3, Paragraph 1 shall not be counted.

#### **Article 5. Reduction of Arbitrator's Remuneration**

In case an arbitrator loses his or her status as an arbitrator due to his or her resignation or other reasons during arbitral proceedings, the Association may, in consideration of the circumstances, reduce the arbitrator's remuneration calculated under the provisions of Articles 2 through 4.

#### **Article 6. Committee for Reviewing Arbitrator's Remuneration**

1. If any arbitrator or party considers the application of the provisions of Articles 2 through 5 inappropriate, that arbitrator or party may request the Association to review the applications of such provisions. Such request shall be made as early as possible, and at the latest by the time of concluding the examination proceedings.
2. In case a request under the provisions of the preceding paragraph has been made to the Association, the Committee for Reviewing Arbitrator's Remuneration (hereinafter called the "Committee") shall decide whether or not the request has merit. If the Committee accepts the request, it may set the arbitrator's remuneration at any appropriate amount notwithstanding the provisions of Articles 2 through 5.
3. The Committee's determination under the provision of the preceding paragraph shall be final and no appeal shall be allowed against the arbitrator's remuneration so determined.

#### **Article 7. Payment of Arbitrator's Remuneration**

1. The Association shall pay to the arbitrator his or her remuneration without delay upon the arbitrator's rendering of an arbitral award or upon the withdrawal of the request for arbitration.
2. The Association shall pay to the arbitrator his or her remuneration without delay upon the arbitrator's loss of his or her status as an arbitrator due to his or her resignation or other reasons.

#### **Article 8. Arbitrator's Expenses**

1. The arbitrator shall be entitled to reimbursement by the Association of his or her actual expenses incurred to the extent required for arbitral proceedings, including expenses for travel, hotels, meals and other expenses, and which are defined as

“necessary expenses incurred during the proceedings” in Rule 69 of the Commercial Arbitration Rules of the Association.

2. The travel expenses shall include air, train and taxi fares.
3. The arbitrator’s expenses set forth in Paragraph 1 shall be paid by the Association when the arbitrator has provided documentary evidence thereof to the Association.

Annex to The Regulations for Arbitrator's Remuneration

Upper Limit of the Arbitrator's Remuneration

1. A sole arbitrator

Amount or Economic Value of Claim	Maximum Amount of Remuneration
Not more than ¥20,000,000	10.5%
More than ¥20,000,000 but not more than ¥100,000,000	¥2,100,000 plus 2.625% of excess over ¥20,000,000
More than ¥100,000,000 but not more than ¥500,000,000	¥4,200,000 plus 1.575% of excess over ¥100,000,000
More than ¥500,000,000 but not more than ¥1,000,000,000	¥10,500,000 plus 0.42% of excess over ¥500,000,000
More than ¥1,000,000,000 but not more than ¥5,000,000,000	¥12,600,000 plus 0.105% of excess over ¥1,000,000,000
More than ¥5,000,000,000	¥16,800,000 plus 0.084% of excess over ¥5,000,000,000
Claim whose economic value cannot be calculated or is extremely difficult of its calculation	As determined by the Association

2. Two or more arbitrators

[(Maximum Amount of Remuneration of a sole arbitrator) × (number of arbitrators) × 0.8] shall be the maximum aggregate remuneration for two or more arbitrators.