

# Amendment to Arbitration Rules and Enactment of Appointing Authority Rules (effective on July 1, 2021)

## 1. Amendments to Expedited Arbitration Procedures

One crucial merit for companies to take advantage of arbitration is that they can resolve disputes in a time-efficient and cost-effective manner. For the JCAA-administered arbitration cases concluded in the last decade, the average duration from the constitution of the arbitral tribunal to the rendering of award is approximately 12.8 months. Only 22 out of 139 cases were conducted in expedited arbitration procedures (under the current rules (2019), the expedited arbitration procedures apply, in principle, where the amount in dispute is less than 50 million yen), and their average duration is 3.5 months.

To further streamline the JCAA-administered arbitration procedures as a whole, and with reference to the rules of other arbitral institutions, the upper limit of amount in dispute has been raised to expand the scope of application of expedited arbitration procedures under the Commercial Arbitration Rules and the Interactive Arbitration Rules.

## 2. Appointing Authority Rules

As part of an agreement to ad hoc arbitration, the parties may agree to empower an arbitral institution to appoint an arbitrator. In addition, while they agree that the arbitration shall be conducted under the arbitration rules of arbitral institution “A”, they may agree to authorize institution “B” to appoint an arbitrator. Where the parties so agree, there are currently no specific rules for the JCAA to act as appointing authority. Of course, the parties can conclude an agreement with the JCAA on this, but since what services are to be provided at what costs are unclear, the negotiation process would be time consuming, and the parties are unlikely to entrust the appointment of arbitrator to the JCAA.

The major arbitral institutions, including the ICC, have established specific rules for the appointment of arbitrator in such a case. With reference to the relevant articles in the Commercial Arbitration Rules and the provisions of the major arbitral institutions, new rules for the JCAA to serve as appointing authority are drawn up.

### 3. Amendments to Administrative Fee

In order to encourage the use of arbitration in disputes with small claims, the provisions concerning administrative fee are amended.

**1. Comparison among current ordinary procedures, current expedited procedures, and new expedited procedures (article number is that of the Commercial Arbitration Rules)**

	Current ordinary procedures	Current expedited procedures	New expedited procedures	Remarks
a. Amount in dispute	More than 50 million yen	50 million yen or less	<b>300 million yen or less</b> (approximately, USD2.73 million)	<ul style="list-style-type: none"> <li>- Amount in dispute under the new expedited arbitration procedures refers to the total amount of the claim, counterclaim and set-off defense.</li> <li>- For JCAA cases concluded from 2011 to 2020, 47.4% had an amount in dispute of less than 300 million yen, 21.43% of which had an amount in dispute of less than 50 million yen.</li> </ul>
b. Inapplicability of the expedited procedures		The parties' agreement to opt out	In addition to the parties' agreement to opt out, JCAA may decide not to apply the expedited arbitration procedure.	<ul style="list-style-type: none"> <li>- In cases where it is clearly inappropriate to apply the expedited arbitration procedures, such as where the parties' agreement contains the provisions that are contrary to the provisions of the expedited arbitration procedures, the JCAA may, by its decision, exclude the application of the expedited arbitration procedures.</li> </ul>
c. Transfer from expedited procedures to ordinary procedures		Not stipulated	The JCAA may, after consultation with the arbitral tribunal and the parties, decide to terminate the application of expedited arbitration procedures and transfer it to	<ul style="list-style-type: none"> <li>- Where it is no longer appropriate to continue the expedited procedures, having regard to the complexity of the case, the case may be transferred to ordinary procedures.</li> </ul>

			ordinary procedures.	
d. Time limit for counterclaims and set-off defense	<b>Four</b> weeks (Articles 19 and 20) from the Respondent's receipt of the notice of the Request for Arbitration	<b>Two</b> weeks (Article 85) from the Respondent's receipt of the notice of the Request for Arbitration	<b>Four</b> weeks from the Respondent's receipt of the notice of the Request for Arbitration (same as ordinary procedures).	The amendment is made due to the increase in the upper limit of amount in dispute.
e. Amendment to claim, counterclaim, or set-off defense	After the constitution of arbitral tribunal, it is allowed with the permission of the tribunal (Article 21).	Not allowed (Article 86).	After the constitution of arbitral tribunal, it is allowed with the permission of the tribunal (same as ordinary procedures).	The amendment is made due to the increase in the upper limit of amount in dispute.
f. Number of arbitrators	The number of arbitrators shall be one or three. In principle, the number of arbitrators shall be one, when the Parties cannot agree on the number of arbitrators within four weeks from the Respondent's receipt of Request for Arbitration (Article 26).	The number of arbitrators shall be one (Article 87). If the number of arbitrators is three, the expedited procedures shall not apply.	In principle, the number of arbitrators shall be one, but where the parties agree that the number of arbitrators shall be three, the number shall be three (Article 86.2 added).	The amendment is made due to the increase in the upper limit of amount in dispute.
g. Timing of confirmation or appointment of arbitrators			The appointment or confirmation of arbitrators by the JCAA shall be made after the application of the expedited	It is to make it clear to the arbitrator, at the stage of appointment, whether expedited arbitration procedures will apply.

			arbitration procedure has been confirmed (Article 86.3 added).	
h. Methods of hearing	The arbitral tribunal shall decide whether to conduct a hearing or to adopt the document-only proceedings. However, a hearing shall be conducted if so requested by either party (Article 50).	In principle, the document-only proceedings are adopted. The arbitral tribunal may hold a hearing if the tribunal considers it necessary after consultation with the parties (Article 88).	The document-only procedures shall be adopted, unless the arbitral tribunal, after consultation with the parties, decides it necessary to conduct a hearing (Article 87 amended).	The amended provision is the same as the current one in substance, but it has been clarified.
i. Time limit for rendering award	Efforts shall be made to render the award within <b>nine</b> months from the constitution of the arbitral tribunal (Article 43).	Efforts shall be made to render the award within <b>three</b> months from the constitution of the arbitral tribunal (Article 89).	<ul style="list-style-type: none"> <li>- Efforts shall be made to render the award within <b>six</b> months from the constitution of the arbitral tribunal (Article 88.1). However, where the amount in dispute is less than 50 million yen, efforts shall be made to render the award within <b>three</b> months (Article 88.2).</li> <li>- In order to render an arbitral award within 3 months or 6 months, the arbitral tribunal shall consult with the Parties by videoconferencing or other method designated by</li> </ul>	<ul style="list-style-type: none"> <li>- Different time limits are set depending on the amount in dispute. In the case that the amount is 50 million yen or less, the time limit remains unchanged at three months. In the case that the amount exceeds 50 million yen but is 300 million yen or less, the time limit is set at six months (the time limit is nine months in ordinary procedure under the Commercial Arbitration Rules (Article 43(1)).</li> <li>- With regard to the preparation and sending of a procedural schedule, in ordinary procedure, it is provided that the schedule shall be prepared and sent "as early as practicable" (Article 43(2)). In expedited procedures, in order to</li> </ul>

			<p>the arbitral tribunal, prepare a procedural schedule, and send it to Parties and the JCAA, in principle, within two weeks from the date when it is constituted (Article 88.3).</p> <ul style="list-style-type: none"> <li>- The JCAA, not the arbitral tribunal, decides on the extension of the time limit for arbitral award (Article 89).</li> </ul>	<p>render an arbitral award within a time limit of three or six months, the arbitral tribunal is required in principle to prepare and send a procedural schedule within two weeks from its constitution.</p> <ul style="list-style-type: none"> <li>- In ordinary procedures under the Commercial Arbitration Rules, if it becomes impractical to render an arbitral award within the nine-month time limit, "the arbitral tribunal may amend the Procedural Schedule under Article 43.2 during the course of the arbitral proceedings after giving the Parties an opportunity to comment" (Article 43(3)). In expedited procedures, the JCAA decides to extend the time limit for arbitral award by determining whether or not there are "exceptional circumstances" to do so.</li> </ul>
j. Joinder or consolidation	Possible if certain requirements are satisfied (Articles 56 and 57)	Prohibited (Article 90)	Prohibited (Article 90)	No amendments.
k. Supplementary provisions			The provisions of the amended expedited arbitration procedures shall apply to all cases filed on or after the effective date.	

<b>Current expedited procedures</b>	<b>New expedited procedures</b>
<b>Part 2 EXPEDITED ARBITRATION PROCEDURES</b>	<b>Part 2 EXPEDITED ARBITRATION PROCEDURES</b>
<p><b>Article 83 Relationships between Part 1 and Part 2</b></p> <p>1 Part 2 provides particular rules designed to ensuring proceedings are conducted in an expeditious manner.</p> <p>2 To the extent that there is conflict between Part 2 and Part 1, Part 2 shall prevail. However, arbitral proceedings falling within the scope of Part 2 shall also be governed by both Part 2 and, to the extent that Part 2 does not make provision for the item in question, Part 1.</p>	<p>No amendments</p>
<p><b>Article 84 Scope</b></p> <p>1 The provisions of Part 2 shall apply where the amount or economic value of the claimant's claim(s) is not more than JPY50,000,000 (in the case of a foreign currency, the applicable amount shall be converted into Japanese yen at the TTM rate or any other reasonable exchange rate designated by JCAA as of the business day immediately preceding the date of filing of the Request for Arbitration; the same applies hereunder) provided, however, that the provisions of Part 1 shall apply, if:</p> <p>(a) the Parties have agreed in an arbitration agreement that the number of arbitrators is three; or</p> <p>(b) a Party notifies the JCAA in writing of the agreement by the Parties not to submit the dispute to expedited arbitration procedures within two weeks from the respondent's receipt of the notice of the Request for Arbitration.</p>	<p><b>Article 84 Scope of Application</b></p> <p>1 The provisions of Part 2 shall apply where:</p> <p>(a) the amount in dispute (the total amount of the claim, counterclaim and set-off defense; the amount of claims for interest and cost shall be excluded; same below) is JPY300,000,000 or less (in the case of a foreign currency, the applicable amount shall be converted into Japanese yen at the TTM rate or any other reasonable exchange rate designated by JCAA as of the business day immediately preceding the date of filing of the Request for Arbitration; the same applies hereunder); or</p> <p>(b) a Party notifies the JCAA in writing of the agreement by the Parties to submit the dispute to expedited arbitration procedures.</p> <p>2 For the application of Part 2, where the JCAA determines that the economic value cannot be calculated, or its calculation is extremely</p>

<p>2 Even in the case where the amount or economic value of the claimant's claim(s) exceeds JPY50,000,000, the provisions of Part 2 shall apply if a Party notifies the JCAA in writing of the agreement between the Parties to submit the dispute to expedited arbitration procedures within two weeks from the respondent's receipt of the notice of Request for Arbitration.</p> <p>3 Even in the case where the provisions of Part 2 apply at the time of the Request for Arbitration, the arbitral proceedings conducted under the provisions of Part 2 shall be converted to arbitral proceedings under the provisions of Part 1 if a counterclaim or set-off defense is submitted according to Article 85 and the amount or economic value of the submitted claim exceeds JPY50,000,000; provided that the provisions of Part 2 shall still apply if the Parties agree in writing that expedited arbitration procedures shall be conducted.</p> <p>4 The amount of any interest, rent, damage, penalty, expense, or cost that is incidental to the principal claim shall be excluded when calculating the amount or the economic value of the claim, counterclaim, or set-off defense under Articles 84.1 through 84.3.</p> <p>5 Where the economic value 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 under Articles 84.1 through 84.3 shall be deemed to exceed JPY50,000,000.</p> <p>6 The JCAA shall promptly notify the Parties and the arbitrator on determining that expedited arbitration procedures shall be conducted under the provisions of Part 2.</p>	<p>difficult, the amount set forth in Article 84.1(a) shall be deemed to exceed JPY300,000,000.</p> <p>3 The provisions of Part 2 shall not apply if:</p> <ul style="list-style-type: none"><li>(a) a Party notifies the JCAA in writing of the agreement by the Parties not to submit the dispute to expedited arbitration procedures; or</li><li>(b) the JCAA, before the constitution of the arbitral tribunal, finds that the Parties' agreements concerning the arbitral proceedings contain the provisions that are contrary to the provisions of Part 2 or other circumstances exist that make it clearly inappropriate to apply the provisions of Part 2.</li></ul> <p>4 The JCAA shall promptly notify the Parties and the arbitrator on confirming that the provisions of Part 2 shall apply. It will do so after having received the Respondent's submission of counterclaim under Article 19 or set-off defense under Article 20, or after the expiration of the time limit for such submission.</p> <p>5 Even where the amount in dispute exceeds JPY 300,000,000 due to amendment to claim after the notification set forth in Article 84.4 is given, the provisions of Part 2 shall continue to apply.</p>
	<p><b>Article 85 Discontinuation of Expedited Arbitration Procedures</b></p>

	<ol style="list-style-type: none"> <li>1 After the notification set forth in Article 84.4 is given, the provisions of Part 2 shall discontinue to apply, where:             <ol style="list-style-type: none"> <li>(a) a Party notifies the JCAA in writing of the agreement by the Parties that the provisions of Part 2 shall discontinue to apply; or</li> <li>(b) the JCAA, in consultation with the arbitral tribunal and Parties, decides that the provisions of Part 2 shall discontinue to apply.</li> </ol> </li> <li>2 Where the application of the provisions of Part 2 is discontinued pursuant to Article 85.1, all procedural steps undertaken up until that point shall remain in effect.</li> </ol>
<p><b>Article 85 Time Limit for Counterclaim and Set-off Defense</b></p> <p>Where the provisions of Part 2 apply at the time of the Request for Arbitration, the respondent may submit counterclaim(s) or set-off defense(s) within two weeks from the respondent’s receipt of the notice of the Request for Arbitration.</p>	<p>Removed (Articles 19 and Article 20 apply to counterclaims and set-off defense respectively.)</p>
<p><b>Article 86 No Amendment to Claim, Counterclaim or Set-Off Defense</b></p> <p>Neither the claimant nor the respondent shall amend or supplement its claims, counterclaims or set-off defenses.</p>	<p>Removed (Article 21 applies to amendments to claims)</p>
<p><b>Article 87 Appointment of Arbitrator</b></p> <ol style="list-style-type: none"> <li>1 Expedited arbitration procedures shall be conducted by a sole arbitrator.</li> <li>2 The Parties shall agree upon and appoint an arbitrator and notify the JCAA of such appointment under Article 25.4 within two weeks from their receipt of the notice by the JCAA that the expedited arbitration procedures shall be conducted.</li> </ol>	<p><b>Article 86 Appointment of Arbitrator</b></p> <ol style="list-style-type: none"> <li>1 The number of arbitrators shall be one.</li> <li>2 Notwithstanding Article 86.1, the number of arbitrators shall be three if the Parties so agree. However, the JCAA may invite the parties to agree to a sole arbitrator, having regard to the amount in dispute, the complexity of the case, and other circumstances.</li> </ol>

<p>3 If the Parties fail to notify the JCAA within the time limit under Article 87.2, the JCAA shall appoint such arbitrator.</p> <p>4 Where the JCAA appoints an arbitrator under Article 87.3, and a Party requests that such arbitrator be a person of a different nationality from that of any of the Parties, the JCAA shall respect such request.</p> <p>5 The appointment of an arbitrator made by Parties shall be effective only after confirmation by the JCAA. The JCAA, after giving the Parties an opportunity to comment, may refuse to confirm the appointment of the arbitrator without giving reasons if the JCAA finds that the appointment is clearly inappropriate.</p> <p>6 Upon confirming the appointment of the arbitrator, the JCAA shall promptly notify such confirmation to the Parties.</p> <p>7 If the appointment of an arbitrator is not confirmed by the JCAA, the Parties shall appoint another arbitrator within the period fixed by the JCAA.</p>	<p>3 JCAA shall appoint or confirm the arbitrator after the notification set forth in Article 84.4 is given.</p>
<p><b>Article 88 Document Only Proceedings</b></p> <p>1 The arbitral tribunal shall, in principle, conduct the arbitral proceedings based only on documents and other materials.</p> <p>2 If the arbitral tribunal, after giving the Parties an opportunity to comment, considers hearings are necessary to be held, such hearings shall be held in a reasonable manner for the minimum number of days possible.</p>	<p><b>Article 87 Document Only Proceedings</b></p> <p>1 The arbitral tribunal shall conduct the arbitral proceedings on a document-only basis, except in cases where the arbitral tribunal considers it necessary to conduct a hearing after consultation with the Parties. The arbitral tribunal shall conduct a hearing where all the Parties so agree.</p> <p>2 In the event of a hearing, the arbitral tribunal shall use videoconferencing or other appropriate manners, and the hearing shall be for as short a period as possible.</p>

<p><b>Article 89 Time Limit of Arbitral Award</b></p> <p>The arbitrator shall make reasonable efforts to render an arbitral award within three months from his or her confirmation or appointment by the JCAA.</p>	<p><b>Article 88 Time Limit of Arbitral Award</b></p> <ol style="list-style-type: none"> <li>1 The arbitral tribunal shall make reasonable efforts to render an arbitral award within <b>six</b> months from the date when it is constituted.</li> <li>2 Notwithstanding Article 88.1, if the amount in dispute is JPY 50,000,000 or less, the arbitral tribunal shall make reasonable efforts to render an arbitral award within three months from the date when it is constituted.</li> <li>3 To implement Articles 88.1 and 88.2, the arbitral tribunal shall consult with the Parties by videoconferencing, exchange of documents or other methods designated by the arbitral tribunal, prepare a procedural schedule, and send it to the Parties and the JCAA, in principle, within two weeks from the date when it is constituted.</li> </ol>
	<p><b>Article 89 Extension of Time Limit of Arbitral Award</b></p> <p>In exceptional circumstances, the JCAA may extend the time limit for rendering the arbitral award under Articles 88.1 and 88.2.</p>
<p><b>Article 90 No Third Party Joinder or Consolidation</b></p> <p>Articles 56 and 57 shall not apply to proceedings conducted under the provision of Part 2.</p>	<p><b>Article 90 No Third Party Joinder or Consolidation</b></p> <p>No amendments.</p>

**Supplementary Provisions**

- 1 These Rules shall come into effect on January 1, 2019.
- 2 Any arbitral proceedings commenced 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 arbitral proceedings that already have been conducted pursuant to the former Rules shall remain valid.

**Supplementary Provisions**

- 1 These Rules shall come into effect on July 1, 2021.
- 2 Any arbitral proceedings commenced 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 arbitral proceedings that already have been conducted pursuant to the former Rules shall remain valid.

## 2. Appointing Authority Rules

<p><b>Article 1</b> <b>Scope of Application</b></p>	<p>Appointing Authority Rules (the “Rules”) provide for the procedures and the other necessary matters relating to appointment of impartial and independent arbitrator where the Parties agree to empower the JCAA to appoint one or more arbitrators, or the Parties agree to apply the Rules.</p> <p>However, the Rules shall not apply where the arbitration is conducted under the UNCITRAL Arbitration Rules supplemented by the Administrative Rules for UNCITRAL Arbitration of the JCAA, the Commercial Arbitration Rules of the JCAA, or the Interactive Arbitration Rules of the JCAA.</p>
<p><b>Article 2</b> <b>Definitions</b></p>	<ol style="list-style-type: none"> <li>1 “<b>JCAA</b>” means the Japan Commercial Arbitration Association.</li> <li>2 “<b>Party</b>” or “<b>Parties</b>” means the applicant(s), the responding party (parties), or both parties. “<b>Applicant</b>” means one or more parties requesting services under the Rules and “<b>Responding Party</b>” means one or more parties responding to such request.</li> <li>3 “<b>In writing</b>” or “<b>written</b>” includes electronic documents. “<b>Electronic documents</b>” include electronic, magnetic and any other recording media used in information processing by a computer or other electronic device.</li> </ol>
<p><b>Article 3</b> <b>Language</b></p>	<p>Communications between the JCAA and the Parties, or between the JCAA and the arbitrator candidates shall be made in either English or Japanese.</p>
<p><b>Article 4</b> <b>Notification</b></p>	<ol style="list-style-type: none"> <li>1 Any notification and written submission under the Rules (collectively, “<b>Communication</b>”) shall be made by courier, registered mail, email, facsimile, or any other reasonable means.</li> <li>2 A Communication shall be sent to the street address, habitual residence, or place of business of the addressee (including the street address or habitual residence of the addressee’s representative, if the addressee is a legal entity or other association), the email address usually used by the addressee (if the addressee has designated an</li> </ol>

	<p>email address, such email address), facsimile number or any address designated by the addressee (collectively, “<b>Address for Communication</b>”).</p> <p>3 A Communication shall be effective upon receipt.</p> <p>4 If the addressee refuses to receive a Communication, the Communication shall be deemed to have been received on the fourth day after dispatch or on the day of the refusal (where such date can be ascertained).</p> <p>5 If the Address for Communication of the addressee cannot be ascertained after reasonable efforts by the other Parties, a Communication may be sent to the last-known Address for Communication. In this case, the Communication shall be deemed to have been received on the fourth day after dispatch.</p> <p>6 If a Communication is deemed to have been received under Article 4.5, any subsequent Communication may be made in accordance with Article 4.5.</p> <p>7 Any change to the Parties’ Address for Communication shall be promptly communicated to the JCAA and the other Parties.</p>
<p><b>Article 5</b> <b>Periods of Time</b></p>	<p>1 For the purpose of calculating a period of time under the Rules, the date when the Communication is delivered or deemed to be delivered shall be excluded from the relevant time period.</p> <p>2 Non-business days or official holidays occurring during the running of the period of time are included in calculating the period. If the last day of such period is a non-business day or a holiday at the place of the addressee, the period shall expire on the following business day.</p>
<p><b>Article 6</b></p>	<p>1 To request appointment of arbitrator under the Rules, the Applicant shall submit in writing to the JCAA an application</p>

<p><b>Application</b></p>	<p>(the "<b>Application</b>") setting forth the following:</p> <ul style="list-style-type: none"><li>(1) a request that one or more arbitrators to be appointed by the JCAA under the Rules;</li><li>(2) a reference to the agreement that empowers the JCAA to appoint one or more arbitrators;</li><li>(3) the Parties' full names (if a Party is a legal entity or other association, the corporate name and the name of the Party's representative), street address and other known contact details;</li><li>(4) the full name, street address and other contact details of the Parties' counsel (if any);</li><li>(5) the full name, street address and other contact details of the appointed arbitrator (if any);</li><li>(6) the details of the agreement between the Parties or the Applicant's opinion concerning the appointment of arbitrator, if any, which include the following:<ul style="list-style-type: none"><li>(a) the number of arbitrators;</li><li>(b) the manner of appointment of arbitrator;</li><li>(c) the place of arbitration; and</li><li>(d) the language of arbitration.</li></ul></li><li>(7) the request for arbitration and, if any, answer; and</li><li>(8) the estimated amount of dispute.</li></ul> <p>2 The Application shall be accompanied by a copy of the agreement set forth in Article 6.1 (2) and, if any, the agreement set forth in Article 6.1(6).</p> <p>3 The Applicant shall pay the application fee as required by Article 11 upon application. If the Applicant fails to pay the</p>
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	<p>application fee within the time limit designated by the JCAA, the JCAA shall consider that no application has been made.</p>
<p><b>Article 7 Notification of Application</b></p>	<ol style="list-style-type: none"> <li>1 Where an Application has been duly made in accordance with Article 6, the JCAA shall promptly notify the Responding Party thereof.</li> <li>2 The Responding Party shall submit its opinion on the Application (including the reasons, if any, why no arbitrator should be appointed by the JCAA) to the JCAA within two weeks from the date of receipt of the notification set forth in Article 7.1.</li> <li>3 If the JCAA finds that the opinion submitted by the Responding Party under Article 7.2 justifies that no arbitrator should be appointed by the JCAA, it shall decline to appoint an arbitrator.</li> <li>4 If the Responding Party fails to submit its opinion to the JCAA within the time limit under Article 7.2, the JCAA may proceed with the appointment of arbitrator as requested in the Application.</li> <li>5 The JCAA may decline to appoint an arbitrator in the reasonable exercise of its discretion in exceptional circumstances.</li> </ol>
<p><b>Article 8 Scope of Services</b></p>	<ol style="list-style-type: none"> <li>1 The JCAA shall provide one or more following services, as requested in the Application:             <ol style="list-style-type: none"> <li>(1) appointment of a sole arbitrator;</li> <li>(2) appointment of one or more arbitrators if several arbitrators are to be appointed;</li> <li>(3) appointment of the presiding arbitrator; and</li> <li>(4) appointment of a substitute arbitrator in the case of challenge, removal, resignation or death of arbitrator before the termination of arbitral proceedings.</li> </ol> </li> </ol>

	<p>2 The JCAA shall decide on challenge of arbitrator who has been appointed by the JCAA under the Rules, if so requested by the Parties.</p>
<p><b>Article 9 Manner of Appointment</b></p>	<p>1 The JCAA shall appoint an arbitrator in accordance with the agreement of the Parties, and the applicable arbitration rules.</p> <p>2 In the absence of such agreement or applicable arbitration rules concerning the manner of appointment of arbitrators, the JCAA shall, in principle, having regard to the opinions of the Parties, appoint an arbitrator in pursuant to the procedure below:</p> <p>(1) The JCAA shall send the Parties a list of arbitrator candidates. Each Party shall, within one week from the date of receipt of such list, number the arbitrator candidates in the order of preference and return the list to the JCAA.</p> <p>(2) After receiving the list under Article 9.2 (1) from both Parties or, if either Party fails to send such list to the JCAA within the time limit under Article 9.2 (1), after the expiration of such time limit, the JCAA shall promptly appoint an arbitrator, taking into account the order of preference indicated by the Parties and any other circumstances, and promptly notify the Parties thereof.</p> <p>3 When appointing the arbitrator, the JCAA shall consider the arbitrator candidate’s background, nationality, place of residence, language skill, expertise, experience as arbitrator, availability, and any other relevant factors.</p>
<p><b>Article 10 Exclusion of Liability</b></p>	<p>JCAA (including its directors, officers, employees and other staff) shall not be liable for any act or omission in connection with the proceedings conducted under the Rules unless such act or omission is shown to constitute willful misconduct or gross negligence.</p>
<p><b>Article 11 Application Fee</b></p>	<p>The application fee for the services specified in Article 8 is as follows:</p> <p>(a) appointment of arbitrator: JPY100,000 plus consumption tax per arbitrator;</p>

	(b) decision on challenge of arbitrator: JPY300,000 plus consumption tax per arbitrator.
<b>Supplementary Provisions</b>	The Rules shall come into effect on July 1, 2021.

### 3. Amendment to Administrative Fee

(Article 103.1 of the Commercial Arbitration Rules and the Interactive Arbitration Rules, and Article 24.1 of the Administrative Rules for UNCITRAL Arbitration)

- 1 The administrative fee that the claimant shall pay at the time of submitting a Request for Arbitration shall be the following amount *plus* applicable consumption tax:

Amount or Economic Value of Claim	Amount of Administrative Fee
Less than JPY5,000,000	Amount equal to 10% of the amount or the economic value of the claim
JPY5,000,000 or more but Less than JPY20,000,000	JPY500,000
JPY20,000,000 or more but less than JPY100,000,000	JPY500,000 <i>plus</i> 1% of any amount in excess of JPY20,000,000
JPY100,000,000 or more but less than JPY1,000,000,000	JPY1,300,000 <i>plus</i> 0.3% of any amount in excess of JPY100,000,000
JPY1,000,000,000 or more but less than JPY5,000,000,000	JPY4,000,000 <i>plus</i> 0.25% of any amount in excess of JPY 1,000,000,000

JPY5,000,000,000 or more but less than JPY10,000,000,000	JPY14,000,000 <i>plus</i> 0.1% of any amount in excess of JPY5,000,000,000
JPY10,000,000,000 or more	JPY19,000,000 <i>plus</i> 0.05% of any amount In excess of JPY10,000,000,000 (JPY 25,000,000 is maximum)