Guide to Arbitration in the United Arab Emirates (UAE)

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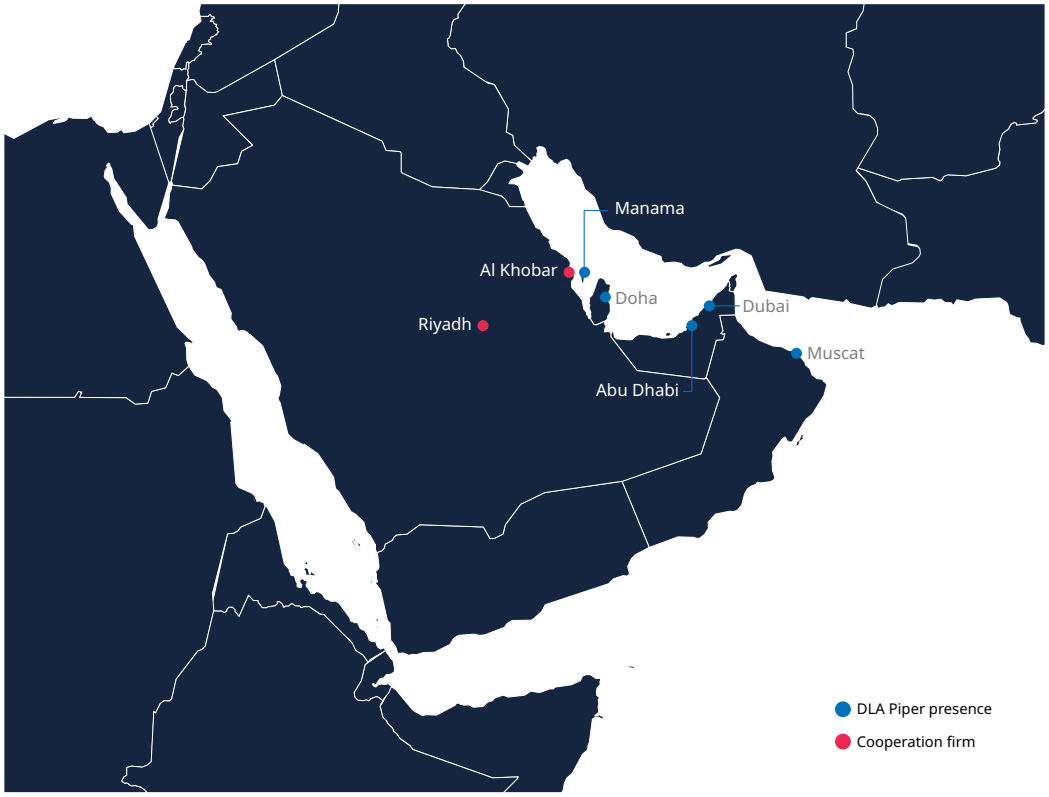

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Overview of United Arab Emirates Arbitration Law

1. The United Arab Emirates ("**UAE**") legal system is formed of a combination of a federal judicial system, and the two financial free zones. The federal system operates on a civil law system, whereas two of the free zones, the Dubai International Financial Centre ("**DIFC**") and the Abu Dhabi Global Market ("**ADGM**"), have their own separate legal system operating under common law. The distinction is relevant when parties determines what law should apply to a contract and where an arbitration is seated. The relevant legislation governing arbitrations in UAE are:

    a. Federal Law No. 6 of 2018 ("**UAE Arbitration Law**")

    b. DIFC Law No. 1 of 2008 ("**DIFC Arbitration Law**")

    c. ADGM Arbitration Regulations 2015 ("**ADGM Arbitration Regulations**")

2. The UAE is widely regarded as a reliable and arbitration-friendly jurisdiction, which is evidenced by its pro-arbitration laws and the fact that it supports various arbitral institutions. The Dubai International Arbitration Centre ("**DIAC**") is the region's largest alternative dispute resolution centre. The UAE is also home to the Abu Dhabi International Arbitration Centre ("**arbitrateAD**"), the International Islamic Centre for Reconciliation and Arbitration ("**IICRA**") and Sharjah International Commercial Arbitration Centre ("**Tahkeem**"). The International Chamber of Commerce ("**ICC**") and the Saudi Center for Commercial Arbitration ("**SCCA**") have further opened regional offices in the UAE, which are located in Abu Dhabi and the DIFC respectively.

The UAE Federal Laws

3. The federal laws cover all jurisdictions of the UAE, aside from the DIFC and ADGM, and is often referred to as being 'onshore'. Arbitrations seated onshore are governed by the UAE Arbitration Law, which is largely based on the United Nations Commission on International Trade Law Model Law ("**Model Law**").

4. Whilst some provisions of Model Law are clearly reflected by the UAE Arbitration Laws (such as the equal treatment of parties to arbitration under Article 26 of the UAE Arbitration Law), there are some departures. Article 4(1) of the UAE Arbitration Law requires that an arbitration agreement may only be entered into by a person who has legal capacity, else the arbitration agreement may be null and void. There is no such requirement in the Model Law. This reflects the general requirement of powers of attorney under the federal laws of the UAE that confer legal capacity on lawyers and / or party representatives. Further, whilst Model Law states that arbitration proceedings begin on the date a Request for Arbitration is received, under Article 27 of the Arbitration Law proceedings begin the day after an arbitral tribunal is formed.

5. The UAE Arbitration Law have also kept pace with developments in technology. As per Article 7(2)(a) of the UAE Arbitration Law, an arbitration agreement must be in writing, else it is null and void; 'writing' in this instance includes electronic communications.

Dubai International Financial Centre

6. The DIFC is established by Federal Law 35/2004 and Dubai Law 9/2004, and is the leading financial hub for the MEASA region (Middle East, Africa and South Asia).

7. The DIFC operates as its own legal system under a common law framework (as opposed to the civil law framework of the federal system), based on English law. Whilst the DIFC have their own civil and commercial laws separate from that of the federal system, they do not have autonomy over criminal proceedings or money laundering laws.

8. An arbitration seated in the DIFC is governed by the DIFC Arbitration Law, which is similarly based on the Model Law. However, the DIFC Arbitration Law does depart from the Model Law in the following ways:

    a. DIFC Arbitration Law provides that the signatory of the arbitration agreement, must be authorised to enter into the agreement;

    b. DIFC Arbitration Law contains provisions for the use of technology within arbitration; and

    c. DIFC Arbitration Law explicitly protects the confidentiality of arbitration hearing and awards.

Abu Dhabi Global Market

9. The ADGM is the other financial free zone operating in the UAE, as established in October 2015. As for the DIFC, the ADGM also operates under an English common law system independent from the UAE federal laws (aside from criminal and money laundering laws).

10. The Application of English Law Regulations 2015 is the legislation which was introduced to the ADGM that "shall apply and have legal force in, and form part of the law of, the Abu Dhabi Global Market". English law is directly applicable within the ADGM.

11. The ADGM Arbitration Regulations are also based on the Model Law. Amendments to the Model Law include enhanced confidentiality, the ability to contract out of the ability to set aside an award and consolidation/joinder provisions.

Arbitral Institutions

12. DIAC was established by Decree No. (10) of 2004, evolving from the Dubai Chamber of Commerce & Industry's Commercial Conciliation and Arbitration Centre, developed in 1994. A prominent arbitration centre, DIAC has resolved nearly 5000 cases at a value of around AED 70 billion. Decree No. (34) of 2021 gave the DIAC status as an independent entity, modernising its corporate governance framework with the aim of making DIAC the leading arbitration centre in Dubai. The same Decree abolished the DIFC-LCIA (London Court of International Arbitration), instead introducing the new 2022 Arbitration Rules.

13. The Abu Dhabi Chamber of Commerce and Industry used to own and operate the Abu Dhabi Commercial Conciliation and Arbitration Centre ("**ADCCAC**"). However, in December 2023, the Abu Dhabi Chamber of Commerce and Industry announced the launch of arbitrateAD which is set to replace the ADCCAC as of 1 February 2024. Cases administered by ADCCAC will continue to be administered by the existing ADCCAC team. ArbitrateAD will be chaired by Abdulla Mohamed Al Mazrui, with Gary Born acting as vice chairman. This development brings a much needed reform to the arbitration landscape in Abu Dhabi.

14. IICRA was established in 2005, with operations beginning in 2007. IICRA is headquartered in the UAE and was established by the UAE government, the Islamic Development Bank and the General Council of Islamic Banks and Financial Institutions. IICRA specialise in resolving banking, financial and commercial disputes, in line with principles of Sharia law. The assembly of the IICRA is attended by more than 70 Islamic financial institutions, and is a key institution for financial operations within the UAE.

15. Tahkeem is located in the Emirate of Sharjah and was set up by Amiri Decree No (6) of year 2009, on 22nd of March 2009. Tahkeem aims to promote economic and investment stability through its arbitration procedures. It is a semi-government, non-profit institution, which operates under its own rules of Arbitration.

16. The ICC has a regional case management office in Abu Dhabi. The ICC can administer cases in all major languages and is formed of lawyers who are qualified across the globe. Given the prevalence of the use of the ICC Rules in the UAE, the regional office helps facilitate effective case management of arbitrations administered by the ICC in the Middle East.

17. The SCCA was launched in 2016. The extension of the SCCA into the DIFC in 2023 offers businesses the choice of another arbitration centre, with proceedings being heard in both Arabic and English. SCCA aims to become the arbitral centre of choice within the Middle East by 2030.

Conventions/Treaties

18. In addition to the complying with the rules provided by the applicable arbitration bodies, the UAE are a signatory to / have implemented many international conventions which govern arbitration, further bolstering their arbitration friendly stance. The below table provides an overview of the treaties ratified by the UAE and those that the UAE has not yet ratified.

TREATY	RATIFIED BY THE UAE?
Bilateral Treaties for Reciprocal Enforcement	**Y** (Afghanistan, Algeria, Azerbaijan, China, Egypt, France, India, Jordan, Kazakhstan, Kyrgyzstan, Morocco, Nigeria, Pakistan, Somalia, Sudan, Syria, Tajikistan, United Kingdom, Ukraine)
Convention of 2 July 2019 on the Recognition and Enforcement of Foreign Judgments in Civil or Commercial Matters ("**Hague Judgments Convention 2019**")	**N**
Convention of 30 June 2005 on Choice of Court Agreements ("**Hague Choice of Courts Convention**")	**N**
Convention of New York on Recognition and Enforcement of Foreign Arbitral Awards ("**New York Convention**")	**Y**
Convention on the Taking of Evidence Abroad in Civil or Commercial Matters ("**Hague Evidence Convention**")	**N**
The Gulf Cooperation Council ("**GCC**") Convention for the Execution of Judgments, Delegations and Judicial Notifications 1996, for the enforcement of arbitration awards	**Y**
The Riyadh Arab Agreement for Judicial Cooperation 1983	**Y**

Recent legal developments

1. By way of Dubai Decree No. 34/2021 (the "***Decree***"), both the Emirates Maritime Arbitration Centre and the Dubai International Financial Centre Arbitration Institute were to be dissolved immediately and merged into the DIAC. The Decree was issued on 14 September 2021 and came into force on 20 September 2021.

2. The Decree sought to implement one centralised hub for arbitration in Dubai through the introduction DIAC, replacing the previously relied upon DIFC-LCIA Arbitration Centre. Despite causing concern for businesses in the midst of arbitrating under DIFC-LCIA, the Decree allowed for a 6 month transition period for its entry into force. The aim of the reform through the implementation of the Decree was to solidify Dubai's position as a key international centre for dispute resolution.

3. If parties choose to arbitrate in Dubai, the Decree meant that the proceedings would be governed by DIFC Arbitration Law and challenges governed by the DIFC Courts. The London Centre of International Arbitration (**LCIA**) continues to administer all DIFC-LCIA cases commenced on or before 20 March 2022 under the DIFC-LCIA Rules. Any arbitrations commenced after this date will be brought under the DIAC Rules 2022 unless the parties agree otherwise.

4. The initial turbulence the implementation of the Decree caused was significant and some may have been hesitant of the move away from the internationally accepted London arbitral standards; however Dubai has managed to maintain its position as a global centre for arbitration, whilst continuing to serve the best interests of the finance and business community in Dubai.

5. In March 2022, a set of new arbitration rules ("**DIAC Rules 2022**") were published by DIAC. The DIAC Rules 2022 bring Dubai and DIAC in line with international arbitration standards, following the departure from DIAC-LCIA, and bring clarity following the change in the legal structure. A summary of the key amendments include:

   (i). the approval of third-party funding;

   (ii). expedition of proceedings where the value of proceedings is AED1 million or less, if the parties agree or if there is exceptional urgency;

   (iii) the ability of the claimant to submit one request for arbitration for multiple claims;

   (iv) the ability of the Tribunal to order interim measures; and

   (v) the ability of the Tribunal to issue and apportion awards of legal fees and costs.

6. As of March 2022, the UAE joined the Singapore Convention on Mediation, making it the 56th signatory, demonstrating a further commitment to the UAE to keep pace with international standards.

7. In November 2022, the SCCA opened in the DIFC, being the first SCCA office outside the Kingdom of Saudi Arabia. This further demonstrates the appeal of the DIFC as a hub of arbitration within the Middle East.

8. On 14 December 2022, it was announced by the DIFC that they would be release a new set of specialist ruled for the Digital Economy Court ("DEC") Division. The DEC Division will hear disputes related to AI, blockchain, data, robots etc. Justice Michael Black will oversee the Court, as per Decree No. 29 of 2022.

9. In October 2023, Federal Law No. 6/2018 was revised through the enactment of Federal Law No. 15/2023. The amendments can be summarised as follows:

   a. **Arbitrator Qualifications:** amendments to Article 10 now require that the arbitrator may not have a direct relationship with any of the parties which could compromise independence or impartiality.

   b. **Procedural Autonomy:** amendments to Article 23 introduce conditions for the members of arbitral institutions' supervisory and controlling bodies to be met for them to be appointed as arbitrators in a case.

   c. **Remote Hearings:** amendments to Article 28 require arbitral institutions to provide the technology to allow for remote hearing. This article allows the parties to agree "to determine [their] place in reality or virtually".

   d. **Confidentiality:** amendments to Article 33 expands the scope of confidentiality, absent an agreement between the parties.

10. In December 2023, ADCCAC was announced to be replaced by arbitrateAD. This will take effect as of 1 February 2024.

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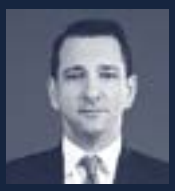

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Further information

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Federal Law No. 6

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Issued on 03/05/2018

Corresponding to 17 Shaaban 1439 H.

On Arbitration

Amending:
Federal Law No. 11 dated 24/02/1992.
Amended by:
Federal Decree-Law No. 15 dated 04/09/2023

We, Khalifa Bin Zayed Al-Nahyan, President of the United Arab Emirates State,
After perusal of

- the Constitution,
- Federal Law No. 1 of 1972 on Competencies of the Ministries and Powers of the Ministers and its amendments,
- Federal Law No. 3 of 1983 on the Judiciary, and its amendments,
- Federal Law No. 5 of 1985 on the Issuance of the Civil Transactions Law, and its amendments,
- Federal Law No. 3 of 1987 on the Issuance of the Penal Code, and its amendments,
- Federal Law No. 23 of 1991 on the Regulation of the Legal Profession, and its amendments,
- Federal Law No. 10 of 1992 on the Issuance of the Law on Evidence in Civil and Commercial Transactions, and its amendments,
- Federal Law No. 11 of 1992 on the Issuance of the Civil Procedure Law, and its amendments,
- Federal Law No. 35 of 1992 on the Issuance of the Criminal Procedure Law, and its amendments,
- Federal Law No. 18 of 1993 on the Commercial Transactions,
- Federal Law No. 1 of 2006 on Electronic Commerce and Transactions,
- Federal Law No 6 of 2012 on the Regulation of the Profession of Translation,
- Federal Law no. 7 of 2012 On the Regulation of Expertise before the Judicial Authorities,
- Federal Law No. 2 of 2015 on the Commercial Companies, and its amendments,
- Upon the proposal of the Minister of Economy, and the approval of the Council of Ministers and the Federal National Council, and the ratification of the Federal Supreme Council.

Have issued the following Law:

Chapter 1
Definitions and Scope of Application

Article 1 – Definitions

In application of the provisions of this Law, the following terms and expressions shall have the meanings assigned against each, unless the context requires otherwise:

State: The United Arab Emirates State.

Arbitration: A method that is regulated by Law, by which a dispute which has arisen between two Parties or more is decided by a binding decision through an Arbitral Tribunal upon the agreement of Parties.

Arbitration Agreement: An agreement by the Parties to refer to Arbitration whether such Agreement is made before or after the dispute has arisen.

Arbitral Tribunal: A Tribunal consisting of one Arbitrator or more to adjudicate the dispute referred to Arbitration.

Court: The federal or local court of appeal agreed by all Parties or which the Arbitration is conducted within its area of jurisdiction.

Arbitration Institution: An authority or center that is established to organize the arbitration proceedings.

Authorized Entity: Any physical or juristic person upon which any of the powers specified according to the this Law is conferred by the agreement of the Parties.

Relevant Authority: The authorized arbitration authority or the Court.

Parties: The Claimant and the Respondent, of any number.

Claimant: The party who initiates the arbitration proceedings.

Respondent: The party against whom the Claimant has initiated the arbitration proceedings.

Article 2 – Scope of Application of the Law

The provisions of the this Law shall apply to:

1. Any Arbitration which is conducted in the State, unless the Parties agree on the application of the provisions of another arbitration law, provided that it is not contrary to the public order and public morality of the State.
2. Any international commercial Arbitration which is conducted outside the State, and which is subject to the provisions of the this Law upon the agreement of the Parties.
3. Any Arbitration arising from a dispute over a contractual or non-contractual legal relationship organized by the laws in force in the State save matters excluded by a special provision.

Article 3 – International Arbitrations

Arbitration shall be international, even if it is conducted inside the State, in any of the following cases:

1. If the places of business of the Parties were situated, at the time of the conclusion of the Arbitration Agreement, in two different States or more, but if a party has more than one place of business, the place is that with which the subject-matter of the Arbitration Agreement is most closely connected. If a party to the Arbitration does not have a place of business, reference is to be made to his habitual residence.
2. If one of the following places is situated outside the State, in which the Parties have their places of business:
   a. The place of Arbitration as determined in or referred to by the Arbitration Agreement.
   b. The place where a substantial part of the obligations arising from the commercial relationships between Parties is to be performed, or the place with which the subject-matter of the dispute is most closely connected.
3. If the subject-matter of the dispute subject to the Arbitration Agreement relates to more than one country.
4. If the Parties have expressly agreed that the subject matter of the Arbitration Agreement relates to more than one country.

Chapter 2
Arbitration Agreement

Article 4 – Legal Capacity to conclude an Arbitration Agreement

1. An Arbitration Agreement may only be concluded by a natural person who has the legal capacity to act or by the representative of the juristic person authorized to conclude the Arbitration Agreement; otherwise, the Agreement shall be null and void.

2. Arbitration is not allowed where matters cannot be submitted to conciliation.

3. In the cases where the Parties are allowed under the this Law to agree on the procedure to be followed to determine a certain issue, where each of them may authorize a third party to select or determine this procedure; and in this regard, a third party means: any natural person or Arbitration Institution inside the State or abroad.

4. Unless otherwise agreed by the Parties, an Arbitration Agreement shall not be discharged by the death of any party or his withdrawal, and it may be enforced by or against the legal successor of said party.

Article 5 – Forms of Arbitration Agreement

1. An Arbitration Agreement may be made before the dispute whether in the form of a separate agreement or included in a certain contract, regarding all or certain disputes which may arise between the Parties.

2. An Arbitration Agreement may be made after the dispute has arisen, even if a lawsuit is brought before a Court. In this case, the Agreement shall determine the issues covered by the Arbitration.

3. An Arbitration Agreement may be made in the form of a reference in a contract or any other document which includes an arbitration clause, provided that such reference is clear as to make this clause part of the contract.

Article 6 – Separability of the Arbitration Agreement

1. An Arbitration Agreement shall be separate from other clauses of the contract. The nullity, rescission or termination of the contract shall not affect the Arbitration Agreement contained if said Agreement is valid by itself, unless the matter relates to the incapacity of any party.

2. An argument on the nullity, rescission or termination of the contract which includes the Arbitration Agreement shall not result in the stay of the arbitration proceedings, and the Arbitral Tribunal may decide on the validity of said contract.

Article 7 – Written Arbitration Agreement

1. An Arbitration Agreement must be made in writing, or otherwise it shall be null and void.

2. The requirement that an Arbitration Agreement be in writing is met in the following cases:

   a. If it is contained in a document signed by the Parties or mentioned in an exchange of letters or other means of written communication or made by an electronic communication according to the applicable rules in the State regarding the electronic transactions.

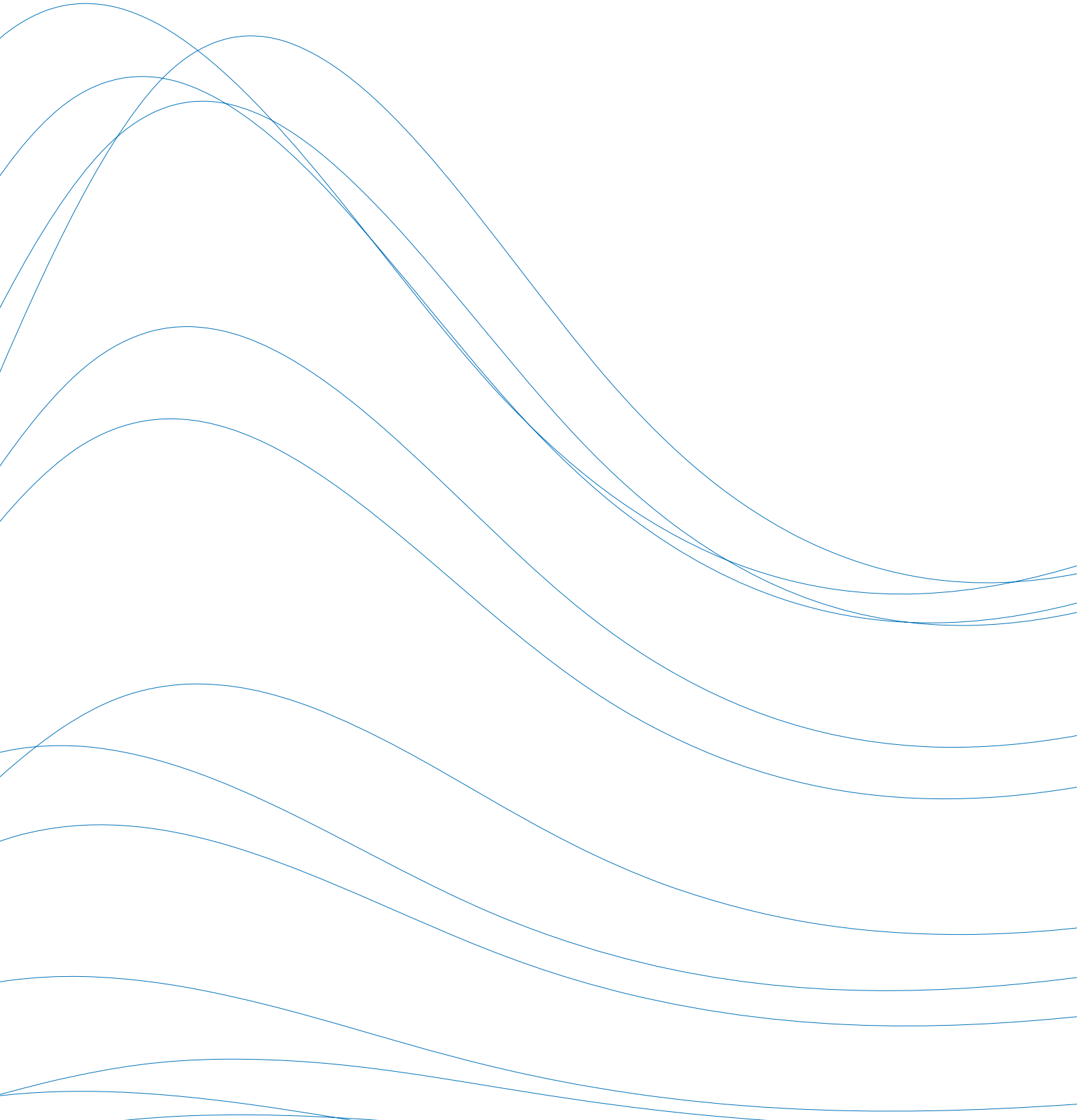
   b. If a reference is made in a written contract to the terms of a Model Contract, international agreement or any other document containing an arbitration clause, where such reference is clear as to make that clause part of the contract.

   c. If an Arbitration Agreement is made while the dispute is pending before the competent Court, the Court shall issue its decision confirming the Arbitration Agreement, and the litigants shall freely initiate the arbitration proceedings in the place and time determined thereof and under the terms governing such arbitration, and the Court shall consider the lawsuit as if never existed.

   d. If it is contained in an exchange of written statements between the Parties during the arbitration proceedings or upon acknowledgement before the Court, where one party requests that the dispute be referred for Arbitration and no objection is made by the other party in the course of his defense.

Article 8 – Adjudication of the dispute containing an Arbitration Agreement

1. The Court before which the dispute is brought in a matter covered by an Arbitration Agreement, shall declare the inadmissibility of the action, if the defendant has raised such plea before any claim or defense on the substance of the case, and unless the Court finds that the Arbitration Agreement is null and void or incapable of being performed.
2. Where an action referred to in the preceding Clause has been brought, the arbitration proceedings may nevertheless be commenced or continued, and an arbitral award may be made.



Chapter 3
Arbitral Tribunal

Article 9 – Composition of the Arbitral Tribunal

1. The Arbitral Tribunal shall, upon the agreement of the Parties, consist of one arbitrator or more. If the Parties have not agreed on the number of arbitrators, then three arbitrators shall be appointed, unless otherwise is decided by the Relevant Authority.

2. If there are more than one arbitrator, their number shall be odd, or otherwise the Arbitration shall be null and void.

Article 10 – The requirements to be met by the arbitrator

The provisions of Article 10 were replaced by virtue of Article 1 of Federal Decree-Law No. 15 dated 04/09/2023, to read as follows:

1. In addition to the conditions agreed upon by the parties, the arbitrator shall be required to fulfil the following conditions:

   a. He shall be a natural person, not a minor, under interdiction, or deprived of his civil rights due to his bankruptcy being declared unless he has been exonerated, or because he has been convicted of any felony or misdemeanor involving moral turpitude or dishonesty, even if he has been exonerated.

   b. He shall not be a member of the Board of Trustees, the executive management, or the administrative apparatus of the arbitration institution having competence to regulate arbitration cases in the State.

   c. He shall not have any direct relationship with any of the parties to the arbitration case that would prejudice his impartiality, integrity or independence.

2. The arbitrator shall not be required to be of a specific gender or nationality unless the parties agree or the law stipulates otherwise.

3. Whoever is notified of his nomination to assume the arbitration task shall declare in writing everything that may raise doubts about his impartiality or independence. Since his appointment and during the arbitration procedures, he shall undertake without any delay to notify the parties and other arbitrators in the event that any circumstance arises that may raise doubts about his impartiality or independence, unless he had previously informed them of that circumstance.

A new article was added No. (10 Bis) by virtue of Article 2 of Federal Decree-Law No. 15 dated 04/09/2023, as follows:

Article 10 Bis – Conditions for Appointing an Arbitrator from Among Members of the Supervisory or Regulatory Authorities in the Competent Arbitration Institution

1. By way of exception from the provisions of Clause (1/B) of Article (10) of this Decree-Law, the parties may appoint an arbitrator from among the members of the Board of Directors, the Board of Trustees, or supervisory or regulatory bodies of similar status in the arbitration institution that is competent to regulate the arbitration case in the State, if the following conditions are met: –

   a. The regulations of the arbitration institution having competence to regulate the arbitration case shall not prohibit such appointment.

   b. The arbitration institution having competence to regulate the arbitration case shall have a special governance system for regulating the work of the aforementioned arbitrator in a way that achieves separation of duties and impartiality, and prevents the occurrence of a conflict of interest or the emergence of any case of preferential advantage for that member compared to his other counterparts, and in a manner that regulates the mechanism of appointment, dismissal and recusal of the arbitrator if any of the conditions specified in this regard are met.

   c. The arbitrator shall not be member or head of the Arbitral Tribunal.

   d. The parties to the arbitration case shall acknowledge in writing their knowledge of the arbitrator's membership in the Board of Directors, the Board of Trustees, or supervisory or regulatory bodies with similar status in the arbitration institution having competence to regulate the arbitration case in the State, and that there is no objection or reservation on their part to that appointment.

   e. The competent arbitration institution shall have a special mechanism for safely reporting any violations committed by the arbitrators.

   f. The number of arbitration cases in which the arbitrator is a member shall not exceed (5) five cases in one year.

   g. The arbitrator shall provide a written undertaking:

1. Not to exploit his position in a way that may create a conflict of interest, or lead to him obtaining or enjoying a preferential advantage or interest compared to his counterparts from among other arbitrators.

2. Not to engage in participating, deliberating, viewing, voting, attending meetings, or influencing in any way the conduct of the arbitration case proceedings, on the occasion of his membership in the Board of Directors, the Board of Trustees, or supervisory or regulatory bodies with similar status affiliated to the arbitration institution having competence to regulate the arbitration case during the period of his appointment as an arbitrator.

   h. Any other conditions or requirements determined by the competent arbitration institution.

3. Violation of the conditions referred to in this article shall result in the invalidity of the arbitration award issued on the arbitration case, and the parties shall have the right to claim any civil compensation from the competent arbitration institution and the violating arbitrator in accordance with the legislation in force in the State.

Article 11 – The method to select the Arbitral Tribunal

1. The Parties may agree on the procedures to be followed for the appointment of the arbitrator or arbitrators, the time and method of their appointment.

2. If the Arbitral Tribunal is composed of a sole arbitrator, and if Parties are unable to agree on the arbitrator within fifteen (15) days from the date of filing of request, in writing, by one party requesting the other party to perform so, then the appointment of said arbitrator shall be made by the Relevant Authority upon request of a party. Without prejudice to the provisions of Article 14 of the this Law, said decision shall not be subject to appeal through any means of recourse.

3. If the Arbitral Tribunal is composed of three arbitrators, each party shall appoint one arbitrator, and the two arbitrators thus appointed shall appoint the third arbitrator. If a party fails to appoint the arbitrator within fifteen (15) days after the receipt of a request to do so from the other party, or if the two arbitrators appointed fail to agree on the third arbitrator within fifteen (15) days after the date of latest appointment, then the appointment of the arbitrator shall be made promptly, upon request of a party, by the Relevant Authority. Without prejudice to the provisions of Article 14 of the this Law, said decision shall not be subject to appeal through any means of recourse.

4. The Relevant Authority shall have due regard to the qualifications required of the arbitrator to be appointed by the this Law, and those agreed upon by the Parties, so as to secure the appointment of an independent and impartial arbitrator.

5. In the cases where the Authorized Entity does not appoint the arbitrator according to the procedures specified by the agreement of the Parties, or according to the provisions of the this Law if there is no agreement, then any party may request from the Court to take the necessary procedure for the completion of the composition and appointment of the members of the Arbitral Tribunal. The Court decision, in this regard, shall not be subject to appeal through any means of recourse.

6. If a request is made to the Relevant Authority for the appointment of an arbitrator, then the applicant shall, at the same time, address copies of the same to all other Parties, and to any arbitrator which has been previously appointed in the same dispute. It is it is required that the request indicates, briefly, the subject-matter of the dispute and any other conditions required by the Arbitration Agreement to be satisfied by the arbitrator to be appointed, and all steps that have been taken to appoint any remaining member in the Arbitral Tribunal.

7. The third Arbitrator appointed according to the Provisions of this Article shall preside over the Arbitral Tribunal, and this provision shall apply when the Arbitral Tribunal is composed of more than three arbitrators.

8. The Court may, upon request of any party, request from any Arbitration Institution in the State to provide it with a list of arbitration specialists, so as for the Court to appoint one of them, and that is after payment of the fees specified in the Arbitration Institution by the party who has made the request, and it shall be considered as part of the arbitration expenses.

Article 12 – Decision-making regarding the Arbitration Proceedings

Unless otherwise provided by the Parties, any decision in the arbitration proceedings, in which participates more than one arbitrator, shall be made by the majority of the members of the Arbitral Tribunal.

However, procedural matters may be decided by the presiding arbitrator of the Tribunal, if so authorized by the Parties or the remaining members of the Arbitral Tribunal.

Article 13 – Failure to comply with the procedures for the appointment of the Arbitral Tribunal

If any party fails to comply with the procedures for the appointment of the arbitrators agreed by them, or if they have not originally agreed on said procedures, or if the appointed two arbitrators have not agreed on a matter which is required to be agreed on by them, or if a third party, including the Authorized Entity, fails to perform whatever is assigned to it in this regard, the Court shall at the request of one of the Parties perform the required procedure unless the agreement provides for another way to fulfil this procedure. The decision may not be subject to any recourse.

Article 14 – Recusal of an Arbitrator

1. An arbitrator may not be recused except if there are circumstances that are likely to give rise to serious doubts regarding his impartiality or independence, or if it is established that the requirements agreed upon by the Parties or provided by the this Law are not met.

2. No party may submit a request for the recusal of an arbitrator appointed by him, or in whose appointment he has participated, except for a reason of which he becomes aware after the appointment has been made.

3. The recusal request shall not be accepted from such person who has previously submitted a request for the recusal of the same arbitrator, in the same arbitration and for the same reason.

Article 15 – Procedures for the recusal of an arbitrator

The Parties may agree on the procedures for the recusal of an arbitrator, subject to the following procedures:

1. A party who intends to recuse an arbitrator shall, within fifteen (15) days after becoming aware of the appointment of said arbitrator of after becoming aware of the grounds for such recusal, send a written statement of the reasons for the recusal of an arbitrator against whom a recusal request was submitted, and a copy of the same shall be sent to the remaining members of the Arbitral Tribunal who have been appointed, and to other Parties.

2. If the challenged arbitrator fails to recuse himself, or if the other party does not approve the recusal within fifteen (15) days from the date of notification of the arbitrator of such request according to the provisions of Article 24 of the this Law, the applicant of recusal may file his request with the Relevant Authority within fifteen (15) days after the termination of the first said fifteen (15) days, and the Relevant Authority shall decide on the recusal request within ten (10) days. Said decision shall not be subject to appeal through any means of recourse.

3. The notification of the arbitrator of the recusal request or the filing of the request with the Relevant Authority shall not result in the stay of the arbitration proceedings. The Arbitral Tribunal including the challenged arbitrator, may continue the arbitration proceedings and issuance of the arbitral award, even if the Relevant Authority has not decided on the request.

4. The withdrawal of the arbitrator from his office or the agreement of the Parties on his dismissal shall not be considered an acknowledgment of the validity of any of the recusal reasons.

5. If the Relevant Authority has decided to recuse the arbitrator, it may take the decision which it may deem appropriate for said arbitrator with respect to fees or expenses or for the recovery of any fees or expenses that have been paid to him. Said decision shall not be subject to appeal through any means of recourse.

Article 16 – Termination of the arbitrator's mandate

1. If an arbitrator becomes unable to perform his functions or if he fails to act, or if he ceases to perform the same without undue delay in the arbitration proceedings, or if he, intentionally, neglects to act according to the Arbitration Agreement, though he has been notified through all applicable means of notification and communication in the State, yet he fails to withdraw or if the Parties fail to agree on his dismissal, then the Relevant Authority may, upon request of a party, and after hearing the statements and defense of the arbitrator, terminate his mandate, and its decision in this regard shall not be subject to appeal through any means of recourse.

2. The power of the arbitrator shall be personal, and it shall terminate by his death or loss of capacity, of failure to meet any of the appointment requirements. Unless otherwise agreed by the Parties, the death or withdrawal of the person who has appointed the arbitrator shall not revoke the power of the arbitrator.

Article 17 – Appointment of a substitute arbitrator

1. If the mandate of an arbitrator terminates by decision on his recusal or dismissal or by his withdrawal or any other reason, a substitute arbitrator shall be appointed according to the procedures that were followed for the appointment of the arbitrator whose mandate has been terminated.

2. After the appointment of a substitute arbitrator, the Parties may agree to retain the procedures that have been previously carried out, and to determine the scope thereof. If the Parties fail to reach an agreement in this regard, the reconstituted Arbitral Tribunal shall decide on the validity of any of the previous proceedings and the scope thereof. A decision issued by the reconstituted Arbitral Tribunal shall not affect the right of a party to appeal against the proceedings that have been carried out before the reconstitution of the Arbitral Tribunal, on basis of a reason which has arisen before the appointment of the substitute arbitrator.

Article 18 – General Jurisdiction to order the arbitration measures

1. The jurisdiction to examine the arbitration matters referred by the this Law to the competent Court shall be according to the applicable procedural laws in the State, and they shall, solely, have the power until all arbitration proceedings are terminated.

2. The president of the Court may order, upon request of a party or upon request of the Arbitral Tribunal, interim or precautionary measures, as he may deem necessary, for the current or future arbitration proceedings, whether before or in the course of the arbitration proceedings.

3. The measures referred to in the preceding Clause of the present Article shall not result in the stay of arbitration proceedings and shall not be considered as waiver of the Arbitration Agreement.

4. If the president of the Court has issued an order as specified in Clause (2) of this Article, then the effect of this order shall not terminate, wholly or partially, except by decision of the president of the Court.

Article 19 – The competence of the Arbitral Tribunal to rule on its own jurisdiction

1. The Arbitral Tribunal may rule on a plea that the Tribunal does not have jurisdiction, including a plea based on the non-existence or validity of the Arbitration Agreement, or that such agreement does not govern the subject-matter of the dispute. The Arbitral Tribunal may rule on such matter, either as a preliminary question or in a final arbitral award on the merits of the dispute.

2. If the Arbitral Tribunal rules as a preliminary question that it has jurisdiction, then any party may request, within fifteen (15) days after having received notice of that decision, the Court to decide the matter. The Court shall decide the request within thirty (30) days from the filing registration date of the request with the Court, which decision shall not be subject to appeal through any means of recourse. The arbitration proceedings shall be stayed until said request is decided upon unless the Arbitral Tribunal decisions to continue the proceedings upon request of a party.

3. The party who requests to continue the arbitration proceedings shall bear the arbitration expenses if the Court has ruled that the Arbitral Tribunal has no jurisdiction.

Article 20 – Time limit to raise a plea that the Arbitral Tribunal lacks jurisdiction

1. A plea that the Arbitral Tribunal does not have jurisdiction shall be raised not later than the submission of the statement of defense by the Respondent, referred to in Article 30 of the Law. A plea that the Arbitration Agreement does not cover the matters raised by the other party during the examination of the dispute, shall be raised not later than the next hearing following that in which the plea that the tribunal does not have jurisdiction was submitted, or otherwise the right to raise such plea shall be forfeited. In all case, the Arbitral Tribunal may admit a later plea if it considers the delay justified.

2. A party is not precluded from raising the pleas mentioned in Clause (1) of the present Article due to the fact that he has appointed, or participated in the appointment of, an arbitrator.

Article 21 – Interim or precautionary measures

1. Subject to the provisions of Article 18 of the this Law, and unless otherwise agreed by the Parties, the Arbitral Tribunal may, upon request of a party, or on its own initiative, order either one to take interim or precautionary measures as it may deem necessary and as required by the nature of the dispute, and in particular:

   a. An order to preserve evidence that may be material to the resolution of the dispute.

   b. Taking necessary measures to preserve the goods that constitute a part of the subject-matter of the dispute, such as the order to deposit with third Parties, or to sell perishable goods.

   c. Preserving assets and property of which a subsequent award may be enforced.

   d. Maintaining or restoring the status quo pending determination of the dispute.

   e. Taking action that would prevent, or refrain from taking action that is likely to cause, current or imminent harm or prejudice to the arbitral process itself.

2. The Arbitral Tribunal may require the applicant of interim or precautionary measures to provide appropriate security to cover the costs of these measures, and it may require him to bear all the damage resulting from the enforcement of said orders if the Arbitral Tribunal has decided at a subsequent time his ineligibility to request the issuance of the same.

3. The Arbitral Tribunal may modify, suspend or terminate an interim measure which it has ordered, upon request of a party, or in exceptional cases and upon a prior notice to the Parties, on the tribunal's own initiative.

4. A party in whose interest an interim order is granted and upon a written authorization from the Arbitral Tribunal, may request the Court to grant an order for the enforcement of the order issued by the Arbitral Tribunal or any part of the same, within fifteen (15) days after having received the request, and copies of the authorization or enforcement request under this Article shall be sent to all other Parties at the same time.

Chapter 4
Arbitration Proceedings

Article 22 – Intervention or joinder of new Parties into Arbitration

The Arbitral Tribunal may authorize the joinder or intervention of a third party into the arbitration dispute whether upon request of a party or upon request of the joining party, provided that he is a party to the Arbitration Agreement after giving all Parties including the third party the opportunity to hear their statements.

Article 23 – Determination of the applicable proceedings

The provisions of Article 23 were replaced by virtue of Article 1 of Federal Decree-Law No. 15 dated 04/09/2023, to read as follows:

1. The parties may agree on the procedures that the Arbitral Tribunal shall follow to conduct the arbitration proceedings, including subjecting these procedures to the rules implemented in any arbitration organization or arbitration institution in the State or abroad.

2. If there is no agreement to follow certain procedures, the Arbitral Tribunal may determine the procedures that it may deem appropriate subject to the provisions of the this Law, in compliance with the basic principles of litigation and international agreements to which the State is a party.

Article 24 – Notices

1. Unless otherwise agreed by the Parties, the provisions mentioned in this Clause shall be applicable:

   a. Any written communication shall be considered to have been received: if delivered to the addressee personally, or if delivered at his place of business, habitual residence, or mailing address known by both Parties or specified in the Arbitration Agreement or in the document regulating the relationship covered by the arbitration. If none of said addresses may be found after conducting a necessary inquiry, a written communication shall be considered to have been received if it is sent to the last-known place of business of the addressee, his habitual residence, or mailing address by a registered letter or through express mail companies or any other means which provides a written proof of attempted delivery. The term "Mailing Address" means any fax number or electronic mail address previously used by the Parties in their transactions with each other or which has been previously used by a party to notify the other party of his communications.

   b. The letter shall be considered as received on the day of its delivery in the manner mentioned in the this Law. The letter sent by fax or email shall be considered as received on the date on which it has been sent as shown by its information, provided that there is no indication on any error in the sending process. In all cases, the receipt shall be considered made if received or sent before six in the evening in the country in which the communication was received, and otherwise the receipt shall be considered as made on the next day.

2. For assessment of periods according to the this Law, the period shall start to run on the next day following the receipt of the letter or any other communication. If the last day happens to be an official holiday or a business holiday at the headquarters or place of business of the consignee, then the time limit shall extend to the first following working day. The official holidays or business days which take place during said time limit shall be included in the assessment.

3. The provisions of the present Article shall not apply to communications made in Court proceedings.

Article 25 – Waiver of right to object

If a party proceeds with arbitration proceedings knowing that any requirement under the Arbitration Agreement or any of the provisions of the this Law from of which an agreement may be made to the contrary, has not been complied with, where he fails to submit an objection to such violation on the time limit agreed upon or within seven (7) days of the date of becoming aware upon non-agreement, he shall be considered to have waived his to object.

Article 26 – Equal treatment of Parties to arbitration

The Parties to the arbitration shall be treated with equality, and each party shall be given an equal and full opportunity to present his claims and defense.

Article 27 – Commencement of the arbitration proceedings

1. Unless otherwise agreed by the Parties, the arbitration proceedings shall commence on the next day following the full composition of the Arbitral Tribunal.

2. The notice of a request of arbitration shall be considered as filing of the case for the purposes of imposing the provisional seizure

Article 28 – Proceedings and Place of Arbitration

The provisions of Article 28 were replaced by virtue of Article 1 of Federal Decree Law No. 15 dated 04/09/2023, to read as follows:

1. The parties may agree to conduct arbitration and determine its location, whether on site or virtually, through modern technical means or in technical communities. If there is no agreement, this shall be determined by the Arbitral Tribunal, taking into account the circumstances of the case and the suitability of the location for its parties.

2. The Arbitral Tribunal shall make available or send the minutes of the session to the parties.

3. The Arbitration Centre shall provide the necessary technologies to conduct arbitration proceedings through modern technical means or in technical communities in accordance with the necessary technical standards and controls in force in the State.

Article 29 – Language of Arbitration

1. Unless otherwise agreed by the Parties, the arbitration proceedings shall be conducted in Arabic.

2. The language agreed upon or determined shall apply to the arbitration proceedings, and to any written statement submitted by the Parties, any oral hearing and any arbitral award, decision or other communication by the Arbitral Tribunal, unless otherwise agreed.

3. Subject to the provisions of Federal Law No. 6 of 2012 on the Regulation of the Profession of Translation, the Arbitral Tribunal may order that all or some written documents submitted in the case shall be accompanied by translation into the language or languages used in the Arbitration. In case there are many languages, translation may be restricted to some of them.

Article 30 – Statement of claims and defense

1. Unless otherwise agreed by the Parties or by the Arbitral Tribunal, the Claimant shall, within fourteen (14) days from the date of composition of the Arbitral Tribunal, send to the Respondent and to each arbitrator, a written statement of his claim including his name, address, the name and address of the Respondent, an explanation of the facts of the claim, the points at issue, and pleas, in addition to any other matter required by the agreement of the Parties to be mentioned in the statement.

2. Unless otherwise agreed by the Parties or by the Arbitral Tribunal, the Respondent shall, within fourteen (14) days from the date of receipt of the statement sent to him by the Claimant which is referred to in the preceding Clause of the present Article, send to the Claimant and to each arbitrator a written statement of his defense indicating his defense in respect of the Claimant's statements, and he may include in such statement of defense any incidental pleas or counterclaims related to the subject-matter of the dispute, or he may raise a right arising from it, with the intention to claim offset, even if at any subsequent stage of the proceedings if the Arbitral Tribunal considers the delay justified.

3. Unless otherwise agreed by the Parties, either party may amend or supplement his claims or defense or file a counterclaim during the course of the arbitral proceedings, unless the Arbitral Tribunal considers it inappropriate to allow such amendment having regard to the delay in making it or due to that such claim is beyond its authority, provided that the Arbitral Tribunal in its decision have due regard to the principles of ligation and the rights of defense.

Article 31 – Documents supporting the statements of claim and defense

A party may submit with his statement of claim or defense, as the case may be, copies of all documents he considers to be relevant or may add a reference to all or some of the documents or other evidence he will submit, having due regard to the right of the other party to have access to them. Such matter shall not prejudice the right of the Arbitral Tribunal, at any stage of the proceedings, to request the provision of the original documents or instruments, the basis upon which any party considers relevant, and the right of other Parties to have access to them.

Article 32 – Failure of the Parties to comply with their obligations

Subject to the provisions of Article 30 of the this Law, and unless otherwise agreed by the Parties, it is required to comply with the following:

1. If, without acceptable excuse, the Claimant fails to communicate his statement of arbitral claim in accordance with the this Law, and the procedures agreed upon by the Parties, the Arbitral Tribunal may terminate the proceedings, if it believes that there is an undue and inordinate delay by the Claimant in proceeding his claim, and that such delay prevents a fair resolution or results in injustice against the Respondent.
2. If the Respondent fails to submit his statement of defense, the Arbitral Tribunal shall continue the arbitration proceedings without treating such failure in itself as an admission of the Claimant's allegations, and the same provision shall apply in case the Claimant fails to submit his statement of defense against a counterclaim.
3. If, without an acceptable excuse, any party fails to appear at a hearing or to produce documents or to perform any procedure, the Arbitral Tribunal may continue the arbitration proceedings and conclude whatever it may deem appropriate in the light of the acts and the failure of said party, as justified by the circumstances of the arbitration case, and give the award in the dispute on the evidence before it.

Article 33 – Arbitration Proceedings and Hearings

The provisions of Article 33 were replaced by virtue of Article 1 of Federal Decree-Law No. 15 dated 04/09/2023, to read as follows:

1. Unless otherwise agreed-upon by the Parties, the arbitration hearings shall be held at private meetings.
2. Unless otherwise agreed by the Parties, the Arbitral Tribunal may decide whether to hold oral hearings for the presentation of evidence or for oral arguments, or whether the proceedings shall be conducted on the basis of documents and other materials. The Arbitral Tribunal may decide to hold the hearings at an appropriate stage of the proceedings, if so requested by a party.
3. The Arbitral Tribunal shall give sufficient advance notice to the parties of the dates of the hearing it is scheduled to hold, within sufficient time before the date it specifies, as determined by the Arbitral Tribunal.
4. The parties may – at their own expense – seek the assistance of legal experts and legal representatives, including lawyers and others, to represent them before the Arbitral Tribunal, and the Arbitral Tribunal may request the submission of the document proving the capacity of the representative of any party, in accordance with the form it determines.
5. A summary of the proceedings of each session held by the Arbitral Tribunal shall be written down in a record and a copy thereof shall be delivered to each party.
6. Unless the parties agree otherwise, hearing witnesses, including experts, will be in accordance with the legislation in force in the country.
7. Unless the parties agree otherwise, the Arbitral Tribunal shall have discretionary authority to determine the rules of evidence that shall be followed, in the event that the applicable law lacks evidence to rule on the dispute, provided that these rules do not conflict with public order.
8. The Arbitral Tribunal may estimate the extent of acceptability or relevance of the evidence presented by any of the parties regarding a fact or expert opinion, and it may determine the time, method and format in which such evidence is to be exchanged among the parties and how it is to be presented to the Arbitral Tribunal.

Article 34 – Assistance of Experts

1. Unless otherwise agreed by the Parties, the Arbitral Tribunal may appoint one or more experts to submit his report, and it may determine his task and term. A copy of its decision shall be sent to the Parties.
2. A party shall give the expert the information related to the dispute, or to produce or to provide access to any relevant documents, goods, real estates, or other movable or immovable property related to the dispute for his inspection and examination. The Arbitral Tribunal shall decide on each dispute arising between the expert and any party in this regard.

3. The expert, before his appointment is accepted, shall submit to the Arbitral Tribunal and the Parties, a statement of his qualifications and an acknowledgment of his impartiality and independence. Any party shall notify the Arbitral Tribunal, within the time limit specified by the Authority in the decision, of any objection to the appointment of the expert. The Arbitral Tribunal shall rule on any objection to the appointment of said expert. The decision shall be binding in this regard.

4. No party may object to the qualifications of the expert, or to his impartiality or independence unless the objection is based on reasons that the party has become aware of after the appointment of said expert.

5. The Arbitral Tribunal shall send to the Parties a copy of the report of the expert immediately upon its deposit, and it shall give them the opportunity to comment on said report within the specified time limits.

6. The Arbitral Tribunal may, on its own initiative or at the request of a party after the filing of the report of the expert, hold a hearing to hear the statements of the experts, where the Parties have been given the opportunity to put questions to him on the matters mentioned in his report and to inspect any document on which his report is based. A party may seek the assistance of one or more experts appointed by him to give his opinion on the points at issue included in the report of the expert who is appointed by the Arbitral Tribunal, unless otherwise agreed by the Parties, subject to the provisions mentioned in Article 33 of the this Law.

7. The fees and expenses of the expert appointed by the Arbitral Tribunal based on this Article shall be borne by the Parties as determined by the Arbitral Tribunal.

Article 35 – Testimony of witnesses

The Arbitral Tribunal may hear the testimony of witnesses including the expert witnesses, by the modern means of communication which do not require them to appear in person at the hearing.

Article 36 – The power of the Court to order the production of evidence

1. The Arbitral Tribunal may, on its own initiative or upon request of a party, seek the assistance of the Court in taking evidence, and the Court may execute the request, within its competence, and require the attendance of witnesses before the Arbitral Tribunal, to submit and give oral testimony, or to present the documents or any evidence thereof.

2. The request shall be submitted to the president of the Court, and he may determine any of the following:

   a. Sentencing the witnesses who fail to appear or abstain from answering without legal justification with the penalties prescribed in the applicable laws in the State.

   b. Rendering a decision requiring a third party to produce a document in his possession which is significant to resolve the dispute.

   c. Issuing a letter rogatory.

Chapter 5
Arbitral Award

Article 37 – Application of the law of choice on the substance of dispute

1. The Arbitral Tribunal shall decide on the dispute in accordance with rules of law chosen by the Parties as applicable to the substance of the dispute. Any designation of the law of a given State shall be construed as a reference to the substantive rules of that law and not to the conflict of laws, and provided that it is not contrary to the public order and morality in the State, unless otherwise agreed by the Parties.

2. If the Parties agree that the legal relationship between them is subject to the provisions of a Model contract, international agreement or any other document, then said provisions including special arbitration clauses shall be applicable provided that they are not contrary to the public order and morality in the State.

Article 38 – The power of the Arbitral Tribunal in determining the applicable law on the substance of the dispute

1. If the Parties fail to agree on the rules of law applicable to the substance of the dispute, the Arbitral Tribunal shall apply the substantive rules of the law which it considers to have the closest connection with the substance of the dispute.

2. When deciding the merits of the dispute, the Arbitral Tribunal shall take into account the terms of the contract, which is the subject-matter of the dispute, and any relevant usages applicable to the transaction and between the Parties.

3. The Arbitral Tribunal may decide on the merits of the dispute ex aequo et bono or as amiable compositor, without observing the provisions of the this Law, only if the Parties have expressly agreed or authorized it to do so.

Article 39 – Interim and summary awards

1. The Arbitral Tribunal may issue interim awards or awards in part of the claims, before the issuance of the award terminating the dispute.

2. The interim awards of the Arbitral Tribunal shall be enforceable before the Courts by an order on petition issued by the president of the Court or his delegate.

Article 40 – Arbitral award on agreed terms

If, before the issuance of the final judgment in the litigation, the Parties agree to settle the dispute amicably, then they may request that the terms of the settlement be recorded by the Arbitral Tribunal. In this case, the Arbitral Tribunal shall give an Arbitral Award on agreed terms including the terms of the settlement and ending the proceedings. This Award shall have the same effects as the arbitrators' awards.

Article 41 – The form and contents of the Arbitral Award

1. The Arbitral Award shall be made in writing.

2. The Arbitral Award shall be signed by the majority of all members if the Arbitral Tribunal is composed of more than one arbitrator. If the award is not signed by the majority of the arbitrators, then the president of the Arbitral Tribunal shall give the award unless otherwise agreed by the Parties. In this case, the dissenting reasons shall be written or attached, and shall be considered an integral part of the award.

3. The arbitrators shall sign the award, or otherwise the reason for any omitted signature shall be stated. The award shall be valid if signed by the majority of the arbitrators.

4. The Arbitral Award shall be justified, unless otherwise agreed by the Parties or if the law applicable to the arbitration proceedings do not require that the grounds of the award be stated.

5. The Arbitral Award shall mention the names of litigants, their addresses, the names of arbitrators, their nationalities and addresses, in addition to the Arbitration Agreement, and a summary of the claims of the litigants, statements, documents and the operative part of the award, and the award's reasoning if their statement is mandatory, in addition to the date and place of issuance.

6. The arbitral award shall be considered issued in the place of arbitration according to Article 28 of the this Law, even if it is signed by the members of the Arbitral Tribunal outside the place of arbitration, and regardless of the signing method, whether carried out in the presence of the members of the Arbitral Tribunal or if the award is sent to be signed by each member separately, or by electronic method, unless otherwise agreed by the Parties.

7. Unless otherwise agreed by the Parties, the date of issuance of the award is the date on which the award was signed by the sole arbitrator, or by the last signature of the arbitrators in case more than one arbitrator is found.

Article 42 – Date of the award terminating the dispute

1. The Arbitral Tribunal shall give the award terminating the dispute, within the time limit agreed by the Parties. If there is no agreement on a specified time limit or a method to determine said date, the award shall be rendered within six months from the date of the first hearing of the arbitration proceedings. Moreover, the Arbitral Tribunal may decide to extend the period up to no more than six (6) additional months, unless otherwise agreed by the Parties.

2. The Arbitral Tribunal or any party may, in case of non-issuance of the Arbitral Award and after the termination of the period mentioned in Clause (1) of this Article, request the Court to issue a decision determining an additional period for rendering the Arbitral Award or ending the arbitration proceedings, if necessary, and it may extend said period according to the conditions that it may deem appropriate. Unless otherwise agreed by the Parties, its decision in this regard shall be deemed final.

3. If the Court renders a decision ending the arbitration proceedings, then any party may file his case with the competent Court of original jurisdiction.

Article 43 – Deciding on Incidental Matters

If, during the arbitration proceedings, a matter falling beyond the scope of jurisdiction of the Arbitral Tribunal is raised, or a plea of forgery is raised regarding a document that has been submitted to it, and criminal measures were pursued or for any other claim, the Arbitral Tribunal may proceed in examining the merits of the dispute if it considers that a ruling on such matter, or on the forgery of the document, or the other criminal act, would not affect the outcome of the case. Otherwise, it shall stay the proceedings until a final decision is issued in this regard. This shall result in suspending the date fixed for the rendering of the Arbitral Award, and the time limit shall start to run again from the next day following the date of notification of the Arbitral Tribunal of the end of reason for suspension.

Article 44 – Notification of the Arbitral Award

Subject to the provisions of Article 47 of the this Law, the Arbitral Tribunal shall notify all Parties of the Award by delivering each of them an original copy or a copy of the same signed by the Arbitral Tribunal, within fifteen (15) days from the date of the award.

Article 45 – Termination of arbitration proceedings

1. The arbitration proceedings shall be terminated by the issuance of the award terminating the dispute by the Arbitral Tribunal.

2. The Arbitral Tribunal shall terminate the proceedings in any of the following cases:

   a. If the Parties agree on the termination of the arbitration proceedings according to the provisions of the this Law.

   b. If the Claimant abandons the arbitration case unless the Arbitral Tribunal, upon a request of the Respondent, recognizes a serious interest on his part in continuing the proceedings until the dispute is resolved.

   c. If the Arbitral Tribunal finds that the continuation of the arbitration has for any other reason become unnecessary or impossible.

Article 46 – Costs of the Arbitration

1. Unless otherwise agreed by the Parties, the Arbitral Tribunal shall assess the costs of the Arbitration, including; the fees and expenses incurred by any member in the Arbitral Tribunal for the purpose of execution of his tasks, and the costs of appointment of experts by the Arbitral Tribunal.

2. The Arbitral Tribunal may order that all or some of the costs set out in Clause (1) of this Article be borne by a party. The Court may, upon request of a party, amend the fees or costs assessed by the arbitrator to commensurate with the effort exerted, the nature of the dispute and the expertise of the arbitrator.

3. No claims may be submitted to the Court to reconsider the amount of costs if there is an agreement to fix the same.

Article 47 – Non-delivery of the award in case of failure to settle the expenses

1. Without prejudice to the right of arbitrators to have recourse against the Parties for their fees and expenses, the Arbitral Tribunal may refuse to deliver the final arbitral award to the Parties in case of failure to settle all the costs of arbitration.

2. If the Arbitral Tribunal has refused to deliver the award according to the provisions of Clause (1) of this Article, a party may submit a request to the Court after notifying the other Parties and the Arbitral Tribunal to require the Arbitral Tribunal to deliver the award to the Parties, after proving the settlement of all fees and expenses requested by the Arbitral Tribunal or those fixed by the Court according to Article 46 of the this Law.

Article 48 – Confidentiality of the arbitrators' awards

The arbitrators' awards shall be confidential, and they may not be published in whole or in part, unless with the written approval of the Parties. The publication of the judicial judgments which cover the arbitration award shall not be considered a violation of this principle.

Article 49 – Interpretation of the arbitral award

1. Immediately upon the issuance of the arbitral award, the Arbitral Tribunal shall no more have the authority to decide on any of the matters covered by the arbitration award. Nevertheless, any of the Parties may submit a request to the Arbitral Tribunal, within thirty (30) days following the date of receipt of the arbitral award, for the interpretation of any ambiguity in the operative part of the award, unless the Parties agree on other procedures or periods. The applicant for interpretation shall notify the other party of such request before its submitted to the Arbitral Tribunal.

2. If the Arbitral Tribunal considers the request for interpretation to be justified, then it shall give a decision on the interpretation, in writing, within thirty (30) days following the filing date of the request with the Authority. This time limit may be extended for another fifteen (15) days as it may consider the request justified.

3. The decision on the interpretation shall be considered supplementary to the arbitral award interpreted and shall it be subject to the rules applicable to it.

Article 50 – Correction of the material errors in the arbitral award

1. The Arbitral Tribunal shall correct in its award any material errors either clerical or in computation, by virtue of decision issued on its own initiative or at the request of a party after notifying the other Parties. The request shall be submitted within thirty (30) days following the receipt of the arbitral award unless the Parties agree on other procedures or periods. The Arbitral Tribunal shall correct the award within thirty (30) days following the date of issuance of the award or submission of the correction request, as the case may be, and it may extend the period for another fifteen (15) days as it may consider the request justified.

2. The decision of correction shall be issued in writing by the Arbitral Tribunal, and it shall be notified to the Parties within fifteen (15) days from the date of its issuance.

3. The decision on correction shall be considered supplementary to the Arbitral Award and it shall be subject to the rules applicable to it.

Article 51 – The additional arbitral award

1. Any party may request the Arbitral Tribunal, within thirty (30) days following the receipt of the arbitral ward, to issue an additional arbitral award as to claims submitted in the proceedings but omitted by the arbitral awards. The application shall notify all the Parties of the request.

2. If the Arbitral Tribunal considers the request referred to in Clause (1) of this Article to be justified, then it shall make the award within sixty (60) days from the filing date of the request, and it may extend this period for another thirty (30) days.

3. The additional arbitral award shall be considered supplementary to the arbitral award and it shall be subject to the rules applicable to it.

4. If the Tribunal does not issue the arbitral award according to the provisions of this Article, and the two Articles 49 and 50 of the this Law, the concerned party shall submit a request to the Court to do so.

Article 52 – The binding force of the arbitral award

The arbitral award issued according to the provisions of the this Law shall be binding to the Parties and have the force of res judicata and same enforceability as if it is a Court judgment, provided that a decision recognized by the Court is obtained for its enforcement.

Article 53 – Objection to the arbitral award

1. An objection against an arbitral award may not be accepted unless by lodging an action in nullity with the Court or during the examination of the request for recognition of the award, and the applicant for annulment shall provide a proof that:

   a. There was no Arbitration Agreement, or such agreement was null and void, or forfeited pursuant to the Law chosen by the Parties, or according to the this Law if no reference is made to a certain law.

   b. A party was, at the time of conclusion the Arbitration Agreement, incapacitated or lacking capacity according to the Law governing his legal capacity.

   c. A party has no legal capacity to act in the disputed right, according to the law governing his legal capacity, set out in Article 4 of the this Law.

   d. A party to the arbitration was unable to submit his statement of defense due to that he was not given a proper notice of the appointment of an arbitrator or of the arbitration proceedings, or due to the failure of the Arbitral Tribunal to comply with the principles of litigation or for any other reason beyond his will.

   e. The arbitral award has not applied the law agreed by the Parties to cover to the subject-matter of the dispute.

   f. The composition of the Arbitral Tribunal or appointment of an arbitrator has been made contrary to the provisions of the this Law or the agreement of the Parties.

   g. The arbitration proceedings are void in such a way that has influenced the award, or if the arbitral award was issued after the termination of its specified period.

   h. The arbitral award has decided on matters not covered by the Arbitration Agreement or falling beyond the scope of said arbitration. Nevertheless, if the decision on matters submitted to arbitration can be separated from those not so submitted, then only the last said parts of the award may be deemed null and void.

2. The Court shall, on its own initiative, nullify the arbitral award, if it finds any of the following:

   a. That the subject-matter of the dispute is not capable of settlement by arbitration.

   b. That the arbitral award is in conflict with the public order and the public morality of the State.

Article 54 – An action in nullity of the arbitral award

1. The award issued by the Court regarding the action in nullity shall be final and may only be subject to appeal by cassation.

2. The action in nullity of the arbitral award shall not be heard after thirty (30) days have elapsed following the date of notification of the arbitral award to the applicant requesting the nullification.

3. The nullification of the arbitral award shall result in the termination of the award in whole or in part, according to whether full or partial nullification is rendered. If decision for the interpretation of the annulled part is issued, then such decision shall accordingly be terminated.

4. Unless otherwise agreed by the Parties, the Arbitration Agreement shall remain effective according to the provisions of the this Law after the nullification of the arbitral award, unless such nullification is based on that the agreement itself does not exist, or upon the forfeiture of its term, or its nullity, that it is incapable of being performed.

5. The waiver of the plaintiff's right to file an action in nullity before the issuance of the arbitral award shall not prevent the admissibility of the action.

6. The Court requested to nullify the arbitral award may stay the nullification procedures for a period not exceeding sixty (60) days, as it may deem appropriate, at the request of a party, in order to grant the Arbitral Tribunal an opportunity to make any procedure or amendment to the form of the award in a way that may remove the reasons for nullification without affecting the contents of the award.

Article 55 – Enforcement of an arbitral award

1. Any person willing to enforce an arbitral award shall submit a request for the recognition of the arbitral award and the issuance of an enforcement order to the president of the Court, provided that it is associated with the following:

   a. The original award or a duly certified copy thereof.

   b. A copy of the Arbitration Agreement.

   c. A translation into Arabic of the arbitral award duly certified by a duly recognized entity, if the award is made in another language.

   d. A copy of the minutes of deposit of the award in the Court.

2. The president of the Court or a delegated judge shall order the recognition of the arbitral award and its enforcement within sixty (60) days from the filing date of the request for recognition and enforcement, unless one or more reasons for the nullification of the arbitral award are furnished proving any of the cases mentioned in Clause (1) of Article 53 of the this Law.

Article 56 – Stay of enforcement of an arbitral award

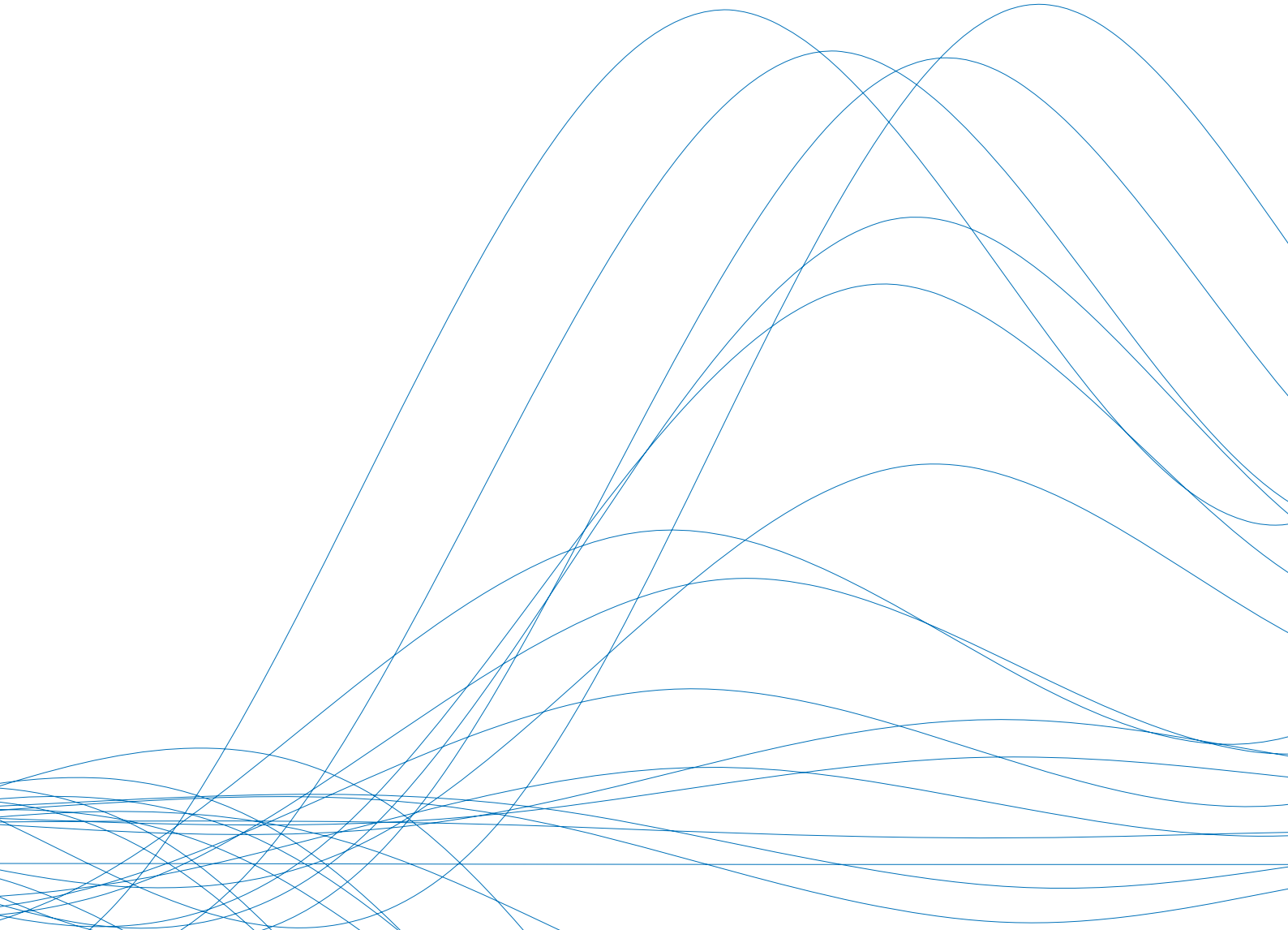
1. The filing of an action in nullity of an arbitral award shall not result in the stay of enforcement of the award. Nevertheless, the Court which is examining the action in nullity of the arbitral award may order the stay of enforcement at the request of a party if the request is based on serious grounds.

2. The Court shall decide on the request for stay of enforcement within fifteen (15) days from the date of the first hearing fixed for its examination.

3. If the Court has decided to stay the enforcement, it may order the applicant of such request to submit a financial guarantee or security. The Court is required to decide on the action in nullity within sixty (60) days from the date of issuance of said decision.

Article 57 – Recourse against the enforcement of the arbitral award

A grievance may be filed against the decision of the Court ordering or denying the enforcement of the arbitral award with the competent court of appeal, within thirty (30) days from the next day of notification.



Chapter 6
Final Provisions

Article 58 – The action charter and lists of arbitrators

1. The Minister of Economy shall issue the action charter of the arbitrators in coordination with the Arbitration Institutions in the State.

2. The Minister of Justice or the president of the competent judicial authority shall set down the lists of arbitrators, from among whom the arbitrators are chosen, according to the provision of Article 11 of the this Law.

Article 59 – Application of the law in terms of time

The provisions of the this Law shall apply to each arbitration which is existing at the time of its implementation, even if based on a previous Arbitration Agreement, provided that the proceedings performed according to the provisions of any previous legislation remain valid.

Article 60 – Abrogation of the provisions on arbitration in the Civil Procedure Law

1. The Articles from 203 to 218 of the aforementioned Federal Law No. 11 of 1992 shall be abrogated, provided that the proceedings performed according to them remain valid.

2. Any provision contrary to the provisions of the this Law shall be abrogated.

Article 61 – Publication and entry into force of the Law

The this Law shall be published in the official gazette and shall come into force one month from the next day following the its publication date

Issued by us at the Presidential Palace in Abu Dhabi
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Khalifa bin Zayed Al Nahyan
President of the United Arab Emirates State

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