



ASIAN INSTITUTE OF
ALTERNATIVE
DISPUTE
RESOLUTION
Delivering Excellence in ADR

Ad Hoc Arbitration Rules

on Appointment, Case Administration & Financial Management

**AIADR AD HOC ARBITRATION RULES ON APPOINTMENT,
CASE ADMINISTRATION AND FINANCIAL MANAGEMENT**

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Rule 1 Application

- 1.1 These Rules apply in all cases where the Asian Institute of Alternative Dispute Resolution (“AIADR”) acts as appointing authority of arbitrators or provides services for case administration and financial management of arbitration in the following circumstances:
 - 1.1.1 where parties agreed to refer their disputes to arbitration under the United Nations Commission on International Trade Law Arbitration Rules (“UNCITRAL Arbitration Rules”);
 - 1.1.2 where parties agreed to refer their disputes to arbitration under any other *ad hoc* arbitration rules to AIADR; and/or
 - 1.1.3 any non-institutional arbitration cases administered by the AIADR in accordance with provisions of any law or agreement of parties.

Rule 2 Functions of AIADR

- 2.1 The functions of AIADR under these Rules may include assisting in the following:
 - 2.1.1. appoint arbitrator(s) at the request of a party;
 - 2.1.2. decide on the number of arbitrators to be appointed at the request of a party;
 - 2.1.3. decide on the challenge of arbitrator at the request of a party;
 - 2.1.4. undertake financial management of the arbitration, including but not limited to collection of deposits and arrangement for payment of arbitrator’s fee and expenses at the request of a party or an arbitral tribunal;
 - 2.1.5. provide hearing services, including but not limited to provision of hearing room(s), video conferencing, audio and video recording facilities, arrangement for translation and stenography services at the request of a party or an arbitral tribunal;
 - 2.1.6. provide tribunal secretary service at the request of a party or an arbitral tribunal; and
 - 2.1.7. provide other services at the request of a party or an arbitral tribunal.

Rule 3 Submission of Information

- 3.1 When submitting requests to the AIADR for appointment of arbitrator(s), case administration and/or financial management of arbitration under these Rules, a party or an arbitral tribunal shall provide the following information and documents to the AIADR:

- 3.1.1. amounts in dispute;
 - 3.1.2. the particulars of the parties and their representative(s) including names, addresses, telephone numbers, fax numbers and email addresses;
 - 3.1.3. arbitration clause or a separate arbitration agreement entered by parties;
 - 3.1.4. notice of arbitration and its attachment(s) served by the requesting party on the other party or parties, and proof of their delivery; and
 - 3.1.5. name(s) and contact details of the arbitrator(s) already nominated or appointed, if any.
- 3.2 The AIADR may, request for submission of further information and documents from the party or parties and/or the arbitrator(s) where necessary.

Rule 4 Appointment of Arbitrator

- 4.1 Arbitrator to be appointed shall meet the qualifications required of an arbitrator as prescribed by the applicable law and/or the qualifications required of an arbitrator by the agreement of the parties.
- 4.2 The appointment of an arbitrator may be made from the AIADR panel of arbitrators in effect, or from outside the AIADR panel of arbitrators.
- 4.3 When making appointment of an arbitrator, apart from the factors specified in the above Rules, the following factors shall also be taken into account:
- 4.3.1. the nature of the dispute;
 - 4.3.2. the nationality of the parties;
 - 4.3.3. proposal or suggestion made by the party or parties in regard to appointment of an arbitrator; and
 - 4.3.4. clearance of conflict checks and availability of qualified candidate arbitrator(s) to accept the appointment.
- 4.4 Prior to making an appointment of an arbitrator at the request of a party, the AIADR shall afford the other party or parties an opportunity to provide information relevant to the appointment. The AIADR may in its discretion refuse to make an appointment based on information provided by the other party or parties.
- 4.5 Upon making an appointment of an arbitrator, the AIADR shall notify the parties in writing of such appointment.

Rule 5 Appointment Procedure

- 5.1 Unless otherwise agreed by the parties, when acting as appointing authority to appoint a sole arbitrator or a presiding arbitrator of a three-arbitrator tribunal under the UNCITRAL Arbitration Rules, the AIADR shall follow the list-procedure set forth in Article 8(2) and 9(3) of the UNCITRAL Arbitration Rules. If a party fails to make a timely appointment of the second arbitrator of a three-arbitrator tribunal, the AIADR shall, at the request of the other party or parties, follow the procedure set forth in Article 9(2) of the UNCITRAL Arbitration Rules.
- 5.2 Unless otherwise agreed by the parties, when acting as appointing authority to appoint a sole arbitrator or a presiding arbitrator of a three-arbitrator tribunal under other circumstances, the AIADR shall directly appoint an arbitrator whom it deems suitable within thirty (30) days. If a party fails to make a timely nomination of the second arbitrator of a three-arbitrator tribunal, the AIADR shall, at the request of the other party or parties, directly appoint an arbitrator whom it deems suitable.
- 5.3 Unless otherwise agreed by the parties, in the event that an arbitrator is unable to fulfil his/her functions due to challenge or any other reason, a substitute arbitrator shall be appointed by AIADR in accordance with Article 14 of the UNCITRAL Arbitration Rules.

Rule 6 Number of Arbitrators

- 6.1 In the event parties have not agreed on the number of arbitrators, the AIADR may, at the request of any party, decide on whether the arbitral tribunal shall be composed of a sole arbitrator or three arbitrators. When making such decision, the AIADR shall take into account the following factors:
- 6.1.1. amount in dispute;
 - 6.1.2. complexity of the dispute and underlying arbitration agreement;
 - 6.1.3. nationality or nationalities of the parties;
 - 6.1.4. availability of suitable candidate arbitrators for the dispute; and
 - 6.1.5. urgency of the matter
- 6.2 Prior to making such decision, the AIADR shall afford an opportunity to the other party or parties to express its opinion or their opinions on the number of arbitrators.
- 6.3 Upon making the decision on the number of arbitrators, the AIADR shall notify the parties in writing of such decision within five (5) working days of the decision.

Rule 7 Disclosure

- 7.1 The arbitrator(s) shall submit to the AIADR a signed declaration and disclose any facts or circumstances likely to give rise to justifiable doubts as to his/her impartiality or independence prior to accepting the appointment. Upon acceptance of appointment, the arbitrator shall promptly disclose any circumstances likely to give rise to justifiable doubts as to his/her impartiality or independence which arose during the arbitral proceedings to the AIADR, parties and the other members of the arbitral tribunal (if any) in writing. The signed declaration of the arbitrator shall be made in the format that is in line with the requirements of the AIADR. Upon receiving such declaration, the AIADR shall forward a copy of the declaration to each party and the other members of the arbitral tribunal (if any).

Rule 8 Determination on Challenge

- 8.1 Unless otherwise agreed by the parties, the AIADR shall decide all challenges to arbitrators in arbitral proceedings, carried out under the AIADR as appointing authority. The AIADR shall make such decisions in accordance with the relevant provisions on challenge of arbitrators in the applicable arbitration laws and arbitration rules and may, where necessary, refer to the International Bar Association's Guidelines on Conflicts of Interest in International Arbitration.

Rule 9 Arbitral Tribunal Fees and Expenses

- 9.1 The arbitrator's fees and expenses shall be agreed upon by the parties and the arbitral tribunal.
- 9.2 Where the parties and the arbitral tribunal cannot agree on the arbitrator's fees and expenses within forty-five (45) days from the date of appointment of arbitral tribunal, Appendix C on the Arbitrator's Fees shall apply.

Rule 10 Fees of Appointing Authority

- 10.1 The AIADR may charge the following fees:
- 10.1.1. Appointment fee of arbitrator. This fee shall be paid by the requesting party when submitting a request for appointment of an arbitrator. The sum is specified in Appendix A on the AIADR Fee Schedule.
 - 10.1.2. Fee for decision on number of arbitrators. This fee shall be paid by the requesting party when submitting a request for decision of number of

arbitrators. The sum is specified in Appendix A on the AIADR Fee Schedule.

10.1.3. Fee for decision on challenge of arbitrator. This fee shall be paid by the requesting party when submitting a challenge of arbitrator. The sum is specified in Appendix A on the AIADR Fee Schedule.

10.1.4. Fee for other services rendered. This fee shall be collected by the AIADR as specified in Appendix A on the AIADR Fee Schedule.

Rule 11 Deposits

11.1 The AIADR shall request payment of deposits payable towards the arbitrator's fees, estimated expenses and the fee for other services rendered. The deposits shall be paid immediately to the AIADR after the appointment of an arbitrator.

11.2 Unless otherwise agreed by the parties, the aforementioned deposits shall in principle be payable in equal share by the requesting party and other parties.

Rule 12 Exclusion of Liability

12.1 Neither the AIADR, its board members nor its employees shall be liable for any negligence, act or omission in connection with performance of any duties under these Rules.

12.2 The parties are jointly and severally liable to the arbitrator's fees and expenses set forth in these Rules and to the fee for other services rendered under these Rules. The AIADR only collects payment of deposits as delegated by the arbitral tribunal. The AIADR assumes no liability for payment to any arbitral tribunal or any party.

Rule 13 UNCITRAL Arbitration Rules

13.1 The UNCITRAL Arbitration Rules referred to in these Rules shall be the 2013 UNCITRAL Arbitration Rules. Where the parties agree to apply other versions of the UNCITRAL Arbitration Rules, the corresponding provisions of the 2013 UNCITRAL Arbitration Rules relevant to these Rules shall be substituted by those of the applicable version of the UNCITRAL Arbitration Rules.

Rule 14 Supplementary Rules

- 14.1 AIADR may provide the parties with the relevant arbitration services under these Rules in accordance with the provisions of the applicable law and others.
- 14.2 Any inconsistencies and/or discrepancies in these Rules shall be interpreted by AIADR.
- 14.3 For avoidance of doubt, where any part of the Rules is in conflict with the provision of law that the parties cannot derogate from, the provision of the law shall prevail.



Appendix A Fee Schedule

1. The default fees and costs are stated in Malaysian Ringgit (MYR) denomination. Alternatively, parties may request for payment in either US Dollar (USD) or Chinese Renminbi (RMB). The equivalent amount in USD and RMB is attached in Appendix B and subject to change. The chosen currency will be applicable throughout the arbitration.
2. **Registration Fee**
A non-refundable registration fee of MYR300.00 is payable by the Party submitting the Appointment Request Form.
3. **Fee on Deciding Number of Arbitrator**
The fee for determining the number of arbitrators to be appointed under these Rules by the AIADR is MYR2,000.00 per instance.
4. **Appointment Fee**
The selection and appointment of arbitrator fee under these Rules by AIADR shall be fixed at MYR5,000.00 per arbitrator.
5. **Fee on Decision on Challenge of Arbitrator**
The fee for deciding any challenge of the arbitrator under these Rules by AIADR shall be fixed at MYR10,000.00 per arbitrator.
6. **Administrative Costs and Other Services Rendered**
The AIADR nominal administrative fee for each case shall be MYR5,000.00 and additional costs will be chargeable for other services rendered as follows: -
 - 6.1 the fee for financial management of arbitration shall be decided by the AIADR depending on the actual working hours spent and circumstances of arbitration. The employee's hourly rate for financial management is MYR800.00 and the minimum standard rate is MYR2,000.00 per arbitration;
 - 6.2 the rental rate for each hearing room and/or audio and video recording facilities are determinable by the AIADR;
 - 6.3 the fee for translation and stenography services by third party or third parties shall be proposed by such third party or third parties, and shall be payable upon confirmation of the parties; and
 - 6.4 any other services at such rate as determinable by AIADR.

7. The fees above shall be part of the costs of arbitration and shall be deposited by the party or parties submitting the request. The final apportionment of these fees shall be determined by the arbitral tribunal.
8. The costs and fees above are not inclusive of possible taxes or charges and parties have a duty to pay any such taxes or charges (where applicable).



Appendix B

Equivalent Fee Schedule in Other Currencies

No.	Item	Amount in MYR	Amount in USD	Amount in RMB
1	Registration Fee	300	80	500
2	Fee on Deciding Number of Arbitrator	2000	500	3350
3	Appointment Fee	5000	1250	8350
4	Fee on Decision on Challenge to Arbitrator	10,000	2500	16,700
5	Nominal Administrative Fee	5000	1250	8350
6	Minimum Standard Rate for Financial Management of Arbitration	2000	500	3350
7	Hourly Fee for Financial Management of Arbitration	800	200	1350



Appendix C Arbitrator's Fees

1. Pursuant to Rule 9.2, parties may agree to adopt the following table of recommended arbitrator's fees OR the standard arbitrator's fees.
2. The table of recommended arbitrator's fees is as follows: -

Sum in Dispute*(MYR)	Arbitrator's Fees in MYR	Arbitrator's Fees in USD	Arbitrator's Fees in RMB
Up to 150,000	10,000	2,700	18,000
150,001 to 300,000	10,000 + 6.54% of excess over 150,000	2,700 + 6.54% of excess over 150,000	18,000 + 6.54% of excess over 150,000
300,001 to 1,500,000	21,900 + 2.85% of excess over 300,000	5,800 + 2.85% of excess over 300,000	39,000 + 2.85% of excess over 300,000
1,500,001 to 3,000,000	63,300 + 2.39% of excess over 1,500,000	16,700 + 2.39% of excess over 1,500,000	113,000 + 2.39% of excess over 1,500,000
3,000,001 to 6,000,000	106,700 + 1.10% of excess over 3,000,000	28,100 + 1.10% of excess over 3,000,000	190,000 + 1.10% of excess over 3,000,000
6,000,001 to 15,000,000	146,700 + 0.65% of excess over 6,000,000	38,700 + 0.65% of excess over 6,000,000	262,000 + 0.65% of excess over 6,000,000
15,000,001 to 30,000,000	217,200 + 0.28% of excess over 15,000,000	57,200 + 0.28% of excess over 15,000,000	387,000 + 0.28% of excess over 15,000,000
30,000,001 to 150,000,000	267,500 + 0.14% of excess over 30,000,000	70,400 + 0.14% of excess over 30,000,000	477,000 + 0.14% of excess over 30,000,000
150,000,001 to 240,000,000	475,300 + 0.06% of	125,100 + 0.06% of	739,000 + 0.06% of

	excess over 150,000,000	excess over 150,000,000	excess over 150,000,000
240,000,001 to 300,000,000	536,900 + 0.04% of excess over 240,000,000	141,300 + 0.04% of excess over 240,000,000	956,000 + 0.04% of excess over 240,000,000
300,000,001 to 1,500,000,000	567,600 + 0.03% of excess over 300,000,000	149,400 + 0.03% of excess over 300,000,000	1,010,000 + 0.03% of excess over 300,000,000
Above 1,500,000,000	1,011,500 + 0.02% of excess over 1,500,000,000 with a limit of 5,400,000	266,200 + 0.02% of excess over 1,500,000,000 with a limit of 1,422,000	1,800,000 + 0.02% of excess over 1,500,000,000 with a limit of 9,612,000

**The value of counterclaim and/or set off will be taken into account in calculating the sum in dispute.*

3. The standard arbitrator's fees are as follows: -

Item	Arbitrator's Fees in MYR	Arbitrator's Fees in USD	Arbitrator's Fees in RMB
Meeting (per day/session)	2,500	700	4,500
Hearing* (per day)	5,000	1,400	9,000
Reviewing Documents and Related Works (per hour)	500	140	900

**The minimum standard hearing day will be six (6) days and additional daily rate above will be applicable depending on the circumstances of the case.*

4. The above arbitrator's fees are applicable per arbitrator. The fees are not inclusive of possible taxes or charges and parties have a duty to pay any such taxes or charges (where applicable).

MODEL CLAUSES

AIADR Ad Hoc Arbitration Rules on Appointment, Case Administration and Financial Management Clause

Asian Institute of Alternative Dispute Resolution (AIADR) as administrating body, including appointing authority, under ad hoc arbitration.

Any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or invalidity thereof, shall be settled by arbitration as administered by the Asian Institute of Alternative Dispute Resolution in accordance with the AIADR Ad Hoc Arbitration Rules on Appointment, Case Administration and Financial Management.

Recommended additions:

The number of arbitrators shall be ... [one or three];

The seat of the arbitration shall be [...];

The language to be used in the arbitral proceedings shall be [...];

This contract shall be governed by the substantive laws of [...].

AIADR as appointing authority only under the ad hoc arbitration.

Any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or invalidity thereof, shall be settled by arbitration. The appointing authority shall be the Asian Institute of Alternative Dispute Resolution in accordance with the AIADR Ad Hoc Arbitration Rules on Appointment, Case Administration and Financial Management.

Recommended additions:

The number of arbitrators shall be ... [one or three];

The seat of the arbitration shall be [...];

The language to be used in the arbitral proceedings shall be [...];

This contract shall be governed by the substantive laws of [...].

AIADR Standard Submission Clause

Parties who wish to substitute existing arbitration clause to arbitration under the AIADR Ad Hoc Arbitration Rules on Appointment, Case Administration and Financial Management may adopt the following standard form of agreement:

AIADR as administering body including appointing authority

Parties hereby agree that the dispute arising out of... shall be settled by arbitration as administered by the Asian Institute of Alternative Dispute

Resolution in accordance with the AIADR Ad Hoc Arbitration Rules on Appointment, Case Administration and Financial Management.

AIADR as appointing authority only

Parties hereby agree that the dispute arising out of... shall be settled by arbitration. The appointing authority shall be the Asian Institute of Alternative Dispute Resolution in accordance with the AIADR Ad Hoc Arbitration Rules on Appointment, Case Administration and Financial Management.

