

**ENGLAND & WALES** 

### PRACTICE GUIDELINE NO. 7

# Model CIMA Arbitration Clause for inclusion in Contracts

# **ARBITRAL CLAUSE**

Any dispute, controversy, or claim arising out of or in connection with this contract, or its breach, termination, or validity thereof, shall be resolved as follows:

- 1. Mediation: The parties shall first seek to resolve the dispute through mediation under the auspices of the Centre for International Mediators and Arbitrators (CIMA) in accordance with its mediation rules. The mediation shall be conducted in English and shall take place in [city, country]. If the dispute is not resolved within 30 days of the commencement of mediation, or such other period as the parties may agree in writing, the dispute shall be referred to arbitration.
- 2. **Arbitration:** Any dispute not resolved by mediation shall be submitted to and finally settled by arbitration administered by **CIMA** in accordance with its Arbitration Rules, which are deemed to be incorporated by reference into this clause.
- 3. Seat of Arbitration: The seat of arbitration shall be [city, country].
- 4. **Language:** The arbitration proceedings shall be conducted in [language].





- 5. **Governing Law:** The substantive law governing the contract shall be the laws of [specify country], exclusive of any conflict-of-law rules that may require the application of the laws of another jurisdiction.
- 6. **Number of Arbitrators:** The arbitral tribunal shall consist of [one/three] arbitrator(s):
  - If a sole arbitrator is to be appointed, the parties shall agree on the arbitrator within 30 days of the notice of arbitration. If the parties fail to agree, the arbitrator shall be appointed by CIMA.
  - If three arbitrators are to be appointed, each party shall appoint one arbitrator, and the two arbitrators shall appoint the third. If a party fails to appoint an arbitrator within 30 days of receiving notice of the appointment of the other party's arbitrator, or if the two arbitrators fail to agree on the third arbitrator within 30 days of their appointment, the third arbitrator shall be appointed by CIMA.
- 7. **Confidentiality:** The arbitration and mediation proceedings, including all materials submitted and the award, shall remain confidential unless disclosure is required by law or agreed upon in writing by the parties.
- 8. **Interim Measures:** The arbitrator(s) shall have the authority to grant interim or conservatory measures as deemed necessary.
- 9. **Enforcement:** The award rendered by the arbitral tribunal shall be final and binding on the parties, and judgment on the award may be entered by any court of competent jurisdiction.
- 10. **Costs:** The costs of the arbitration, including the fees of the tribunal, shall be borne as determined by the arbitrator(s) in the final award.

#### **Notes on CIMA Provisions**

This clause includes all recommended provisions to ensure clarity, enforceability, and efficiency:





- 1. **Mediation before Arbitration:** Encourages amicable resolution before proceeding to arbitration.
- 2. **Clear Arbitration Rules:** References CIMA's Arbitration Rules to avoid ambiguity.
- 3. **Seat and Governing Law:** Ensures clarity on procedural and substantive laws.
- 4. **Appointment of Arbitrators:** Provides mechanisms to prevent deadlocks.
- 5. **Confidentiality:** Protects the privacy of proceedings.
- 6. **Interim Measures:** Grants arbitrators' authority to issue urgent relief.
- 7. **Enforcement:** Ensures the binding nature of awards globally.

This clause offers a comprehensive and robust framework for dispute resolution under CIMA's auspices.

## **Practice Advice**

All practitioners are encouraged to register for CIMA's certified training on **Drafting Effective Arbitration Clauses and International Best Practice.** 



