6. Appointment of Arbitrator

(a) All arbitrators to be appointed to hear any dispute shall be selected from a Panel of Arbitrators who shall be appointed by MRE Management Committee.

(b) Dispute shall be settled by an arbitral tribunal comprising of three arbitrators.

(c) Each Party shall nominate respectively one arbitrator. If a Party fails to nominate an arbitrator, the other Party shall request the Committee to make such appointment.

(d) The Parties agree that the third arbitrator, who will act as presiding chairman, shall be appointed by the two arbitrators and failing which, shall be appointed by the Committee.

(e) The Parties agree that every arbitrator appointed must be and remain independent of the Parties involved in the arbitration, and shall not act as advocate for any party.

7. Arbitration Fees

1. Upon the submission of a request for arbitration, the Claimant shall pay a non-refundable case filing fee. A filing fee is applicable for a counter claim by Respondent.

2. The Corporation and Arbitral Tribunal Fee are due once the case has been registered for arbitration.

3. The Claimant shall pay in advance the total fees comprising the Corporation fee and the Arbitration fee relating to himself as well as that of the Respondent at member’s or non-member’s rate, whichever is applicable; in accordance with the scale laid down, from time to time by the MRE Management Committee.

8. Scale of Arbitration Fees

<table>
<thead>
<tr>
<th></th>
<th>Member</th>
<th>Non-Member</th>
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</thead>
<tbody>
<tr>
<td>Filling Fee</td>
<td>RM 500</td>
<td>RM 1,000</td>
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<tr>
<td>Corporation Fee</td>
<td>RM 5,000</td>
<td>RM 10,000</td>
</tr>
<tr>
<td>Arbitral Tribunal Fee</td>
<td>RM 15,000</td>
<td>RM 24,000</td>
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</tbody>
</table>

Note: The above fees are inclusive of GST.

For further enquiries, please contact:

MALAYSIAN RUBBER EXCHANGE

<table>
<thead>
<tr>
<th>Tel No.</th>
<th>603-9206 2092 / 2094 / 2185</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fax No.</td>
<td>603-2161 6586</td>
</tr>
<tr>
<td>E-mail</td>
<td><a href="mailto:mre@lgm.gov.my">mre@lgm.gov.my</a></td>
</tr>
<tr>
<td>Website</td>
<td><a href="http://www.lgm.gov.my">www.lgm.gov.my</a></td>
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</tbody>
</table>
1. **What is Arbitration?**

It is a process whereby parties to a contract resolve their dispute which could not be done amicably. It is a voluntary matter before an impartial person, who renders a decision called an Award, ending the dispute. Arbitration for settlement of commercial disputes is an important aspect of commodity trading.

2. **Advantages of Arbitration**

Arbitration is favoured as disputes are settled speedily and by arbitrators who are knowledgeable and experienced in the trade practices of the rubber trade.

3. **Arbitration Facilities**

The MRE provides for the settlement of rubber trade disputes through arbitration under its “MRE Arbitration Rules”. Arbitration at the MRE is allowed in the following four areas of disputes.

- Quality
- Quantity
- Packaging
- Non-performance of contract

4. **Parties involved in an Arbitration**

MRE arbitrates on trade disputes between:
- Member vs member
- Member vs non-member
- Non-member vs non-member

5. **Initiation of Arbitration**

a) Any Party initiating recourse to arbitration shall give to the MRE and the other Party a request for dispute resolution together with the appropriate filing fee and such other fees;

b) Subject to acceptance of the dispute for arbitration by MRE, the Parties agree that arbitral proceedings shall be deemed to commence on the date on which the request for dispute resolution is received by the respondent or the date on which the dispute is accepted by MRE (whichever is later).

c) The request for dispute resolution shall be made in FORM NO. VIII and shall include:

- A demand that the dispute be referred to arbitration;
- the names and addresses of the Parties;
- a reference to the Contract out of or in relation to which the dispute arises;
- a reference to a written arbitration clause or agreement;
- the general nature of the claim and an indication of the amount involved (if any); and
- the relief or remedy sought.

Note:

- Parties entered into a written arbitration agreement;
- Parties give their consent in writing to such arbitration and agree to be bound by the MRE Rules and By-laws insofar they apply to arbitrations.