



LAW OF MONGOLIA

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Ulaanbaatar

LAW ON ARBITRATION /Revised version/

CHAPTER ONE GENERAL PROVISIONS

Article 1. Purpose of the law

1.1. The purpose of this law is to regulate relations related to the settlement of legal disputes through arbitration in accordance with international standards.

Article 2. Scope of the law

2.1. This law shall apply if the jurisdiction of the arbitration proceedings is Mongolia.

Articles 10, 11, 27, 28, 29, 39, 48 and 49 of this Law shall apply to arbitration proceedings, even if the jurisdiction of the arbitration proceedings is not determined by a country other than Mongolia.

Article 3. Arbitration proceedings

3.1. Arbitration proceedings shall mean arbitration proceedings conducted by a permanent or temporary arbitral tribunal.

3.2 The following acts of arbitration shall be included in international arbitration proceedings:

3.2.1. Arbitration proceedings to be performed if the parties to the arbitration agreement are operating in different countries at the time of concluding the arbitration agreement;

3.2.2. Arbitration proceedings to be performed in cases where the jurisdiction specified in the arbitration agreement or the jurisdiction specified in it is different from the place where the parties operate;

3.2.3. The place of performance of most of the obligations arising from the commercial relationship or the place more closely related to the subject of the dispute shall be an arbitration proceedings other than the place where the parties are operating;

3.2.4. Arbitration proceedings to be performed if the parties clearly agree that the relations arising from the arbitration agreement belong to one international country.

3.3. In determining Article 3.2 of this Law:

3.3.1. If one of the parties operates in several places, the place most closely related to the arbitration agreement shall be considered as the place where it operates;

3.3.2. If one of the parties does not have a place of business, its permanent residence shall be considered as a place of business.

3.4. Domestic arbitration shall mean arbitration proceedings other than international arbitration proceedings.

Article 4. Documents shall be deemed to have been received

4.1. The date of delivery of the document shall be considered as the date of its receipt.

4.2. Unless otherwise agreed by the parties, the documents shall be deemed to have been received in the following cases:

4.2.1. Delivery of any document to the recipient in person, or to the place where he / she operates or permanently resides (resides), or by postal address;

4.2.2. If all necessary measures have been taken but it is not possible to determine the address specified in 4.2.1 of this Law, the recipient of the document shall be at the last place of operation or residence (residence), as well as at the last known address. by registered mail, as well as by other means confirming that the necessary measures have been taken for such delivery.

4.3. Paragraphs 4.1 and 4.2 of this Law shall not apply to court proceedings.

Article 5. Renunciation of the right to file a complaint

5.1. A party shall be deemed to have waived its right to appeal if it knew that the parties did not comply with any provision of the arbitration agreement or a provision that could be agreed upon by the parties other than those specified in this law, but continued to participate in the arbitration without filing a complaint immediately or within the prescribed time. .

Article 6. Judicial participation

6.1. The court may not participate in the arbitration proceedings except in cases specifically provided for in this Law.

6.2. The court functions specified in Articles 11.1, 13.4, 13.5, 15.3, 16.1, 18.7, 39.1 and 47 of this Law shall be performed by the court of civil appellate instance where the arbitration proceedings took place, and in the case of international arbitration by the appellate court of the capital city. the court will implement.

6.3. The functions specified in Articles 27, 29, 48 and 51 of this Law shall be performed by the civil court of first instance at the place of residence of the defendant or at the place where his / her property is located.

Article 7. Types of arbitration

Arbitration may be permanent or temporary.

7.2. The permanent arbitrator shall have the rules of arbitration. The rules of permanent arbitration may provide that the request specified in Articles 13.4 and 16.1 of this Law shall be resolved by an authorized person.

7.3. Permanent arbitration in Mongolia may be established under the Chamber of Commerce and Industry, non-governmental organizations and professional associations such as trade producers and consumers.

7.4. The permanent arbitration specified in 7.3 of this Law shall have premises and human resources to conduct arbitration proceedings.

7.5. Temporary arbitration shall be established in accordance with the procedures agreed upon by the parties.

CHAPTER TWO ARBITRATION AGREEMENT

Article 8. Arbitration agreement and its form

8.1 An arbitration agreement is an agreement between the parties to resolve any dispute that may arise or may arise in connection with a legal relationship that has arisen on the basis of a contract or not, or a certain part of it, through arbitration.

An arbitration agreement may be a part of an agreement or an independent agreement.

8.3 The arbitration agreement shall be made in writing.

An arbitration agreement shall be deemed to have been concluded in writing if its content has been documented in any form, regardless of whether the arbitration agreement was concluded orally, in practice or by other means.

8.5. If it is possible to access and use the information contained in the electronic communication, the requirements specified in 8.3 of this Law shall be deemed to be met in the form of data exchange.

8.6. Electronic communication means any communication between the parties using information data.

8.7. Information data means information created, sent, received or stored in electronic, magnetic, light and other similar ways, electronic data exchange, e-mail, electricity and telex.

8.8. The claim and the response shall state that there is an arbitration agreement and if the other party does not deny it, the arbitration agreement shall be deemed to have been concluded in writing.

8.9. An arbitration agreement shall be deemed to refer to any document with provisions on arbitration in the agreement concluded between the parties and if the agreement specifically states that it is a part of the agreement.

8.10. The arbitration agreement, which is a part of the main agreement concluded between the parties, shall be valid regardless of whether the main agreement is valid, whether one of the parties has withdrawn from the agreement or is unable to perform its obligations.

8.11. In the case of disputes related to consumer rights, the arbitration agreement shall be concluded by the parties separately in writing only after the dispute has arisen and the jurisdiction of the arbitration proceedings shall be specified.

Article 9. Arbitration disputes

9.1 Any dispute referred to in the arbitration agreement shall be settled by arbitration, except for the special jurisdiction of the court.

Article 10. Arbitration agreement and filing a lawsuit

10.1. If an arbitration agreement has been filed but a claim has been filed in court and one of the parties has requested to resolve the dispute through arbitration, the court shall terminate the proceedings, unless the court considers the arbitration agreement invalid or impossible to enforce.

10.2. In case of filing a claim as specified in Article 10.1 of this Law, the arbitral tribunal shall have the right to initiate or continue the arbitration proceedings during the court proceedings and to make the main arbitral award.

Article 11. Measures to be taken by the court to enforce the arbitration agreement and decision

11.1. A request to the court to take measures specified in Article 19.2 of this Law before the start of the arbitration proceedings or during the arbitration proceedings to ensure the execution of the decision shall be deemed as a violation of the arbitration agreement.

CHAPTER THREE ARBITRATION COMPOSITION AND ITS POWER

Article 12. Arbitration panel

12.1. Arbitration panel shall mean one or several arbitrators to resolve the dispute.

12.2. The parties have the right to determine the number of arbitrators by mutual agreement.

12.3. If the parties have not agreed on the number of arbitrators, the number of arbitrators to arbitrate the dispute shall be three.

Article 13. Procedure for appointing an arbitrator

13.1. The parties may appoint a person who meets the following requirements as an arbitrator:

13.1.1. Meets the special qualification requirements agreed upon by the parties;

13.1.2 be independent;

13.1.3. Not to violate the legal requirements prohibiting to hold other jobs and positions at the same time.

13.2. Unless otherwise agreed by the parties, no one may be refused appointment as an arbitrator depending on his / her nationality.

13.3. The parties shall have the right to mutually agree on the procedure for appointing an arbitrator, except as provided in Articles 13.5, 13.6, 13.7 and 13.8 of this Law.

13.4. If the parties have not agreed on the procedure for appointing an arbitrator, the following procedures shall be followed:

13.4.1. If three arbitrators participate in the arbitration proceedings, each party shall appoint one arbitrator and two appointed arbitrators shall appoint a third arbitrator. If the party receiving the request for appointment of an arbitrator fails to appoint an arbitrator within 30 days of receiving the request, or if the two arbitrators do not reach an agreement on the appointment of a third arbitrator within 30 days of the appointment, appoint an authorized person agreed by the parties (hereinafter referred to as "authorized person");

13.4.2. If the parties have not reached an agreement on the appointment of an arbitrator when one arbitrator participates in the arbitration proceedings, the arbitrator shall be appointed by the court or an authorized person at the request of one of the parties.

13.5. If the parties have mutually agreed on the procedure for appointing an arbitrator, but one of the following conditions has arisen and the procedure does not specify another method of appointing an arbitrator, one of the parties shall have the right to apply to the court for appointment:

13.5.1. Neither party has fulfilled its obligation to appoint an arbitrator;

13.5.2. The parties or two arbitrators appointed by them have failed to reach an agreement on the appointment of a third arbitrator;

13.5.3. The permanent arbitrator or the authorized person authorized by the procedure for appointing the arbitrator has not fulfilled his / her obligation to appoint the arbitrator.

13.6. The decision made on the issues specified in Articles 13.4 and 13.5 of this Law shall be the final decision.

13.7. The court shall take into account the requirements set forth in the arbitration agreement when appointing an arbitrator and shall appoint a person who meets the requirements for independence of the arbitrator.

13.8. In the case of an international arbitration dispute, the court shall appoint an arbitrator or a third arbitrator to resolve the dispute, if possible, an arbitrator of a different nationality from the parties.

Article 14. Grounds for disqualification of an arbitrator

14.1. The person to be appointed as an arbitrator shall be obliged to inform about the circumstances that may cast doubt on his / her independence. If the arbitrator has not previously notified the parties of the above circumstances, he shall immediately notify the parties of such circumstances during the arbitration proceedings after his appointment as an arbitrator.

An arbitrator shall be dismissed only on the grounds that he / she does not meet the requirements of the profession and skills agreed upon by the parties and agreed by the parties, or that there are circumstances that cast doubt on the arbitrator's independence.

14.3. A party may refuse to appoint an arbitrator appointed or participated in the appointment if he / she finds out after the appointment that there are grounds to disqualify him / her.

Article 15. Procedure for dismissal of an arbitrator

15.1. Except as provided in Article 15.3 of this Law, the parties may agree on the procedure for refusing the arbitrator.

15.2. If the parties have not agreed on the procedure for refusing the arbitrator, the party wishing to refuse the arbitrator shall submit a written request to the arbitral tribunal within 14 days after learning about the composition of the arbitral tribunal or the circumstances specified in 14.2 of this Law. The arbitral tribunal shall decide on the request within 30 days of the receipt of the written request, except in cases where the arbitrator named in the request for dismissal has resigned at his own request or the other party has accepted the refusal.

15.3. If the request for refusal is not satisfied in accordance with Article 15.2 of this Law or in accordance with the procedures agreed by the parties, the requesting party may appeal to the court within 30 days for international arbitration and within 14 days for domestic arbitration. The court's decision on the complaint is final. The arbitral tribunal, including the arbitrator named in the motion to dismiss, may continue to adjudicate the dispute until the complaint is settled in court.

Article 16. The arbitrator is unable or unwilling to perform his duties

16.1. The arbitrator's powers shall be terminated if he / she is released at his / her own request due to physical reasons, or if he / she is legally unable to perform his / her duties or if he / she is unable to perform his / her duties continuously due to other reasons. If these grounds are in doubt, one of the parties may apply to the court or the competent authority to terminate the arbitrator's mandate, and the decision on the request shall be final.

16.2. The grounds specified in Articles 14.2 and 16.1 of this Law shall not be deemed to prove that the arbitrator has been relieved of his / her duties or that the parties have agreed to terminate his / her powers in accordance with Articles 15.2 and 16.1 of this Law.

Article 17. Appointment of an arbitrator

17.1. In case of termination of the arbitrator's mandate on the grounds specified in Articles 15 and 16 of this Law and other grounds, the new arbitrator shall be re-appointed in accordance with the procedure for appointing the previous arbitrator.

Article 18. Right of the arbitral tribunal to determine the jurisdiction of the dispute

The arbitral tribunal shall determine for itself whether the dispute is a dispute of jurisdiction, whether the parties have an arbitration agreement and whether the agreement is valid.

The provision on arbitration in the agreement shall be considered as a separate agreement from other provisions of the main agreement. The decision of the arbitral tribunal to invalidate the main agreement shall not be a ground for invalidating the arbitration clause of the agreement.

18.3. If the parties file a complaint on the jurisdiction of the dispute, it shall be submitted to the arbitral tribunal before commenting on the claim. Participation in the appointment of an arbitrator shall not limit the right to appeal against the jurisdiction of the arbitral tribunal.

18.4. If the parties consider that the arbitral tribunal has exceeded its authority during the arbitration proceedings, it shall immediately file a complaint to the arbitral tribunal.

18.5. The arbitral tribunal may accept the complaint at any time if the arbitral tribunal considers that the delay in filing the complaint specified in Articles 18.3 and 18.4 of this Law is justified.

18.6. The arbitral tribunal shall issue a decree on the complaint specified in Articles 18.3 and 18.4 of this Law or reflect it in its main decision.

18.7. If the parties do not agree with the decision of the arbitral tribunal on the jurisdiction of the arbitral tribunal, they may appeal to the court within 30 days after receiving it, and the decision of the court shall be final.

18.8. During the court proceedings, the arbitral tribunal may continue the arbitration proceedings and make a main decision.

CHAPTER FOUR

MEASURES AND PRELIMINARY ENFORCEMENT OF THE DECISION OF THE ARBITRATION

Article 19. Powers of the arbitral tribunal to enforce the decision

Unless otherwise agreed by the parties, the arbitral tribunal may, at the request of one of the parties, take measures to enforce the decision.

19.2. Measures to guarantee the implementation of the decision (hereinafter referred to as “temporary measures”) shall include temporary measures to be taken by the main decision or other form before the final settlement of the dispute within the following scope:

19.2.1. To maintain or restore the current situation until the dispute is finally resolved;

19.2.2. Not to take actions to increase the current or possible damage, or to obstruct the arbitration proceedings, and to take measures to prevent them;

19.2.3. To take measures to protect assets that may be necessary to ensure the implementation of the main arbitral award;

19.2.4. To protect evidence that is important in resolving the dispute and may be related to the dispute.

Article 20. Conditions for taking temporary measures

A party requesting to take temporary measures specified in Articles 19.2.1, 19.2.2 and 19.2.3 of this Law shall prove the following conditions:

20.1.1. In case of failure to take the measure, it is not possible to adequately compensate the damage that may be paid in accordance with the main decision and the amount of damage shall be significantly higher than the damage to the person involved in the measure;

20.1.2. There is a reasonable possibility to resolve the dispute in favor of the requesting party;

20.1.3. The request to take temporary measures specified in 19.2 of this Law shall be clear, understandable and feasible.

Determining the probabilities specified in 20.1.2 of this Law shall not affect the internal convictions of the arbitral tribunal in making further decisions.

20.3. If the arbitral tribunal deems it necessary, the conditions specified in Articles 20.1.1 and 20.1.2 of this Law shall also apply to the request to take measures specified in 19.2.4 of this Law.

Article 21. Application for a preliminary decree and conditions for issuing a preliminary decree

21.1. Unless otherwise agreed by the parties, one of the parties may attach a request for temporary measures without notifying the other party to the application for a preliminary decree instructing it not to impede the achievement of the purpose of the measure.

21.2. The arbitral tribunal may issue a preliminary ruling if it considers that notifying one party of the request for temporary measures in advance may jeopardize the purpose of the measure.

21.3. The conditions specified in Article 20 of this Law shall apply to the preliminary decree as well, and the damage calculated in accordance with Article 20.1.1 of this Law shall depend on whether the decree is issued or not.

Article 22. Special procedure for issuing a preliminary decree

As soon as the arbitral tribunal decides on the application for a preliminary ruling, the arbitral tribunal shall deliver to the parties a request for temporary measures, a petition for a preliminary ruling, and if a preliminary decree is issued, the ruling and all related information.

22.2. The arbitral tribunal shall, in addition to giving the notification specified in 22.1 of this Law, allow the obligor to make an explanation as soon as possible by a preliminary decree.

22.3. The arbitral tribunal shall immediately discuss and decide on the interpretation that does not agree with the preliminary ruling.

22.4. The preliminary ruling of the arbitral tribunal shall be invalid after 20 days from the date of its issuance. The arbitral tribunal may decide to uphold or modify the preliminary order after notifying the relevant party of the preliminary ruling and giving it an opportunity to comment.

22.5. The parties shall be obliged to comply with the preliminary decree and the decree shall not be enforced in accordance with the decision enforcement procedure.

22.6. The preliminary ruling shall not apply to the main arbitral award.

Article 23. Amendment, suspension and termination of temporary measures and preliminary decrees

23.1. The arbitral tribunal may, at the request of one of the parties, in exceptional cases, on the basis of notification of the parties, change, suspend or terminate the measures to ensure the implementation of the earlier decision or the preliminary resolution.

Article 24. Issuance of financial guarantees

24.1. The arbitral tribunal may require the requesting party to issue an appropriate financial guarantee in connection with the measure.

24.2. Unless the arbitral tribunal deems it inappropriate or unnecessary, it shall require the applicant to issue a financial guarantee in connection with the decree.

Article 25 Disclosure of information

25.1. The arbitral tribunal may require any party to immediately notify the arbitral tribunal of any change in the circumstances which gave rise to the request for interim measures and the grounds for granting the request.

25.2. The party applying for a preliminary ruling shall be obliged to inform the arbitral tribunal of any circumstances that may be relevant to the decision to issue or amend the decree, and this obligation shall remain in force until the other party provides an explanation.

Article 26. Reimbursement of expenses and damages

26.1. If the arbitral tribunal later determines that it was not necessary to take temporary measures or issue a preliminary ruling in that situation, the party who filed the request to take the temporary measure and the preliminary ruling shall be responsible for the costs and damages caused by either party.

26.2. The arbitral tribunal may make a decision on compensation for expenses and damages specified in 26.1 of this Law at any stage of the dispute resolution process.

Article 27 Recognition and implementation of temporary measures

The parties shall be obliged to take temporary measures taken from the arbitral tribunal.

Unless otherwise provided by the arbitral tribunal, except as provided in Article 28 of this Law, the decision to take temporary measures may be appealed to the relevant court, regardless of the country of origin.

27.3. A party who has accepted and applied for temporary measures shall be obliged to immediately notify the relevant court of the change, suspension or cancellation of the measure.

27.4. If the arbitral tribunal has not made a decision on issuing a financial guarantee, but the court deems it necessary to protect the rights of a third party, it may oblige the requesting party specified in 27.2 of this Law to issue a financial guarantee.

Article 28. Grounds for accepting and refusing to take temporary measures

28.1. The court may accept and refuse to take temporary measures on any of the following grounds:

28.1.1. At the request of the party responsible for the temporary measure, the court considers that one of the following conditions exists:

28.1.1.a. There are grounds specified in Articles 49.1.1.a, 49.1.1.b, 49.1.1.c and 49.1.1.g of this Law;

28.1.1.b. the decision of the arbitral tribunal to issue a financial guarantee in connection with the temporary measure has not been complied with;

28.1.1.c. If the arbitral tribunal, or if authorized, has been suspended or revoked by the court of the place of arbitration or the law of the country where the decision was taken, the measures to ensure the enforcement of the decision shall be suspended.

28.1.2. The court has established one of the following circumstances:

28.1.2.a. The temporary measure is not within the jurisdiction of the court, except in cases when the court decides to change the temporary measure in accordance with its authority and procedural rules without changing its main content in order to ensure the execution of the temporary measure;

28.1.2.b. any of the grounds specified in Articles 49.1.2.a and 49.1.2.b of this Law shall apply to the acceptance and execution of temporary measures.

28.2. A decision made by a court on any of the grounds specified in 28.1 of this Law shall be valid only for acceptance and execution of temporary measures. The court that receives the application for acceptance and enforcement of the temporary measure shall not review the main content of the temporary measure in making its decision.

Article 29. Temporary measures to be taken by the court

29.1 The court may take temporary measures to resolve issues related to arbitration, regardless of whether the jurisdiction is in Mongolia or not. In exercising this right, the court shall take into account the specifics of international arbitration.

CHAPTER FIVE CONDUCTING ARBITRATION

Article 30. Ensuring equal rights of the parties

30.1. The parties shall have equal rights to participate in the arbitration proceedings and the parties shall be fully provided with an opportunity to express their position.

Article 31. Establishment of Arbitration Procedure

31.1. The parties shall freely agree on the procedure for arbitration within the framework of this law.

31.2. If the parties have not agreed on the arbitration procedure, the arbitral tribunal may conduct the arbitration proceedings within the scope of this law in accordance with the procedure deemed appropriate. The powers of the arbitral tribunal shall include the right to determine whether any evidence is capable of proving its relevance, relevance, significance and accuracy.

Article 32. Jurisdiction of arbitration proceedings

32.1. The parties shall have the right to determine the jurisdiction of the arbitration proceedings by agreement. Unless otherwise agreed, the jurisdiction of the arbitral tribunal shall be determined by the circumstances of the case, such as the absence of delays by the arbitral tribunal.

32.2. Notwithstanding the provisions of Article 32.1 of this Law, if the parties have not agreed otherwise and the arbitral tribunal deems it appropriate, the arbitral tribunal may hold consultations, hear testimony of witnesses, experts and parties, and inspect products, property and documents anywhere. .

Article 33. Commencement of arbitration proceedings

Unless otherwise agreed by the parties, the arbitration proceedings shall begin from the date of receipt by the respondent of the claim for arbitration of the dispute.

Article 34. Language of arbitration proceedings

34.1. The parties have the right to negotiate one or more languages for arbitration.

34.2 The language of the arbitration shall be determined by the arbitral tribunal, unless otherwise agreed by the parties.

34.3 Unless otherwise provided in the agreement or determination, the language agreed upon by the parties or determined by the arbitral tribunal shall apply to all arbitration proceedings, including written claims, explanations, arbitration proceedings, decrees, decisions and principal decisions.

34.4. The arbitral tribunal may require the parties to translate any written evidence into a language agreed upon by the parties or determined by the arbitral tribunal.

Article 35. Plaintiff's claim and defendant's explanation

35.1. Unless otherwise agreed by the parties, the plaintiff shall be obliged to provide the facts and explanations on which the claim is based, and the defendant shall provide the explanations related to them together with the relevant documents within the time agreed by the parties or the arbitral tribunal.

35.2. The parties shall attach to their claim or explanation the evidence deemed relevant to the case, or shall indicate additional documents and other evidence to be provided in the future.

35.3. The parties shall have the right to change or amend the claim or explanation at any stage of the arbitration proceedings, unless the parties have agreed otherwise and the arbitral tribunal considers that the request cannot be granted due to the delay.

Article 36. Arbitration proceedings based on personal arbitration proceedings and evidence

36.1. If the agreement of the parties is not violated, the arbitral tribunal shall decide whether to present the evidence, to personally participate in the debate, or to conduct the arbitration proceedings on the basis of the collected documents and other documents.

36.2. Unless the parties agree not to hold a hearing in person, the arbitral tribunal shall be obliged to hold a hearing in person at the appropriate stage of the arbitration proceedings at the request of one of the parties.

36.3 A notice of a meeting in person or of a meeting of the arbitral tribunal to be held for the purpose of examining the goods, other assets and documents shall be delivered to the parties in advance.

36.4. The explanations, documents and other information submitted by one party to the arbitral tribunal shall be delivered to the other party.

36.5. The arbitral tribunal shall also provide the parties with the expert opinion and other evidence that may serve as a basis for making a decision.

Article 37. Consequences of failure of the parties to fulfill their obligations

37.1. If the arbitral tribunal considers that the parties have not agreed otherwise and there are no valid reasons for their failure to fulfill their obligations, the following measures may be taken:

37.1.1. To terminate the arbitration proceedings if the plaintiff did not support the claim in accordance with the requirements set forth in Article 35.1 of this Law;

37.1.2. If the respondent did not submit his / her response in accordance with the requirements set forth in Article 35.1 of this Law, the claim shall not be considered accepted and the arbitral tribunal shall continue the dispute resolution process;

37.1.3. If one of the parties did not participate in the arbitration meeting or did not submit the required evidence, to continue the arbitration proceedings and make an arbitral award based on the evidence gathered.

Article 38. Involvement of an expert in arbitration proceedings

38.1. Unless otherwise agreed by the parties, the arbitral tribunal may perform the following actions:

38.1.1. To appoint one or several experts to issue an opinion on the issues determined by the arbitral tribunal;

38.1.2. To demand from one of the parties to provide or prepare information related to the dispute to the expert and to allow the expert to inspect the relevant documents, goods and other property.

38.2. Unless otherwise agreed by the parties, the arbitral tribunal shall, at the request of one of the parties, or at the request of one of the parties, participate in the arbitration meeting, comment on its findings and answer the questions of the parties.

Article 39. Judicial assistance in compiling evidence

39.1. The arbitral tribunal or, with its consent, the parties may request the court to assist in obtaining evidence, and the court shall resolve the request within the scope of its authority in accordance with the procedures for obtaining evidence provided by law.

CHAPTER SIX

MAKING A MAIN DECISION OF ARBITRATION AND TERMINATION OF ARBITRATION

Article 40. Legal norms to be used in resolving disputes

40.1. The parties shall mutually agree on the legal norms to be used in resolving the dispute and the arbitral tribunal shall resolve the dispute using the legal norms agreed upon by the parties.

40.2. The arbitral tribunal shall understand and apply the legal norms agreed upon by the parties, unless otherwise provided in the agreement, as the substantive legal norms of the country, and shall not apply to civil law matters.

40.3. If the parties have not agreed on the legal norms to be used in resolving the dispute, the arbitral tribunal shall apply the substantive legal norms deemed most suitable for resolving the dispute.

40.4. If the parties have specifically agreed to do so, the arbitral tribunal shall resolve the dispute in accordance with the code of ethics deemed fair or through conciliation without applying any law.

40.5. The arbitral tribunal shall resolve the dispute based on the terms of the agreement concluded between the parties, taking into account the established trade customs on the issue.

Article 41. Arbitration costs

Unless otherwise agreed by the parties, the arbitral tribunal shall determine the amount of arbitration costs, the person to be paid and the payment procedure.

The following costs shall be included in the arbitration costs:

41.2.1. Fees and expenses of the arbitrator;

41.2.2. In the case of a permanent arbitrator, the service fee to be paid to the arbitrator specified in its charter;

41.2.3. Fees and expenses incurred in conducting other arbitration proceedings such as involving witnesses and experts, obtaining legal assistance and conducting examinations.

Article 42. Arbitration panel to make a decision

42.1.If more than one arbitrator participates in the arbitral tribunal, the decision shall be made by a majority vote, unless otherwise agreed by the parties.

42.2.If the parties or the arbitral tribunal agree unanimously, the chair of the arbitral tribunal may resolve issues of a procedural nature arising during the arbitration proceedings.

Article 43. Reconciliation of the parties

43.1. If the parties reconciled during the arbitration proceedings, the arbitral tribunal shall terminate the proceedings and if the arbitral tribunal does not reject the request of the parties, the terms of the settlement shall be reflected in the main arbitral award.

43.2. The main arbitral award of the parties shall meet the requirements set forth in Article 44 of this Law and the decision shall specify that it is the main arbitral award. The award shall be as valid as the principal award.

Article 44. Form and content of the main arbitral award

The main decision of the arbitral tribunal shall be made in writing and signed by the arbitral tribunal. A decision of a panel of arbitrators in which more than one arbitrator is present shall enter into force upon a majority of their signatures, and if no arbitrator has signed, the reasons shall be given.

44.2 The parties shall clearly state in the main arbitral award the grounds for its issuance, except in cases where the parties have agreed that it is not necessary to state the grounds for the main decision or have reached an agreement as provided in Article 43 of this Law.

44.3.The main decision of the arbitral tribunal shall indicate the date of settlement of the dispute and the jurisdiction of the arbitral proceedings determined in accordance with Article 32.1 of this Law and the main decision shall be deemed to have been made in accordance with that jurisdiction.

44.4. After the issuance of the main arbitral award, a copy signed in accordance with Article 44.1 of this Law shall be delivered to the parties.

Article 45. Termination of Arbitration Proceedings

45.1. The arbitral proceedings shall be terminated upon the issuance of the main decision of the arbitral tribunal or the decree specified in Article 45.2 of this Law.

45.2.The arbitral tribunal shall issue a decree to terminate the arbitration proceedings in the following cases:

45.2.1. The plaintiff withdrew his / her claim. This provision shall not apply if the respondent has not consented to such refusal and the arbitral tribunal has accepted the defendant's legitimate interest in the final settlement of the dispute;

45.2.2. The parties have agreed to terminate the arbitration proceedings;

45.2.3. The arbitral tribunal considers that it is impossible or unnecessary to continue the dispute resolution process for reasons other than those mentioned above.

Upon termination of the arbitration proceedings, the powers of the arbitral tribunal other than those specified in Article 46 and 47.4 of this Law shall be terminated.

Article 46. Amendment, interpretation and additional decision of the main arbitral award

46.1. Unless otherwise specified by the parties, within 30 days after receiving the main arbitral award, one of the parties may notify the other party and request the arbitral tribunal to correct the spelling, calculation, printing and other similar errors of the main arbitral award.

46.2. The parties may, by agreement of the parties, notify the other party of the request for an explanation of certain parts of the arbitral award, unless otherwise agreed by the parties, within 30 days of receipt of the arbitral award.

46.3. If the arbitral tribunal deems the request specified in Articles 46.1 and 46.2 of this Law to be justified, it shall make appropriate amendments to the main arbitral award or make a relevant explanation within 30 days after receiving the request. The interpretation shall be an integral part of the arbitral award.

46.4. The arbitral tribunal may correct the error specified in 46.1 of this Law on its own initiative within 30 days after the main decision is made.

46.5. Unless otherwise agreed by the parties, one of the parties may notify the other party and demand an additional decision on the claim, which was discussed during the arbitration proceedings but was not reflected in the main arbitral award, within 30 days after receiving the main decision. If the arbitral tribunal deems the request to be justified, it shall issue an additional decision within 60 days.

46.6. If the arbitral tribunal deems it necessary, it may decide to extend the period for making amendments, interpreting and making additional decisions specified in Articles 46.1, 46.2 and 46.5 of this Law.

46.7. Article 44 of this Law shall equally apply to amending, interpreting and making additional decisions on the main arbitral award.

CHAPTER SEVEN APPLICATION ON THE MAIN DECISION OF ARBITRATION

Article 47. Petition to annul the main arbitral award

47.1. If the parties do not agree with the main arbitral award, they shall submit an application to the court to annul the arbitral award in accordance with the grounds and procedures specified in Articles 47.2 and 47.3 of this Law.

47.2. The court specified in Article 47.5 of this Law shall annul the main arbitral award only on the following grounds:

47.2.1. The applicant has proved any of the following circumstances:

47.2.1.a. One of the parties to the arbitration agreement specified in Article 8 of this Law has no legal capacity or the arbitration agreement is invalid according to the law of the state chosen by the parties or, if not agreed upon, according to the law of Mongolia;

47.2.1.b. the applicant has not been able to properly participate in the arbitration due to the appointment of an arbitrator and failure to properly notify the arbitral tribunal;

47.2.1.c. The arbitral tribunal has made a principal decision on a dispute that is not included in the claim and is not relevant. If it is possible to separate the main arbitral award from the decision on the issue included in the claim, which is not included in the claim, the relevant part shall be annulled;

47.2.1.d. The arbitral tribunal and the arbitral proceedings did not comply with the agreement of the parties, or the arbitral tribunal and the arbitral proceedings did not comply with this law, except in cases where the agreement of the parties violated the mandatory provisions of this law.

47.2.2. If the court has established the following conditions and circumstances:

47.2.2.a. According to the law of Mongolia, the dispute is not a dispute of jurisdiction;

47.2.2.b. the main arbitral award violated the common interests of Mongolia.

47.3. The parties shall submit to the court the application specified in Article 47.1 of this Law within 30 days for domestic arbitration and 90 days for international arbitration after receiving the main arbitral award or resolving the request made in accordance with Article 46 of this Law.

47.4. If either party has made a request and the court that received the petition to annul the arbitral award has deemed it possible, the arbitral tribunal shall suspend the arbitration proceedings for a certain period of time in order to resume the arbitration proceedings and allow the arbitral tribunal to eliminate the grounds for annulment of the arbitral award. can be.

An application for annulment of an arbitral award shall be submitted to the court specified in Article 6.2 of this Law and the decision of the court that ruled on the application shall be final.

CHAPTER EIGHT
RECOGNIZING AND IMPLEMENTING THE MAIN DECISION OF ARBITRATION

Article 48. Recognition and execution of the main decision

48.1. The principal arbitral award shall be recognized as binding regardless of the country of origin, and the principal arbitral award shall be recognized by a written application to the relevant court in accordance with Articles 48 and 49 of this Law and the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards. perform.

48.2 The party applying for the enforcement of the main arbitral award shall attach the original or a duly certified copy of the award. If the main arbitral award has not been made in Mongolian, the party may be required to provide a copy translated into Mongolian.

Article 49. Grounds for refusal to execute the main arbitral award

49.1. Irrespective of the country in which it is issued, the main arbitral award may be rejected and refused to be executed on the following grounds:

49.1.1. The party obligated by the main arbitral award acknowledged the decision and proved to the court that received the application for execution one of the following circumstances: 49.1.1.

49.1.1.a. One of the parties to the arbitration agreement specified in Article 8 of this Law has no legal capacity or the arbitration agreement is invalid according to the law of the country chosen by the parties or by agreement;

49.1.1.b. the arbitral tribunal failed to appoint an arbitrator to the obligated party, failed to properly notify the arbitral tribunal, or failed to properly participate in the arbitral proceedings and give explanations;

49.1.1.c. The arbitral tribunal has rendered its main decision on issues not mentioned in the claim. If it is possible to separate the provisions of the main decision on issues not mentioned in the claim submitted to the arbitral tribunal from the decision on the issues mentioned in the claim, the relevant part may be accepted and executed;

49.1.1. The composition of the arbitral tribunal and the arbitral proceedings are inconsistent with the agreement of the parties, or if such an agreement has not been concluded, the arbitral proceedings are inconsistent with the law of the country to which it relates;

49.1.1.d. the main decision has not entered into force, or the decision has been revoked by the court of the state that made the decision, or the decision has been annulled in accordance with the law of the country applicable to the decision, and the execution of the main decision has been suspended;

49.1.2. The court has established the following:

49.1.2.a. Under Mongolian law, the dispute is not a dispute of jurisdiction;

49.1.2.b. Acceptance and enforcement of the main arbitral award violated the common interest of Mongolia.

49.2.If the petition for annulment or suspension of the main arbitral award is submitted to the court specified in Article 49.1.1d of this Law and the court that received the petition to accept and execute the arbitral award deems it appropriate, the court session shall be postponed and appropriate financial guarantee shall be provided. the other party may be obliged to issue.

CHAPTER NINE
MISCELLANEOUS

Article 50. Confidentiality

50.1. Unless otherwise agreed by the parties, the parties, the arbitral tribunal and the permanent arbitral tribunal shall be obliged to maintain the confidentiality of the information submitted by the parties during the arbitration decision, decree and arbitration proceedings, except in the following cases:

- 50.1.1. The party is obliged by law to disclose information;
- 50.1.2. It is necessary to protect and exercise his / her legal rights;
- 50.1.3.a petition to the court to annul or enforce the main arbitral award.

Article 51. Bankruptcy

51.1. If the bankruptcy case related to one of the parties to the arbitration agreement has arisen and the executor or receiver has not renounced the agreement, the arbitration agreement shall be valid for that person.

51.2. The court that initiated the bankruptcy case has all the following conditions and if it deems it appropriate to the circumstances, it may refer the bankruptcy dispute to arbitration:

51.2.1. The dispute is related to the arbitration agreement;

51.2.2. The defendant in the bankruptcy case has entered into an arbitration agreement before initiating the bankruptcy case;

51.2.3. The bailiff and the consignee have not renounced the agreement containing the arbitration agreement.

Article 52. Others

52.1. In the absence of norms specifically regulating the relations within the scope of this law, it shall be regulated in accordance with the basic principles of this law.

52.2. Except as provided in Articles 37.1.1 and 45.2.1 of this Law, the relevant provisions of the claim and its response shall apply to the counterclaim and its response.

52.3. Except for Article 40 of this Law, the right of the parties to determine a certain issue shall apply to the right of the parties to transfer the right to determine the issue to a third party, including arbitration.

52.4. If the facts agreed upon by the parties or the possibility of an agreement, or other agreements mentioned in this Law in any way, the rules of arbitration referred to in the agreement shall be considered as similar to the agreement. The provisions of the rules of arbitration agreed upon or chosen by the parties before or after the commencement of the arbitral proceedings shall remain in force, except in cases of violation of the mandatory provisions of this Law.

CHAIRMAN OF THE PARLIAMENT OF MONGOLIA M.ENKHBOLD
