

# TEXTS/LAWS/STATUTES

## Syrian Arbitration Act

### Law Number 4

President of the Republic , by virtue of the rules of the Constitution and what has been approved by the People's Assembly on 09.03.1429 A.H. corresponding to 17.03.2008 A.D. enacts the following :

### Chapter One

### GENERAL RULES

#### Article 1

The expressions and the terms under mentioned and for the purposes of this Law shall have the meaning indicated beside each of them :

*Arbitration:* an agreed legal method to settle the dispute in lieu of the judiciary whether authority to take over the arbitration procedures in accordance with both parties agreement has been an organization or a permanent center of arbitration or not .

*Arbitration Board:* the board formed of one arbitrator or more to settle the dispute referred to arbitration by virtue of the conditions of the arbitration agreement.

*Arbitration Agreement :* the agreement of both parties of dispute to refer to arbitration in order to settle all or some of the disputes which have arisen or may arise between both of them with respect to a specific legal relationship whether has been contractual or not.

*Both Parties of Arbitration:* the two parties of arbitration or the parties of arbitration .

*Commercial Arbitration:* the arbitration whose issue of dispute has arisen from an economic-nature legal relationship whether has been contractual or non-contractual .

*International Commercial Arbitration:* the arbitration whose issue of dispute is related to the international commerce - even if taken place in Syria- in the following cases:

1- If the main business center of both parties of arbitration agreement is situated in two different countries at the time when the arbitration agreement has been entered into. In case either of the two parties has several business centers, the center more connected to the arbitration agreement issue is the most important factor while its usual domicile becomes the most important factor in case it has no business center.

2- If the main business center of both parties of arbitration agreement is situated in the same country at the time when the arbitration agreement has been entered into and one of the following locations is situated out of such country:

a. venue of arbitration as the arbitration agreement has specified or mentioned the way to be specified.

b. location for implementing a substantial part of the obligations resulting from the commercial relationship between the parties.

c. the location most connected to the issue of dispute.

3- If the issue of dispute which the arbitration agreement deals with has been related to more than one country.

#### Article 2

1- Without prejudice to the international conventions in full force and effect in the Syrian Arab Republic, this Law's Rules shall be applicable to any arbitration carried out in Syria. They are also applicable to any international commercial arbitration carried out abroad if its two parties have agreed to turn it subject to this Law's Rules.

2- Arbitration as to the administrative contracts disputes shall remain subject to the provisions of Article 66 of the Contracts' Regulation enacted by Law number 51 dated 09.12.2004.

#### Article 3

1- Competence to examine the arbitration issues covered by this Law shall belong to the appeal court within which area of jurisdiction the arbitration is carried out unless both parties have agreed on the competence of another appeal court in Syria.

2- The court to which competence belongs in accordance with the previous Paragraph shall solely remain competent until all the arbitration procedures have terminated.

3- If dispute has been connected to a right in rem on a real estate, the lawsuit sign should be placed upon the real estate's cadastre by a decision takes it - at the deliberation chamber- the court to which competence belongs in accordance with Paragraph 1 herein.

#### Article 4

1- Unless there has been a special agreement between both parties of arbitration, any communication or notice shall be notified to the addressee in person , to his business place , his usual domicile or his known postal address or that specified in the arbitration agreement or the contract through the summoning service at the appeal area of the court referred to in Article 3 herein.

2- If it has been impossible to know the addresses cited in the previous Paragraph , the addressee shall be held notified in case the measure was made by a registered letter to the last business place, a usual domicile or a recognized postal address.

3- Notification shall be deemed taken place as from the day which follows its occurrence in the manner specified in the two previous Paragraphs.

4- The provisions of this Article are not applicable to the judicial notifications before the courts.

#### Article 5

1- Both arbitration parties have the discretion to determine the law which the arbitration board must apply to the issue of dispute.

2- If both arbitration parties approved to have their legal relationship subjected to the provisions of a typical contract, an international convention or any other document, the rules of arbitration herein stipulated must be applicable.

#### Article 6

In the cases where this Law authorizes both arbitration parties to select the procedure which should be followed regarding a certain issue , each of them is entitled to license others select such procedure.

### Chapter Two

#### Article 7

##### ARBITRATION AGREEMENT

1- It is allowed to agree as for arbitration at the time of entering into contract and prior to the rise of dispute whether such agreement has been independent in itself or stated in a specific contract concerning all or some of the disputes which may arise between both parties. In such case, the issue of dispute should be specified in the lawsuit statement referred to in Article 37 herein.

It is as well permitted to agree for arbitration following the rise of the dispute even if such dispute has been presented before the judiciary to settle the same. In such case, the agreement should mention the issues which arbitration covers otherwise the agreement is null and void.

2- It shall be considered an agreement for arbitration each referral stated in the contract to a document containing an arbitration clause if the referral has been explicit in deeming such clause a part of the contract.

#### **Article 8**

The arbitration agreement should be in writing or it is invalid. The agreement is in writing if it was mentioned in a contract or in an official or an ordinary document or in a process-verbal drawn up with the arbitration board which was chosen or in any ordinary exchanged letters whether have been ordinary or forwarded through the written communication means "e-mail, fax, telex" if they do prove their senders have the same desire in choosing arbitration as a method to settle the dispute.

#### **Article 9**

1. No arbitration agreement could be made save for the natural or the legal person who is eligible to dispose of his own rights according to the law which determines his competence.

2. No arbitration agreement is permitted as to the issues for which no reconciliation is allowed or those breaching the public order or those related to the nationality or the personal status with the exception of the financial effects resulting from the same.

#### **Article 10**

1. The court before which a lawsuit is instituted in an issue for which an arbitration agreement had been concluded should decide not to accept the lawsuit if the defendant has refuted the same before he has demonstrated any request or defence in the lawsuit unless it has been indicated to itself that the agreement is invalid, cancelled, ineffective or unenforceable.

2. Instituting the lawsuit mentioned in the previous Paragraph does not prevent starting the arbitration procedures, carrying on the same or giving the award.

#### **Article 11**

The arbitration clause is considered an agreement which is independent from the contract's other provisions. The expiry, invalidity, nullification or termination of the contract do not produce any effect to the arbitration clause in case such clause has been proper in itself unless both parties have otherwise agreed.

## Chapter Three ARBITRATION BOARD

### Article 12

a. The arbitration board shall be formed by agreement of both arbitration parties of one arbitrator or more. If they have reached no agreement the number of the arbitrators shall be three.

b. If the arbitrators have been numerous, their number must be uneven or the arbitration shall be invalid.

### Article 13

1- It is not allowed for an arbitrator to be a minor, legally incompetent or whose civil rights denied due to having been condemned with a felony or a shameful misdemeanor unless rehabilitated.

2- It is not a condition for an arbitrator to be of a specific gender or nationality unless both arbitration parties have otherwise agreed.

### Article 14

1- If the dispute has arisen and both parties did not agree as to the selecting the arbitrators, the following is taken:

d. In case the arbitration board is formed of a single arbitrator, the court defined in Article 3 herein shall select the same at request of either party.

e. In case the arbitration board is formed of three arbitrators, each party selects an arbitrator for itself then the two arbitrators agree as to selecting the third arbitrator.

f. In case either of the two party did not appoint its own arbitrator within 30 days following its receipt of a request therefor from the other party, or in case the two appointed arbitrators did not agree as for selecting the third arbitrator within 30 days time following the date of appointing the last of them, the court defined in Article 3 herein shall select the same by virtue of the request of either party by a decision it takes at the deliberation chamber. The arbitrator whom is selected by the two appointed arbitrators or whom is selected by the court shall be the president of the arbitration board as such regulations shall be in force if the arbitration board is to be formed of more than three arbitrators.

2- The number of the arbitrators whom are appointed by the court should be equal to that agreed between the two parties.

3- When the court appoints the arbitrator, it should observe the conditions required by this Law and those which both parties have agreed, and it issues its decision for appointment without delay at the deliberation chamber having invited the two parties.

4- The court is also entitled to take any measure which the two parties or others

should have taken with regard to the selecting of the arbitrators but was not taken due to the non-agreement of the two parties or failure of the others to take the same.

5- The decision given in accordance with this Article's provisions cannot be appealed through any process of appeal. The passed decision rejecting the request of appointment may be appealed before the court of cassation within the 30 days period that follow the notification of the decision and the court shall settle the appeal within 30 days time as from the date when the dossier has arrival to it .

#### **Article 15**

Any person commits a hostile act against an arbitrator while practicing the arbitration task or due to the same shall be punished the sentence adjudged in case trespassed a magistrate.

#### **Article 16**

1- The court defined in Article 3 herein shall take over the appointing of an alternative arbitrator at request of the party more hasty in the following two cases:

- a. If the arbitrator refused to commence his job.
- b. If the arbitrator has retired from job, an impediment has prevented him to commence the same, has been deposed or a decision taken to reject him.

2- The alterative arbitrator is appointed in accordance with the procedures followed for selecting the arbitrator whose task has come to an end.

#### **Article 17**

1- The arbitrator accepts his task in writing by signing the arbitration agreement or by signing an independent document establishes his consent or the arbitration process-verbal. He should declare to both arbitration parties and to the other arbitrators about any circumstances which may create doubts concerning his independence or neutralism whether such circumstances have existed at the time when he accepted his task or appeared during the arbitration procedures. In this case, both arbitration parties have the option to approve his continuation in the arbitration task or to demand him to withdraw.

2- The arbitrator once accepted the task cannot quit the same without justification, otherwise he is responsible for the damage he may cause to both arbitration parties or either of them.

#### **Article 18**

1- The arbitrator cannot be refused except for the reasons a judge is refused or if he has lost any condition of his competence stipulated in this Law.

2- No arbitration party is authorized to demand the rejection of the arbitrator it has

appointed or has taken part in his appointing save for a reason it has realized after such appointment was achieved.

#### Article 19

1. The request for rejection is filed in writing with the court defined in Article 3 herein along with the supporting documents enclosed within 15 days time from the date when the party requesting the rejection has learned the reasons justifying the rejection.

2. The said court shall examine the request of rejection at the deliberation chamber and settles the same by an irrevocable decision having heard the arbitrator whose rejection is required.

3. Filing the request for rejection requires the arbitration procedures to be ceased and its term to be suspended until the decision to refuse the request for rejection has been rendered or until the alternative arbitrator has accepted his task of arbitration.

4. The request for rejection shall not be accepted from the party who has previously filed a request to reject the same arbitrator in the same arbitration and for the same reason.

5. In case a judgment was given which rejected the arbitrator, this will cause to deem the procedures that were made - including the award - as if never existed from the date when the reason for rejection has appeared.

#### Article 20

1- It is not allowed to depose the arbitrator or the arbitrators but by agreement of all the litigants.

2- If the arbitrator has lawfully or actually turned incapable to perform his task, if he failed to attend it or has discontinued the performance of the same after he had accepted for more than 30 days, he must withdraw or he shall be subjected to deposition. In this case, deposition s made - if the two parties did not agree as to his deposition - by a final decision from the court defined in Article 3 herein which is taken at the deliberation chamber at request of either party.

3- If the arbitrator's task has terminated by a judgment rejecting, deposing or dismissing him or due to any other reason, a substitute should be appointed according to the procedures followed for selecting the arbitrator whose task has come to an end.

4- Filing the request for deposition requires the arbitration procedures and term to be suspended until the decision to refuse the request for deposition has been rendered or until the alternative arbitrator has accepted his task of arbitration.

#### Article 21

1- The arbitration board shall settle the refutations regarding its incompetence

including the refutations related to the unavailability of an arbitration agreement or its being unenforceable, invalid or that it did not mention the issue of dispute, as such refutations should be submitted before any other refutation or the right in the same shall drop.

2- The refutation that the arbitration agreement does not include the issues which the other party is raising while the dispute is being examined should be submitted immediately or the right in the same shall drop.

3- The appointing of an arbitrator by any of the two arbitration parties or participating in his appointing does not result in the dropping of his right to submit any of the refutations referred to above in Paragraph 1.

4- a. The arbitration board is entitled to settle the refutations referred to in Paragraphs 1 and 2 herein being a preliminary matter or it decides to append them to the issue in order to settle both of them together, and the board's decision is considered irrevocable in both cases.

b. The party whose said refutations were rejected has the right to insist on the same through instituting the award invalidity lawsuit in accordance with the Article 51 of this Law.

## Chapter Four

### PROCEDURES OF ARBITRATION

#### Article 22

1- Taking the rules of this Law into consideration, both arbitration parties may agree as to the procedures which the arbitration board must follow including their right to turn such procedures subjected to the regulations in effect at any organization or a permanent center of arbitration inside Syria and abroad.

2- In case no such agreement has ever existed, the arbitration board is entitled taking this Law's rules into consideration to select the arbitration procedures it deems convenient.

#### Article 23

Both parties of arbitration have the right to specify venue of arbitration in Syria or abroad. If no agreement exists, the arbitration board shall determine the arbitration venue taking the lawsuit's circumstances and the suitability venue to the parties into consideration.

This does not infringe the arbitration board's authority to meet at any location it considers suitable to perform the arbitration procedures such as hearing the dispute parties, the witnesses or the experts or examining documents or inspecting commodities or funds. In such case, the parties should be notified a sufficient time before the meeting date to be capable to appear.



#### Article 24

1- Arbitration is conducted in Arabic unless the parties otherwise agree, or the arbitration board determines a language or other languages. The judgment of agreement or the decision shall be effective for the language of the documents, the written briefs and the oral pleadings and for each decision this board takes, a letter it forwards or a judgment it renders unless the two parties agreement or the arbitration board decision otherwise stipulates.

2- The arbitration board has the right to require to enclose a certified translation of some written documents which are presented in the lawsuit through a certified translator into the language or the languages used in the arbitration. In case such languages were numerous, it may limit translation to some or one of them.

#### Article 25

The arbitration board should treat both arbitration parties equally and grant each of them equivalent and sufficient opportunities to display its cause and defend its rights.

#### Article 26

The arbitration procedures shall start from the day which follows the one on which the defendant receives the arbitration request from the plaintiff unless the two parties of arbitration otherwise agree.

#### Article 27

1- The defendant should within the date agreed upon by both parties or that specified by the arbitration board send to the defendant and to the arbitration board a written statement of its lawsuit.

2- The statement should mention the following information:

- a. Plaintiff's name and address.
- b. Defendant's name and address.
- c. Detailed explanation of the lawsuit facts specifying the disputed issues, the requests and other needed points.

3- If the plaintiff did not present a written statement by virtue of the two previous Paragraphs and did not justify the same, the arbitration board may suspend the arbitration procedures unless the parties otherwise agree.

#### Article 28

1- The defendant should present to the arbitration board a written defense and a copy thereof to the plaintiff within the date agreed upon by both parties or as specified by the arbitration board.

2- The defendant may include his reply any incidental requests related to the dispute issue or insist on a right resulting from the same with the aim to refute by clearing. As well, he is entitled the same in a later stage of procedures if the arbitration board deems the circumstances justify delay.

#### Article 29

1- The arbitration board having been formed shall meet by an invitation from its president and hold its sessions at the location as both parties agreed or that specified under this Law's regulations to enable each party explain the issue of its lawsuit and display its evidences and proofs. It may consider presenting the briefs and the written documents sufficient unless the two parties otherwise agree.

2- The arbitration board assumes notifying both arbitration parties the dates of sessions it holds and their venue sufficient time before the specified date. Both arbitration parties may attend such sessions in person or through their proxies.

3- The arbitration sessions shall be confidential unless the two parties have otherwise agreed.

4- The arbitration sessions shall be in a minutes to be signed by the arbitration board's members and the present two parties of arbitration or their proxies; and a copy thereof is delivered to each party unless have otherwise agreed.

5- The arbitration board continues its usual procedures even if either party has failed to attend some sessions or to submit the requested documents.

#### Article 30

Each arbitration party may modify its requests, aspects of its defences or complete them during the course of the arbitration lawsuit, and the arbitration board may not accept such modification or completion if it has been indicated they were submitted late with the intention to hinder the settlement of the dispute or to delay the same.

#### Article 31

In case either of the two parties of the dispute has continued the arbitration procedures while knowing that a condition in the arbitration agreement or a rule of this Law has been breached, it is allowed to reach an agreement to punish it without objecting to such punishment on the agreed date or at a reasonable time when no agreement is reached and this is considered a waiver to object.

#### Article 32

1- The arbitration board is entitled to decide by itself or by virtue of a request from either party that a technical expertise be applied on some or all the dispute issues. If both

arbitration parties did not agree as to nominating the expert or the experts, the arbitration board will nominate them.

2- The arbitration board shall put the experts under the legal oath before they commence their task unless the two parties have otherwise agreed.

3- The two parties should present to the experts the information, statements and documents they request which are connected to the dispute issues and enable them to examine and inspect the documents, the records, the commodities and the funds, as both parties should be notified the date to perform the examination and inspection.

4- The experts having accomplished their task should deposit their report with the arbitration board, and the board should send a copy of the same to each of the two parties in order to comment on the content of the expertise report within a suitable period it specifies.

5- The arbitration board having received the expertise report has the right to decide by itself or by virtue of a request from either party to hold a session in order to have explanation from the experts and to discuss them of what has been stated in their report.

### **Article 33**

The arbitration board may decide by itself or by virtue of a request from either party to hear the witnesses if it sees the same has a benefit. Hearing the witnesses is made after they take the legal oath unless the two parties have otherwise agreed.

### **Article 34**

The arbitration board shall refer to the court defined in Article 3 herein to perform the following:

1- Sentence the witness who fails to appear or refuses to reply without a legal justification the penalties and the fines legally decided.

2- Take the decision for the writs.

3- Request others to present a document in his possession which is considered necessary for the settlement of the dispute.

### **Article 35**

The course of prosecution before the arbitration board shall discontinue in the circumstances and in accordance with the conditions which determine the same in the Law of Procedure and its discontinuation will produce the effects determined in the said Law.

### **Article 36**

1- The arbitration board once the arbitration sessions have ended may decide by itself or by virtue of a request from either party to re-permit pleadings before it renders the award.

2- The arbitration board shall meet after pleadings have been closed for deliberation and to render the final award as the deliberation should be confidential.

## **Chapter Five**

### **THE AWARD**

#### **Article 37**

1- The arbitration board should render the final award within the term as agreed by the two parties. If no agreement is available, the award should be given within 180 days time from date of holding the first session of the arbitration board.

2- The arbitration board if was incapable to settle the dispute within the terms mentioned in the previous Paragraph, may extend the arbitration term for no more than 90 days only once.

3- If the award was not rendered within the date cited in the two previous Paragraphs, each one of the two arbitration parties is authorized to ask the court defined in Article 3 herein within 10 days time from expiry of the such date to extend the arbitration term for an additional period of 90 days only once, and in this case a demanded extension is made by a final decision taken by the court at the deliberation chamber after the litigants have been invited.

4- If the arbitration term has terminated as mentioned in the previous Paragraphs and no award has been rendered, either of the two arbitration parties may institute its lawsuit before the court which is originally competent to examine the dispute unless they have once again agreed to follow arbitration.

5- If the arbitration terms have expired and the arbitration board did not settle the dispute without an acceptable excuse, the arbitration party which suffered damage is entitled to refer to the competent court to demand an indemnity from the board.

#### **Article 38**

1- The arbitration board shall apply to the dispute issue the rules on which both parties have agreed. If they agreed to apply the law of a certain country, its substantive rules shall be followed irrespective of those concerning the conflict of laws unless the two parties have otherwise agreed.

2- If the two parties did not agree as to the legal rules that should be applied to the dispute issue, the arbitration board shall apply the substantive rules of the law it finds the most relevant to the dispute.

3- The arbitration board should observe when it settles the dispute the conditions of the contract which is the subject of dispute and the traditions respecting the same.

4- If the two parties of arbitration have expressly agreed to authorize the arbitration board of reconciliation, it may settle the dispute based upon the justice and equity rules neglecting the rules of law.

5- The arbitration board is entitled to give temporary awards or for part of the requests prior to rendering the final award.

6- Either of the two parties of arbitration has the right to refer to the summary proceedings magistrate whether before starting the arbitration procedures or during their course in order to take a precautionary measure in accordance with the rules stipulated in the Law of Procedure.

#### **Article 39**

If the two parties of arbitration have agreed during the course of the arbitration procedures to finalize the dispute, they may require the arbitration board to prove the same. In this case, the board should issue a decision mentioning what has been agreed by the two parties. Such decision shall enjoy the same power like the awards of the arbitrators with regard to the force of execution.

#### **Article 40**

If during the arbitration procedures an issue was displayed which is beyond the competence of the arbitration board or forgery in a document that was submitted to itself was challenged, the arbitration board is authorized to suspend the procedures if the settlement of the dispute depends upon deciding such issue or upon the authenticity of the document.

#### **Article 41**

1- The award shall be rendered after deliberation in writing unanimously or by majority of opinions and should be signed by the arbitrators. The disagreeing arbitrator when signing the award should write down his own opinion on the award sheet. If he refused to sign, the reasons for the same should be stated in the award.

2- If no majority of opinions was available, the president of the arbitration board shall render the award alone according to his own opinion and his sole signature on the award is sufficient such being the case. The other two arbitrators who disagree the opinion and who dissent each other should write down his own opinion on the sheet of the award which is rendered by the president of the arbitration board. If either of them or both refused to sign, the reasons for the same should be mentioned in the award.

#### **Article 42**

1- The award should include the names of the arbitration board members, the names of the litigants and their addresses, capacities, nationalities plus a copy of the arbitration agreement, a summary of the litigants' requests, statements and documents and the award's pronouncement and its date and place of issue.

2- Also, the award should include the arbitration charges and expenses and how distributed between both parties. If no agreement between the two parties and the

arbitrators has been made determining the fees of the arbitrators, the same shall be determined by decision from the arbitration board which will be in this respect subject to appeal before the court defined in Article 3 herein and the court's decision in this case shall be irrevocable.

3- The award should be justified unless the two arbitration parties have otherwise agreed, or if the law that must be applied to the procedures does not stipulate that the reasons of the award have to be mentioned.

4- The award shall be rendered in the language of the arbitration.

5- The arbitration board shall deliver to each of the two arbitration parties a copy of the award signed by all its members within 15 days from its date of issue.

#### Article 43

1- If the award was rendered in Syria, the party in whose favour the award was given should deposit the original of the award along with the arbitration agreement with the registry of the court defined in Article 3 herein and this court's head of registry should draw up a report for the same.

2- The two parties of arbitration are entitled to obtain a true copy of such report and of the award after deposited.

3- If the award was rendered in a foreign language, a certified translation into Arabic should be attached to it when deposited.

#### Article 44

It is not allowed to publish the award or part thereof except by approval of the two parties of arbitration.

#### Article 45

The arbitration procedures shall terminate by rendering the award which finalizes the prosecution as a whole. They also terminate if the arbitration board has decided to terminate the same at any of the cases referred to in this Law, and as well:

1- If the two parties have agreed to terminate the arbitration without settling the dispute.

2- If the plaintiff has quitted the prosecution of arbitration or withdrawn its lawsuit unless the defendant has objected to the same and the arbitration board found it has an interest that the procedures continue until the settlement of the dispute.

#### Article 46

1- The arbitration board is allowed to correct the pure material errors committed in its award - arithmetical or writing - by a decision it gives by itself or at request of either party provided the other party is notified within 30 days period following the rendering of the award or the lodging of the request for correction as the case maybe.

2- The arbitration board shall give the decision of correction in writing at the deliberation chamber within 15 days time. If the arbitration board has gone beyond its authority in correction, it is permitted to insist on invalidity of its decision through a lawsuit of invalidity to which the provisions of both Articles 51 and 52 herein shall apply.

#### **Article 47**

1- The arbitration board is entitled by virtue of a request submitted by either party within 30 days time from having been notified the award and after it had notified the other party to explain the ambiguity found in the pronouncement of the award or to issue an additional award with respect of demands that were submitted during the procedures and which the award has neglected.

2- In the cases referred to in the previous Paragraph, the other party has the right to present its reply in writing to the arbitration board within 10 days period from the date on which it was notified the request.

3- The arbitration board shall issue its decision in the cases cited in Paragraph 1 of this Article at the deliberation chamber without inviting the litigants within 30 days time from the date of submitting the request.

4- The award rendered in the previous cases shall be considered integral to the original award and the rules applicable to the original award shall apply to it.

5- If it was impossible for the arbitration board to meet again, the correction of the award or its explanation or giving an additional award shall become the competence of the court defined in Article 3 herein.

#### **Article 48**

Taking the provisions of both Articles 46 and 47 of this Law into consideration, the task of the arbitration board shall come to an end when the arbitration procedures terminate, and the board's president deposits the arbitration dossier with the registry of the court defined in Article 3 herein.

### **Chapter Six APPEALING THE AWARDS**

#### **Article 49**

The awards are rendered in accordance with this Law's rules irrevocable not subject to any method of appeal. Nevertheless, it is allowed to institute an award invalidity lawsuit by virtue of the provisions set out in the following two Articles.

#### **Article 50**

1- The award invalidity lawsuit will not be accepted save in the following cases :

- a. If no arbitration agreement was available or if such agreement has been invalid or ineffective due to the expiry of its term.
  - b. If either of the two parties of the arbitration agreement has been at the time when it was concluded incompetent or whose competence incomplete according to the law which governs his competence.
  - c. If it was impossible for either of the two arbitration parties to submit its defence because it was not properly notified to appoint an arbitrator or of the arbitration procedures or for any other reason out of his control.
  - d. If the award has excluded applying the law which the parties have agreed to apply the same to the dispute issue.
  - e. If the arbitration board has been formed or the arbitrators have been appointed in a manner contradicts this Law or the agreement of the two parties.
  - f. If the award has settled issues not covered by the arbitration agreement or went beyond such agreement's limits. Nevertheless, if it was possible to separate the parts of the award respecting the issues which are under arbitration from its parts respecting the issues which are not under arbitration, invalidity shall not occur except for the latter parts alone.
  - g. If invalidity has occurred to the award or if the arbitration procedures were invalid in a way that effected the award.
- 2- The court examining the invalidity lawsuit shall by itself adjudge that award is invalid if it contained what breaches the public order in the Syrian Arab Republic.

#### **Article 51**

- 1- The award invalidity lawsuit is instituted within 30 days time following the date when the convict was notified the award. It does not prevent to accept the invalidity lawsuit if the party alleging invalidity has dropped its right to begin the same prior to rendering of the award.
- 2- The court defined in Article 3 herein shall be the competent to look into the arbitration invalidity lawsuit.
- 3- The court shall settle the invalidity lawsuit within 90 days period starting from the date when prosecution has completed.
- 4- If the court has decided to reject the invalidity lawsuit, its decision shall replace granting the form of enforcement to the award.

#### **Article 52**

- 1- The decision of the court invalidating the award is subject to appeal before the court of cassation within 30 days time following the notification of the award.



2- The court of cassation shall settle the appeal regarding the rendered decision to invalidate the award within 90 days period of time as of the date when the dossier has arrived to it.

## **Chapter Seven**

### **CONCLUSIVENESS OF THE ARBITRATORS' AWARDS AND THEIR ENFORCEMENT**

#### **Article 53**

The arbitrators' awards which are rendered hereunder shall enjoy the conclusiveness of the adjudged issue and shall be binding and automatically enforceable by the parties or compulsorily if the convict has refused to enforce the same voluntarily having been granted the from of enforcement.

#### **Article 54**

a. The award is granted the enforcement form by a decision taken by the court defined in Article 3 herein at the deliberation chamber and after enabling the other party to reply the request within 10 days time from the date it was notified a copy thereof.

b. The following should be enclosed to the enforcement form granting request:

- 1- The original of the award or a true copy of the same.
- 2- A copy of the arbitration agreement or a copy of the contract containing the arbitration clause.
- 3- A certified translation of the award into Arabic in case it has been rendered in another language.
- 4- A copy of the process-verbal indicating that the award has been deposited in accordance with Article 43 herein.

#### **Article 55**

Instituting of the invalidity lawsuit does not produce the stay of execution of the award. Nevertheless, the court is entitled to decide at the deliberation chamber to stay execution for 60 days period maximum if the plaintiff has requested the same at the lawsuit declaration and there was a fear that execution will result in an unavoidable serious damage to take place. The court is also entitled to obligate the plaintiff submit a financial warranty guaranteeing its litigant the stay of execution's damages if it has decided to reject the lawsuit.

#### **Article 56**

- 1- It is not permitted to execute the award before the date to institute the invalidity lawsuit has expired

2- It is not allowed to grant the enforcement form to the award according to this Law but after the following has been verified:

- a- It does not contradict an award that was previously rendered by the Syrian courts on the dispute issue.
- b- It does not include what breaches the public order in the Syrian Arab Republic.
- c- It was properly notified to the convict.

## **Chapter Eight**

### **CENTERS OF ARBITRATION**

#### **Article 57**

It is permitted to establish permanent centers of arbitration that practicing in accordance with the rules of this Law and the regulations they lay down.

#### **Article 58**

The regulation of the center should among other things contain:

- 1- The name of the center and its headquarters and targets.
- 2- The center's organizational and administrative structure.
- 3- The services which the center provides.
- 4- The names and qualifications of the arbitrators whom the center is going to appoint.
- 5- The principles for evaluating the arbitration's fees and expenses and the way they are distributed.

#### **Article 59**

The manager of the center should satisfy the following conditions :

- 1- Should be a Syrian Arab national since five years at least and permanently resides in the Syrian Arab Republic.
- 2- Not convicted of a felony or a shameful misdemeanor.  
Holder of a bachelor of law degree from a university in the Syrian Arab Republic or equivalent.
- 3- Practiced the legal or judicial career for not less than 15 years period of time.

#### **Article 60**

- 1- The center shall be declared by a decision from the Minister of Justice.
- 2- The application for declaration is submitted to the Ministry of Justice with documents of the application and the center's regulation enclosed and registered with the Ministry's registry.

3- A committee is formed by a decision from the Minister of Justice in order to consider the applications for declaration and to present the suggestions in this respect.

4- The decision of declaration or the refusal of declaration shall be issued within 60 days from the date when the application has been registered, and the decision of declaration along with the center's regulation is published in the gazette.

5- The refusal of declaration decision should be justified and such decision shall be subject to appeal before the administrative- court-form State Council.

#### **Article 61**

The Ministry of Justice's Judicial Inspection Administration shall assume to inspect the centers of arbitration and submit annual reports on them to the Minister of Justice.

#### **Article 62**

1- In case it was proved that the center has seriously breached the rules of this Law or its own regulation, its declaration shall be cancelled by a justified decision from the Minister of Justice to be published at the gazette. Such decision shall be subject to appeal before the authority stipulated in Paragraph 5 of Article 60 of this Law.

2- A three-party judicial committee shall be formed by decision from the Minister of Justice to take over the business management of the center whose declaration was cancelled in accordance with its own regulation until the cases existing with itself have been settled.

3- The fees of the committee are determined by decision from the Minister of Justice and the compensation shall be paid from what was the center going to gain from such cases.

#### **Article 63**

The Minister of Justice is entitled when necessary to issue the instructions organizing the business manner for the centers of arbitration.

### **Chapter Nine**

#### **MISCELLANEOUS RULES**

#### **Article 64**

The Articles from 506 through 534 of Law of Procedure enacted by the Legislative Decree number 84 of 1953 a as amended are canceled.

**Article 65**

The arbitration agreements entered into before this Law has come into force shall remain subject to the rules which were effective on date of their concluding whether the arbitration procedures have been started or not.

**Article 66**

This Law is published at the gazette and shall be in force as of the start of the month which follows the date when published.

Damascus on 18.03.1429 A.H

corresponding to 25.03.2008 A.D