



Action Point

9.4-1

Was an applicable law selected?

◆ Take, at random, a sample of ten contracts made by your company over the last year. How many of these contracts clearly stipulated an applicable law?

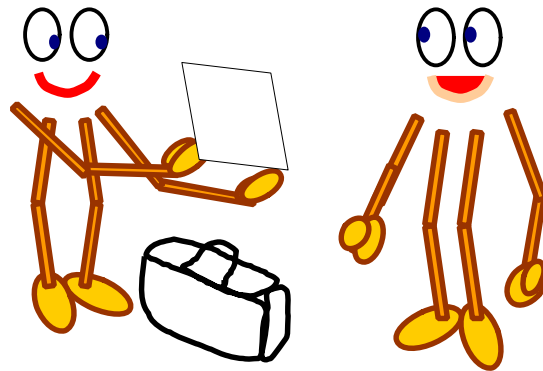
• No. of contracts with an applicable law:

• No of contracts without one:

Non-adjudicative resolution methods (II)

Negotiation: The parties exchange views aimed at reaching an agreement amongst themselves

- ★ The negotiation can be facilitated or unfacilitated

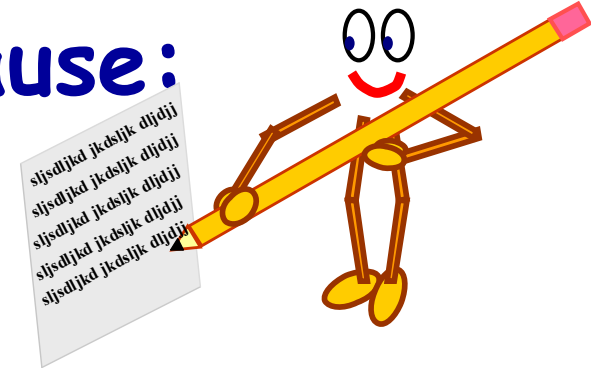


The Internet can sometimes be used
(e.g., www.clicknsettle.com)



Drafting the Arbitration Clause:

Choice 1: Institutional or Ad hoc?



- Institutional/supervised arbitration:

- Provides a set of rules and staff but there is a cost for this service

- Ad hoc (non-institutional) arbitration:

- May not be possible in all countries
- Can be difficult & risky
- UNCITRAL Model Rules may be used



Preview from Notesale.co.uk
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Example of an arbitration clause:

ICC Model Arbitration Clause

“All disputes arising out of or in connection with the present contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules.”

Module 8 - Overall conclusion (I)



- Your supply strategy will determine the contractual relationship (from spot contract to partnership)
- In each case, the basis for the relationship will be different and this should be reflected in the contract
- Preparing a contract means being aware of priorities, risks and potential problems
- You also need to be aware of the international legal environment
- Your main concern should be dispute avoidance rather than dispute management...