

AGREEMENT BETWEEN  
THE JAPAN COMMERCIAL ARBITRATION ASSOCIATION  
AND  
THE BRITISH COLUMBIA INTERNATIONAL COMMERCIAL  
ARBITRATION CENTRE  
TO FACILITATE THE USE OF COMMERCIAL ARBITRATION  
IN TRADE BETWEEN JAPAN AND CANADA

Being convinced that a wider use of commercial arbitration would lend confidence and stability to commercial transactions between enterprises in Japan and in Canada, the Japan Commercial Arbitration Association and the British Columbia International Commercial Arbitration Centre are agreed to recommend that enterprises engaged in such trade should insert in their contracts the following clause:

“All disputes which may arise between the parties, out of or in relation to or in connection with this contract, or for the breach of it, shall be finally settled by arbitration pursuant to the Japan-Canada Commercial Arbitration Agreement, of April 12, 1998 by which each party to this contract is bound.”

The terms of the agreement referred to in this clause are as follows:

- (1) Arbitration to be held in Japan shall be conducted under the Commercial Arbitration Rules of the Japan Commercial Arbitration Association; arbitration to be held in Canada shall be conducted under the Rules of Procedure for International Commercial Arbitration of the British Columbia International Commercial Arbitration Centre.
- (2) If the place where arbitration proceedings are to be held, is not designated in the contract, or the disputing parties fail to agree as to the place of the proceedings, the party demanding the arbitration shall advise the arbitral organization (the Japan Commercial Arbitration Association or the British Columbia International Commercial Arbitration Centre) in his own country that agreement between the parties as to location cannot be reached. The Association or Centre thus advised shall then notify the parties that they have a period of twenty-one days during which to submit arguments and reasons for preference of the place at which the arbitration shall be held. This submission as to place shall be considered by a Joint Arbitration Committee consisting of three members two to be appointed by the respective arbitral organizations and the third, to act as chairman, to be selected by the other two. The chairman shall not be a member or officer of, or otherwise related to, either of the arbitral organizations. The seats of the two Committees shall be in Tokyo and Vancouver. The determination of the Joint Arbitration Committee as to the location of the arbitration proceedings shall be final and binding upon both parties to the arbitration.
- (3) The arbitral organizations each agree to establish such International Panels of Arbitrators as may be necessary to carry out the provisions of this agreement and to advise each other of the personnel these panels.
- (4) Both organizations will co-operate in advancing international commercial arbitration, through increased use of the facilities of their organization, and will advise each other concerning mutual policies and progress in the interests of Japan-Canadian trade.

The foregoing shall be known as the Japan-Canada Commercial Arbitration Agreement and shall be deemed to be incorporated in any contract containing the following clause:

“All disputes which may arise between the parties, out of or in relation to or in connection with this contract, or for the breach of it, shall be finally settled by arbitration pursuant to the Japan-Canada Commercial Arbitration Agreement, of April 12 1988 by which each party to this contract is bound.”

Tokyo, Japan

THE JAPAN COMMERCIAL ARBITRATION ASSOCIATION

Dated: April 12, 1988 By:

Rokuro Ishikawa (signed)  
President

Ryuta Kawasaki (signed)  
Vice-President

Vancouver, Canada

BRITISH COLUMBIA INTERNATIONAL  
COMMERCIAL ARBITRATION CENTRE

Dated: March 4, 1988 By:

F.M.P. Warren (signed)  
Governing Trustee

Bonita J. Thompson (signed)  
Executive Director