## Multi-party arbitration disputes

## Option n° 2 – clause (i.e. separate arbitration agreement)

### Draft arbitration agreement

This arbitration agreement (the “Arbitration Agreement”) is entered into by and between:

[\_\_\_] (hereinafter referred to as the “Owner”);

[\_\_\_] (hereinafter referred to as the “General Contractor”):

[\_\_\_] (hereinafter referred to as “Subcontractor 1”);

Note: The above list of parties may be expanded as necessary to include all subcontractors, engineers, architects and other parties involved in the project.

Hereinafter referred to as the “Contracting Parties” or a “Contracting Party”;

### Recitals:

The Owner and the General Contractor have entered into a contract [reference to the main contract].

The General Contractor and Subcontractor 1 have entered into a contract [reference to the first subcontract].

[Reference to other contracts]

The Contracting Parties agree to settle by arbitration any disputes in relation to any of the foregoing contracts (the “Original Contracts”) and to be bound, each to each other, by this Arbitration Agreement, provided that they have signed it or the relevant Original Contract incorporates it by reference.

### The parties hereby agree as follows:

**Article 1 – CEPANI Arbitration**

Any dispute, controversy, or claim arising out of or relating to any of the Original Contracts, including any question as to the existence, validity or termination thereof, shall be finally settled by arbitration under the CEPANI rules of Arbitration (the “Rules”).

In addition to the procedural requirements set forth in the Rules, the Contracting Parties shall comply with the provisions of this Arbitration Agreement.

**Article 2 – Initiation of the proceedings**

Any Contracting Party initiating arbitration proceedings pursuant to this Arbitration Agreement shall simultaneously send a copy of the request for arbitration to each of the other Contracting Parties (the “Notice”).

The arbitration proceedings shall be suspended until CEPANI has received evidence that the above provision has been complied with.

**Article 3 – Intervention**

Any Contracting Party may intervene in any arbitration proceedings by submitting a Request for Intervention, provided that such Request is filed with the Secretariat of CEPANI and sent to all other Contracting Parties withing 30 days of the receipt by such intervening party of the Notice.

**Article 4 – Joinder**

Article 4.1

Each Contracting Party agrees that it may be joined as an additional party to an arbitration involving other Contracting Parties.

Article 4.2

Any Contracting Party involved in an arbitration pursuant to this Arbitration Agreement may join any other Contracting Party in the arbitration proceedings by submitting a Request for Joinder, provided that such Request is filed with the Secretariat of CEPANI and sent to all other Contracting Parties within 30 days of the receipt by such requesting party of the Notice.

**Article 5 – Number and nomination of arbitrators**

Article 5.1 - Number

The Arbitral Tribunal shall consist of three arbitrators.

Article 5.2 – Nomination in the presence of two Contracting Parties

If the request for arbitration names only one claimant and one respondent, and no other Contracting Party has exercised its right to joinder or intervention in accordance with Articles 3 and 4 above, the claimant and the respondent shall each nominate one arbitrator within 15 days of the expiry of the period during which the Contracting Parties may exercise their right to joinder or intervention.

The two arbitrators shall nominate the third arbitrator within 15 days of the appointment of the second arbitrator. The third arbitrator shall act as chair of the Arbitral Tribunal.

If any of the three arbitrators is not nominated within the time prescribed above, CEPANI shall appoint that or those arbitrator(s).

Article 5.3 – Nomination in the presence of more than two Contracting Parties

If more than two Contracting Parties are named in the request for arbitration, or if at least one Contracting Party exercises its right to joinder or intervention in accordance with Articles 3 and 4 above, and if all parties agree on an alignment of the parties into two sides as claimants and respondents, then the claimant(s) shall jointly appoint one arbitrator and the respondent(s) shall jointly appoint the other arbitrator, both within 15 days of the expiry of the period during which the Contracting Parties can exercise their right to joinder or intervention.

If the claimant(s) and the respondent(s) appoint the arbitrators as provided above, the two arbitrators shall appoint the third arbitrator, who shall act as chair of the Arbitral Tribunal, within 15 days of the appointment of the second arbitrator.

If any of the three arbitrators is not nominated within the time prescribed above, CEPANI shall appoint that or those arbitrator(s).

If the parties do not agree on an alignment of the parties into two sides, CEPANI shall appoint all three arbitrators and designate one of them as chair of the Arbitral Tribunal.

**Article 6 – Consolidation**

If, notwithstanding the above provisions, more than one arbitration is commenced in relation to any of the Original Contracts and any party contends that two or more arbitrations are substantially related and that the issues should be heard in one proceeding, the arbitrators appointed in the first-filed of such proceedings shall determine whether, in the interests of justice and efficiency, the proceedings should be consolidated before those arbitrators.

**Article 7 – Place of arbitration**

The place of arbitration shall be [city, country].

**Article 8 – Language of the proceedings**

The language of the arbitration shall be […].

**Article 9 – Applicable law**

The law applicable to the arbitration shall be […].