

Regulation for Sports Arbitration - effective from 09/04/2020

The “Centro Brasileiro de Mediação e Arbitragem” (Brazilian Center for Mediation and Arbitration) (hereinafter referred to as “CBMA”), a non-profit entity, linked to “Associação Comercial do Rio de Janeiro” - ACRJ (Rio de Janeiro Commercial Association), to FENASEG - “Federação Nacional das Empresas de Seguros Privados e de Capitalização” (National Federation of Private Insurance and Capitalization Companies), and to FIRJAN

- “Federação das Indústrias do Estado do Rio de Janeiro” (Federation of Industries of the State of Rio de Janeiro), established to promote alternative means of conflict resolution and, in particular, mediation and arbitration, adopts this Regulation for Sports Arbitration to settle, in first and sole decision, disputes between sports entities, athletes, and/or members of technical teams, as well as any dispute arising from or related to the Brazilian Olympic Committee, sports confederations, or sports federations, provided there is provision in the relevant statute, regulation, or arbitration covenant (hereinafter referred to as“Regulation”).

# Introduction

This Regulation aims to settle, in first and sole decision, disputes between sports entities, athletes, and/or members of technical teams, as well as any dispute arising from or related to the Brazilian Olympic Committee, sports confederations, or sports federations, provided there is provision in the relevant statute, regulation, or arbitration covenant. Disputes may also be submitted to CBMA by express agreement to that effect. Any amendment hereto that may be agreed upon by the parties shall only apply to the specific case.

This Regulation does not apply to any appeals lodged against decisions made by federations, associations, or any other sports body, in cases where the statute or regulations of the entity stipulate that said appeal must be managed by the CBMA. For such cases, the previous Sports Arbitration Regulation of CBMA, effective from 10.10.2019, to be referred to as the Sports Appeal Arbitration Regulation, shall apply.

# Preliminary Provisions

* 1. Parties contracting the services of CBMA agree to and adopt the respective Regulation and the Cost Regulation.
	2. CBMA’s services aim to ensure compliance with the Regulation and related acts, and CBMA shall not be able to resolve disputes submitted to arbitration, leaving to the Arbitral Tribunal or the arbitrator (hereinafter jointly referred to as “Arbitral Tribunal”, “Arbitrator” or “Arbitrators”) the responsibility achieving the purposes agreed in the arbitration covenant and other arbitration-related instruments.
	3. The arbitrators, the CBMA, and their employees shall not be liable to any person for any acts or omissions related to an arbitration.



* 1. Any controversy regarding the interpretation and application hereof shall be decided by the Arbitral Tribunal. If composed of three arbitrators, the decision shall be made by a majority. In the absence of a majority decision, the median vote shall prevail. If there is no median vote, the vote of the Chairman of the Arbitral Tribunal shall prevail.
	2. Parties may be assisted or represented in arbitration by a person of their choice. The names, addresses, telephone numbers, and emails of the parties’ representatives shall be communicated in writing to the CBMA Office, the opposing party, and the Arbitral Tribunal. The party shall provide written proof of its representation.

# Communications and Deadlines:

* 1. Communications shall be forwarded, with acknowledgment of receipt, to the address provided by the interested parties and may also be made by any other means that proves its sending, such as email, facsimile, or telegram.
	2. Deadlines set herein shall be counted in calendar days, starting on the first business day following the receipt of the communication with its attachments, if any, and including the day of expiry.
	3. The deadline shall be extended to the next business day if the expiration falls on a national or local holiday, either at the arbitration’s venue, or for any of the parties, or on a day when, for any reason, there is no business day at the Center.
	4. Parties may agree to different deadlines than those set herein, provided the Arbitral Tribunal approves them. Nevertheless, the Arbitral Tribunal may extend or change any deadlines if deemed required for the faithful fulfillment of the responsibilities outlined herein or in applicable law.

# Arbitration Setting Up

* 1. The Request for Arbitration Setting Up shall contain proof of payment of the amounts determined by the Center prior to the arbitration’s institution and also:
1. Name and qualification of the involved parties;
2. Brief report on the dispute and its legal grounds;
3. Indication of the request and the amount involved or, if it is not possible to determine the involved amount, an estimate of the economic or financial amount of the requests;
4. Copy of the contract(s) underlying the dispute and the arbitration covenant(s);
5. Indication of the number of arbitrators and, when applicable, their respective appointment; and
6. Indication as to the venue, applicable law, language, and other relevant considerations for the arbitration.
	1. The Center shall send the Request for Arbitration Setting Up and the documents received as mentioned above to the other party(ies) for a response within 15 days.



* 1. In their Response, the party can comment on the Request for Arbitration Setting Up and, if applicable, appoint its respective arbitrator.
	2. If the respondent intends to present a counterclaim, he/she shall do so along with his/her Response.
	3. In the case of a counterclaim or counter-suit request in the Response, the other party shall have a period of 15 days to respond.
	4. The Center shall not cease to proceed with the arbitration due to the refusal or default of the respondent. In these cases, should the party abstain from appointing an arbitrator, the Center shall make the appointment, and the absent party shall, in any event, be informed of the subsequent procedural acts.
	5. If the situation described in item 3.6 above occurs, and a sole arbitrator solution is decided upon in the arbitration covenant, the Center may appoint the arbitrator.
1. **Provisional Relief**
	1. A request for provisional relief, in a precautionary or anticipatory basis, is applicable both before and after the formation of the Arbitral Tribunal. If the request is made before the Arbitral Tribunal’s formation, an emergency arbitrator shall be appointed by CBMA under the terms hereof. After its formation, the Arbitral Tribunal shall confirm, revoke, or consider requests for provisional relief.
	2. The Party requesting a precautionary or anticipatory measure before the formation of the Arbitral Tribunal shall follow its claim with proof of the registration fee payment. Without this, the proceedings shall be suspended.
	3. By submitting the conflict hereunder, the Parties automatically waive the right to request such measures before the Judiciary.
	4. The fees of the emergency arbitrator shall be set by the President of the CBMA, as per the fee schedule provided in the Cost Regulation hereof. The review of the request for provisional relief is conditional upon proof of deposit of the emergency arbitrator’s fees, which shall occur within seventy-two (72) hours from the communication of its setting by the Chairman of the CBMA.
	5. The emergency arbitrator shall only grant the request in a precautionary or anticipatory basis when identifying the presence of the following requirements:
2. risk of irreparable harm or damage that is hard to repair; and
3. plausibility of the claims.
	1. After the delivery of the request for precautionary or anticipatory relief, the emergency arbitrator shall grant a period of five (5) days for the opposing party



to respond. This period may be shortened based on the specific circumstances of the case.

* 1. The precautionary or anticipatory measure may be granted without hearing the opposing party in cases of extreme urgency. In these scenarios, the opposing party shall be heard shortly after, and the decision may be reconsidered.
	2. The precautionary or anticipatory measure granted by the emergency arbitrator shall automatically lose its validity if the interested Party does not submit a Request for Arbitration Setting Up within a period of 30 days from the granting of the measure.
1. **Arbitral Tribunal**
	1. The parties may appoint arbitrators, whether or not they are members of the Center’s body of arbitrators, always in odd numbers, according to Article 13 of Law No. 9.307/96.
	2. Those individuals whose facts or acts characterize a relationship of impediment or suspicion, among which are those provided for in the Civil Procedure Code, are prohibited from serving as an arbitrator.
	3. The arbitrator shall remain independent and impartial and proceed with competence, diligence, and discretion.
	4. Before confirmation, the person appointed as an arbitrator shall disclose any fact that indicates or might indicate reasonable doubt about his/her impartiality, independence, and availability, signing a Statement of Independence, Impartiality, and Availability.
	5. If, after signing the Statement of Independence, Impartiality, and Availability, a subsequent fact or circumstance arises that may cast doubt on the arbitrator’s independence or impartiality, the arbitrator shall immediately and in writing inform the Center, the other arbitrators, and the parties.
	6. The Center’s decisions regarding the appointment, confirmation, refusal, and replacement of the arbitrator shall be final.
	7. Acceptance by the arbitrator of his/her appointment subjects him/her to the provisions of the Covenant and the Arbitration Agreement and the duties, rights, responsibilities, and obligations provided for in the legislation and hereunder, as well as the dictates of the Center’s Code of Ethics.
	8. The Arbitral Tribunal shall be composed of three arbitrators, and a sole arbitrator shall be an exception agreed upon by the parties. The parties shall indicate their respective co-arbitrators hereunder, and the appointed arbitrators shall designate the third arbitrator and the Court Chairman, unless the parties have set another procedure.
	9. If, by agreement of the parties, the Arbitral Tribunal consists of a sole arbitrator, they shall choose this arbitrator by mutual consent. If the parties do not reach a consensus regarding the appointment of the sole arbitrator within 15 days from the Respondent’s receipt of the



Request for Arbitration or within an additional period granted to the parties by the Center, the Center shall appoint the sole arbitrator.

* 1. Any and all controversies or omissions concerning the arbitrators’ appointment by the parties, as well as the selection of the third arbitrator, shall be resolved or supplemented by the Center.
	2. Should one of the parties belong to another country, this fact shall be taken into account by the Center when choosing the arbitrators.
	3. The Center’s confirmation of the Arbitral Tribunal shall be sent to the parties as soon as the period for refusing an arbitrator has expired or the decision on the challenge has been made.
	4. When the Center is responsible for appointing an arbitrator, it shall have complete freedom in choosing a suitable person, which may or may not be from its body of arbitrators, and the Center is exempt from any liability.
1. **Procedure**
	1. Upon the appointment of the arbitrator, the parties shall have five (5) business days to present any challenge. Within the same period of a potential challenge, the parties shall inform if they deem a hearing necessary and, if so, shall indicate their respective preferences for the date.
	2. The Arbitral Tribunal may, within ten (10) days of confirming the arbitrators, prepare the Arbitration Agreement in collaboration with the parties and with the support of the CBMA. This agreement shall include names and qualifications of the parties, the subject and amount of the dispute, responsibility for payment of procedural costs and arbitrator fees, the place of the arbitration award’s delivery, a decision on confidentiality, as well as other provisions agreed upon by the parties, if any, and, if applicable, the parties’ authorization for the arbitrator to judge based on equity.
	3. Preferably, the Arbitration Agreement shall immediately indicate the date of the hearing, which may be held via video conference or other technological platforms.
	4. The Arbitration Agreement shall be signed by the parties, the members of the Arbitral Tribunal or the sole arbitrator, and a representative from the CBMA.
	5. There shall be a period of fifteen (15) business days, counting from the date of execution of the Arbitration Agreement, for the Claimant to bring initial allegations, indicating the means of evidence that it intends to produce and, if applicable, for the Respondent submit its counterclaim, which shall be followed by all supporting documents.
	6. Fifteen (15) days after the delivery of the initial allegations and any counterclaim, the Respondent shall provide a response to the initial allegations and, if required, the Claimant shall respond to the counterclaim.



* 1. Once the pleading phase is concluded, the Arbitral Tribunal may waive the already scheduled hearing set in the Arbitration Agreement if they believe the matter has been sufficiently addressed.
	2. Once the hearing is over, or if there is no hearing, the parties shall have fifteen (15) business days to bring their final arguments. If there is a transcript of the hearing, this period shall count from the receipt of the transcript by the parties.
	3. At the time of entering into the Arbitration Agreement, the parties may, with the Arbitral Tribunal’s agreement, agree on shorter deadlines for bringing the manifestations provided for herein.

# Arbitration Award

* 1. The Arbitral Tribunal or the sole arbitrator shall render a decision within thirty (30) days, counted from the receipt of the final arguments. This period may be extended for an additional thirty (30) days at the arbitrator’s discretion, without needing the parties’ consent.
	2. Exceptionally and at its sole discretion, the Center may grant a further extension for the delivery of the arbitration award, depending on the circumstances of the case in question.
	3. The parties may submit a request for clarification within ten (10) days after being notified of the arbitration award. After submitting any request for clarification, the opposing party shall have the same deadline to submit any response.
	4. The Arbitral Tribunal or sole arbitrator shall decide on the request for clarification within thirty (30) days.
	5. This Procedure shall be interpreted in conjunction with the CBMA Arbitration Rules, with the provisions of this Procedure prevailing in the event of any conflict. The Arbitral Tribunal or arbitrator shall interpret and apply this Procedure in cases where there are gaps.

# Cost Regulation

* 1. At the time of the Request for Arbitration Setting Up, as well as in the case of presenting a counterclaim, the claimant or counterclaimant shall be solely responsible for paying a fixed Institution Fee of two thousand reais (BRL 2,000.00) and a Management Fee, both of which are non-refundable, with the latter as provided in the Schedule.

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| Claim Amount | Management Fee |
| Up to 150,000 Up to BRL 500,000 | BRL 5,000BRL 12,000 |
| Up to BRL 1 million | BRL 18,000 |
| Up to BRL 3 million | BRL 25,000 |



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| --- | --- |
| Up to BRL 5 million | BRL 38,000 |
| Up to BRL 10 million | BRL 55,000 |
| Up to BRL 25 million | BRL 90,000 |
| Up to BRL 50 million | BRL 120,000 |
| Above BRL 50 million | BRL 160,000 |

* 1. The aforementioned request shall be followed by a bank deposit receipt, in accordance with the bank details provided by the Center, for the total of the Institution Fee and the Management Fee; otherwise, the documents shall not be reviewed.
	2. Should the claim amount be undetermined or should the claim not be pecuniary, the Center shall determine the amount of the Management Fee to be paid and shall always have to justify if setting an amount above the minimum fee of BRL 5 thousand.
	3. The Chairman of the CBMA may determine the arbitrator(s)’ fees, taking into account the complexity of the matter, the amount of the dispute, the urgency of the case, and other relevant circumstances, as well as the provisions below.
	4. The fees shall be set based on the Schedule below, adhering to a ceiling of two thousand reais (BRL 2 thousand) per arbitrator in case of a panel and a ceiling of three thousand reais (BRL 3 thousand) in the case of a sole arbitrator:

Arbitrators’ Fees

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| --- | --- |
| Claim Amount | Maximum Fees |
| Up to BRL 500,000 | BRL 15,000 |
| Up to BRL 1 million | BRL 30,000 |
| Up to BRL 3 million | BRL 60,000 |
| Up to BRL 5 million | BRL 90,000 |
| Up to BRL 10 million | BRL 135,000 |
| Up to BRL 25 million | BRL 200,000 |
| Up to BRL 50 million | BRL 256,000 |
| Above BRL 50 million | To be determined by the CBMA |

* 1. In arbitrations of an undetermined amount, the Chairman of the CBMA shall set the arbitrator(s)’ fees taking into account the circumstances of the case, respecting the cap established in article 8.5 above.
	2. In the case of a sole arbitrator, the fees may be increased by the Chairman of the CBMA by up to twenty percent (20%).
	3. The Chairman of the CBMA shall determine the emergency arbitrator’s fees, taking into account the circumstances of the case and its economic scope, observing a floor of three thousand reais (BRL 3 thousand) and a ceiling of sixty thousand reais (BRL 60 thousand).
	4. In exceptional and duly justified cases, the Chairman of the CBMA may, at his sole discretion, set the emergency arbitrator’s fees



at an amount higher than the ceiling set in the previous item, ensuring that the fixed amount does not exceed twice the ceiling.

* 1. The party shall deposit fifty percent (50%) of the amount initially estimated by the Center for the arbitration fees, upon a bill to be regularly forwarded, within a period to be set by it, before signing the Arbitration Agreement, under penalty of terminating the arbitration.
	2. The party shall pay the remaining portion of the fees, as well as any additional expenses, before receiving the Arbitration Award. If not, the Center shall withhold the award without the parties having knowledge of it until the outstanding expenses are paid.
	3. The Arbitration Award shall decide on the Parties’ responsibility regarding the arbitration costs and expenses.

# Final provisions

* 1. The CBMA may publish excerpts from the arbitration award in the summary, preserving the identity of the parties.
	2. The CBMA may only disclose the arbitration award when there is interest and express authorization from the parties.
	3. In case of any court suit related to the arbitration, the CBMA may provide, upon express request from the parties, certified copies of documents from the arbitration proceedings.
	4. This Regulation comes into effect on September 4, 2020.