

LABOR ARBITRATION RULES

In force since December 19, 2019

I INTRODUCTION

1.1 CAMARB - BUSINESS MEDIATION AND ARBITRATION CHAMBER - BRAZIL hereby states the rules that shall apply to the labor arbitration procedure.

1.2 The Labor Arbitration Rules of CAMARB, hereinafter referred to as the "Rules", shall apply whenever:

1. The arbitration clause has been agreed to by the parties in an employment contract;
2. The request for arbitration contains an express request for recognition of the employment relationship;
3. The parties have agreed to apply the CAMARB's Labor Arbitration Rules.

1.3 Unless otherwise agreed, the arbitration shall be subject to the Rules in force on the date of request thereof.

1.4 For the purposes of these Rules:

1. the term Arbitrator shall be used indistinctly to designate either a sole arbitrator or a panel of arbitrators;
2. the terms claimant and respondent apply indistinctly to one or more claimants or respondents.

1.5 The request for labor arbitration and any possible counterclaim shall comply with the provisions of Section III of the CAMARB's Arbitration Rules.

II NOTICES, STATEMENTS AND TIME LIMITS

2.1 Unless otherwise agreed by the parties or if the arbitrator determines otherwise, all the case briefs and documents filed by the parties shall be (i) delivered to the CAMARB's Secretariat, at any of its offices, in one hard copy to be filed in the arbitral proceedings, and (ii) in one electronic copy to be sent to the arbitrator, if the arbitrator has already been appointed, with a copy to the other parties and to the Secretariat of CAMARB. If the case brief or document is submitted due to a time limit applicable to all parties, the electronic copy shall be sent only to the Secretariat of CAMARB, which shall transmit it to the other party and to the arbitrator after the time limit has elapsed.

2.2 All correspondence sent by the CAMARB's Secretariat, including summons, communications, notifications, copies of the parties' statements and decisions of the arbitrator shall be sent by electronic means only, unless otherwise agreed. The parties shall expressly inform the electronic address to be used for the purposes of this item in the first statement submitted to the CAMARB's Secretariat.

2.3 The correspondence sent by the CAMARB's Secretariat, the case briefs and other documents sent pursuant to item 2.2 shall be considered delivered on the date the recipient

acknowledges receipt thereof, or, failing that, on the next business day following dispatch thereof.

2.4 The time limits stipulated either in the Rules or by the arbitrator shall start running on the business day following the date of delivery of the correspondence sent by the CAMARB's Secretariat or delivery of the case brief and documents by the party. Time limits run uninterruptedly and are not suspended during CAMARB's non-business days. If the time limit ends on a holiday at the place of the arbitration or on a non-business day at CAMARB, then the time limit shall be extended until the subsequent business day.

2.5 Prior the conclusion of the Terms of Reference, the parties shall be subject to the time limits set forth in these Rules. In the absence thereof, a 5-day time limit shall apply.

2.6 After the conclusion of the Terms of Reference, the time limits shall be those set forth therein or, in the absence thereof, those established by the arbitrator. If no time limit has been set by the arbitrator, the time limits set out in the Rules shall apply or, in the absence thereof, it shall be five (5) days. The arbitrator may extend or change the time limits previously established.

2.7 The parties, upon approval of the arbitrator, may change the time limits set out in these Rules, provided that the entire time of the proceeding, from the conclusion of the Terms of Reference to the award, does not exceed twelve (12) months. If the change to the time limits intended by the parties causes the entire term to exceed twelve (12) months, the table of costs and fees of arbitrators provided in the Arbitration Rules of CAMARB shall apply. The difference of costs and fees shall be paid immediately after the change intended by the parties being granted, with due regard for the provisions of Section XI of the Arbitration Rules of CAMARB.

III ARBITRATOR

3.1 The arbitration shall be heard by a sole arbitrator, unless otherwise agreed between the parties. The parties and CAMARB's Board of Directors, in the cases provided for in these Rules, may appoint arbitrators (i) members of the Labor Reference List, (ii) members of the CAMARB List of Arbitrators and (iii) other professionals who are not members of the lists, with due regard for Law No. 9307 of September 23, 1996, as amended by Law No. 13129 of May 26, 2015.

3.2 CAMARB's Secretariat shall request that within five (5) days the parties appoint arbitrator(s) to act in the arbitration proceeding.

3.3 The sole arbitrator shall be nominated by mutual consensus. Failing that, the CAMARB's Board of Directors shall send a list with five (5) names for the parties to comply with item 3.8.

3.4 Unless otherwise agreed, in the event the parties choose to constitute an arbitral tribunal with three (3) members, each party shall appoint one arbitrator within the time limit set forth in item 3.2. After submission of the statement of availability, non-impediment, independence and impartiality of the arbitrators, with no objection or challenge, they shall be notified to, within five (5) days, jointly appoint the third arbitrator, who shall preside over the arbitral tribunal. If consensus is not reached between the arbitrators appointed by the parties, the appointment of the presiding arbitrator shall be made according to item 3.8.

3.5 If either party fails to appoint an arbitrator within the time limits provided for in these Rules, the CAMARB's Board of Directors shall designate the arbitrator not appointed by one of the parties or the sole arbitrator, as the case may be.

3.6 Unless otherwise agreed, when more than one party is a claimant or a respondent and the dispute is referred to three arbitrators, the claimant or the multiple claimants shall appoint one arbitrator, while the respondent or the multiple respondents shall appoint another arbitrator.

3.7 If none of the multiple claimants or none of the multiple respondents make a statement thereon, the appointment shall be made by the CAMARB's Board of Directors from among the names of the institution's list of arbitrators. If only one of the multiple claimants or one of the multiple respondents presents a statement thereon, the arbitrator so appointed shall prevail. If there is disagreement among the multiple claimants or among the multiple respondents, the CAMARB's Board of Directors will appoint the three members of the Arbitral Tribunal, as provided for in item 3.8, indicating who will chair the tribunal.

3.8 In the abovementioned cases where the CAMARB's Board of Directors is in charge of appointing the sole arbitrator, the presiding arbitrator or the three members of the arbitral tribunal, one shall observe as follows:

3. The CAMARB's Board of Directors, considering the subject matter of the arbitration and as provided for in item 3.1, shall send a list with the name of five (5) professionals, for appointment of a sole arbitrator or presiding arbitrator, and a list with the name of ten (10) professionals, for appointment of three members of the arbitral tribunal;

4. Each Party shall, separately, within a common time limit of five (5) days, present a statement observing the following: (i) each Party may remove from the list up to two (2) professionals to which such Party may object, without need to justification; (ii) the names of the remaining professionals must be presented in order of preference for nomination of a sole arbitrator (e.g. 1 for first preference name, 2 for second preference name and so on);

5. Upon receipt of the lists of the parties' preference orders, each professional will have his or her score added. If there are multiple claimants or multiple respondents, then prior to the sum, the average obtained between the multiple claimants or the multiple respondents will be calculated, as the case may be;

6. In the case of a sole arbitrator or presiding arbitrator, the nominated professional who obtains the lowest score from the sum of the preference orders shall be appointed;

7. In the event of nomination of three members of the arbitral tribunal, the three nominated professionals who obtain the lowest scores from the sum of the orders of preference shall be appointed, and the one with the lowest score shall be the president of the arbitral tribunal;

8. CAMARB's Secretariat shall notify the professional(s) nominated under item 3.9;

9. If there is any impediment of any professional, the Secretariat shall summon the professional with the lowest score among the remaining names on the list.

3.9 Once the arbitrator has been nominated, the CAMARB's General Secretariat shall request him or her to, within five (5) days, make a statement on his or her availability, non-impediment, independence and impartiality.

3.10 The person appointed to act as arbitrator shall sign a statement declaring, under the law, that he or she is not acting under impediment or suspicion (i.e., recusal), and shall inform any circumstance that may give rise to justifiable doubt as to his or her impartiality or independence, in relation to the parties or the dispute submitted for his or her consideration, as well as declare in writing that he or she has the necessary availability to conduct the arbitration efficiently.

3.11 The arbitrator shall promptly report any supervening event which, in the course of the proceedings, may give rise to justifiable doubt as to his or her impartiality, independence, technical competence or availability, or which may in any way preclude or suspect the adjudication of the dispute.

3.12 If any appointed arbitrator dies, is declared impeded (is recused) or suspect or becomes unable to perform his or her duties, the substitute arbitrator shall be appointed in the manner and time limits applicable to the appointment of the arbitrator to be replaced.

3.13 Either party may, within 5 (five) days from the receipt of the statement of availability, independence and impartiality or the information mentioned in item 3.10, challenge the appointment of any arbitrator who does not meet the requirements of the arbitration agreement or the applicable legislation, or who is subject to any of disqualification or impediment (recusal) events set forth in the arbitration legislation, or who is not available to act in the arbitration proceeding.

3.14 In the event of a challenge, the arbitrator shall be notified by the CAMARB's Secretariat to make a statement thereon within five (5) days, which shall be submitted to the other party to speak thereon within the same time limit.

3.15 The challenge shall be decided by the CAMARB's Board of Directors.

IV TERMS OF REFERENCE

4.1 Following appointment of the arbitrator(s), the Secretariat of CAMARB and the arbitrator shall prepare, within five (5) days, the draft of the Terms of Reference, which shall include:

1. The personal and express agreement with the adoption of arbitration by the employee or the party claiming the employment relationship, manifested through the signature in an item highlighted in the Terms of Reference;
2. name, occupation, marital status, physical and electronic address of the parties and their attorneys, if any;
3. name, occupation, and physical and electronic address of the arbitrator(s);
4. the subject-matter of the arbitration and a summary of the claims;
5. express statement of agreement with the arbitration of the party, individual, in the position of employee or whose intention is the recognition of employment relationship;
6. venue where the arbitral award shall be rendered;

7. the authorization for the arbitrator(s) to adjudicate ex aequo et bono, if so agreed between the parties;
 8. the time limit for the arbitral award to be rendered;
 9. the language of the arbitral proceeding;
 10. the schedule for the proceeding, including the hearing for production of evidence and the time limit for the award to be rendered, with the goal of concluding the proceeding within six months from the signature of the Terms of Reference, subject to the limit of item 2.5;
 11. the payment terms of the arbitrators' fees and Administration Fee, as well as the statement of liability for the respective payment and arbitration expenses.
- 4.2 The draft of the Terms of Reference shall be sent to the parties for commentaries within the common time limit of five (5) days. Commentaries sent by the parties shall be examined by the arbitrator, who may grant them or not, and who shall prepare the final version of the Terms of Reference within five (5) days.
- 4.3 The Terms of Reference shall be signed by the CAMARB's Secretariat and by the arbitrator and sent to the parties. The Arbitration shall be deemed instituted and the arbitral jurisdiction shall commence when the appointment is accepted by the arbitrator, for a sole arbitrator, or by the last of the three arbitrators, in the case of an arbitral tribunal under item 3.4. The acceptance by the arbitrator shall be made exclusively upon the setting of his signature on the Terms of Reference.
- 4.4 The effects of the commencement of the arbitration shall retroact to the date the Request for Arbitration was filed with CAMARB, for the purposes of § 2º of Art. 19 of Brazilian Law no. 9307, of September 23, 1996, as amended by Law no. 13129, of May 26, 2015.

V COUNSELS

- 5.1 The parties may be represented by counsels holding powers to act on their behalf in all acts related to the arbitration proceeding, and CAMARB recommends representation by an attorney.
- 5.2 All correspondences, including summons, communications, notices, copies of statements of the parties and decisions of the arbitrator shall be sent only to the parties' counsels. In the event a counsel has not been retained, communications shall be sent directly to the party. In any event, communications shall be made pursuant to items 2.1 to 2.3.

VI PROCEEDING

- 6.1 Upon signature of the Terms of Reference, the arbitrator shall endeavor, as determined by him or her, to reconcile the parties.
- 6.2 The opening statements, challenges thereto and other statements made by the parties shall be presented within the relevant time limits so defined in the Terms of Reference, and in the absence thereof, within the time limits established by the arbitrator. If not otherwise provided by the arbitrator, the following shall apply:



- (a) the claimant and the respondent, should the respondent have stated the intention to present a counterclaim, shall, within ten (10) days from the date of receipt of the Terms of Reference, file their claims and state the evidence they intend to produce;
- (b) the respondent and, in the event of a counterclaim, the claimant, shall have ten (10) days to oppose the opening statements of the other party;
- (c) the claimant and the respondent, in the event of a counterclaim, shall have five (5) days to present a reply to the challenge presented by the other party;
- (d) the respondent and the claimant, in the event of a counterclaim, shall have five (5) days to present a reply in rebuttal to the other party's reply, and within the same time limit present the specification of the evidence to be produced;
- (e) the hearing for production of evidence, if any, shall be held within no more than thirty (30) days from presentation of the reply in rebuttal.

6.3 The opening statements shall include the claims and their specifications. After presentation of the opening statements, neither party shall be allowed to file new claims, amend, or modify existing claims, nor waive any of the claims without the consent of both the other party(ies) and the arbitrator.

6.4 Upon expiration of the time limit for the reply in rebuttal, the arbitrator shall decide on the production of evidence. If the arbitrator considers that expert examination is necessary, the proceeding shall then be governed by CAMARB Arbitration Rules, in that all the procedural acts performed until then shall remain valid. In such case, the parties shall be notified to supplement the amount initially deposit as Administration Fee and arbitrator's fees, pursuant to items 11.10 and 11.11 of CAMARB Arbitration Rules.

6.5 In the event the arbitrator finds that a hearing for the production of evidence is necessary, he or she shall provide how the works shall be organized and conducted.

6.6 If any witness fails to attend the hearing or refuses to testify without legal reason, the arbitrator, at the request of either party or on his or her own initiative, may request the appropriate judicial action to take the testimony from the absent witness. The absence of a party duly summoned does not prevent the holding of the hearing.

6.7 CAMARB's Secretariat shall provide transcription of the hearing, as well as interpreter or translator services, which costs shall be paid in advance by the parties.

6.8 Upon determination, by the arbitrator, that the production of evidence in the proceeding is concluded, the parties shall have seven (7) days to submit their closing arguments, which may not contain any attached documents.

6.9 Any nullity concerning any act performed in the arbitration proceeding shall be claimed at the first opportunity the party may speak.

6.10 In the event any order from the arbitrator is not complied with and if a coercive remedy is required, the interested party or the arbitrator shall request its enforcement to the court of competent jurisdiction of the Judiciary, and may suspend the arbitral proceeding if he or she deems fit.



VII EVIDENCE AND URGENT RELIEF

7.1 The arbitrator, upon request of either party or when he or she deems appropriate, may, by duly grounded decision, grant evidence or urgent relief, provisional remedy or interim relief.

7.2 While the acceptance of the arbitrator as per item 4.3 is not duly formalized, the parties may request urgent relief, provisional remedy, or interim relief to the relevant court with jurisdiction. The arbitrator, as soon as his or her acceptance is formalized, may review the request of the party, and shall affirm, reverse, or revoke, in whole or in part, the remedy granted by the court authority.

7.3 The request made by either party to a court with jurisdiction for urgent relief, provisional remedy or interim relief, before the acceptance of the arbitrator is formalized, shall not be considered a waiver of the arbitration agreement, nor shall it exclude the jurisdiction of the arbitrator to review it nor suspend its commencement or processing.

VII ARBITRAL AWARD

8.1 The arbitrator shall render the award within thirty (30) days from the end of the time limit for the parties' closing arguments, and such period may be extended by up to fifteen (15) days by the arbitrator.

8.2 The arbitrator may deliberate anywhere he or she deems appropriate, and the award shall be rendered at the place of the arbitration, unless otherwise stated by the parties.

8.3 The arbitration award shall include:

(a) the report, the parties' names, and a summary of the dispute;

(b) the grounds for the decision, on which the issues of fact and of law are analyzed, with express reference, where appropriate, that it was rendered on an *ex aequo et bono* basis;

(c) the order imposed by the award, where the arbitrator shall decide all the issues submitted and shall set a time limit for performance, as the case may be;

(d) the date and place of the issuance.

8.4 The award shall also set forth the costs and expenses of the arbitration in accordance with the terms of Chapter XI of CAMARB Arbitration Rules, as well as the liability of each party to make these payments, on the basis of, among other criteria it deems relevant, the behavior of the parties for the effective conduct of the proceeding, within the limits set in the arbitration agreement.

8.5 Once the award is rendered by the arbitrator and sent to the CAMARB's Secretariat within the time limit set forth in item 8.1, the Secretariat shall send to each party an original counterpart with acknowledgment of receipt. The Secretariat shall keep in its files a copy of the full content of the award, along with the case records.

8.6 The arbitrator may render partial awards prior to the final decision of the arbitration.

8.7 In the event of a partial arbitration award, the filing of an action for nullity of the arbitral award shall not preclude the continuation of the arbitration or the issuance of the final award by the arbitrator.

8.8 In the event of material error, omission, obscurity, doubt or contradiction of the arbitral award, the parties shall have a time limit of seven (7) days from the date of receipt of the award to file a motion for clarification.

8.9 The arbitrator shall issue a decision on the motion for clarification within up to seven (7) days from receipt thereof, and such time limit may be extended by another seven (7) days by the arbitrator.

IX FINAL PROVISIONS

9.1 Matters concerning Administration Fee, arbitrator's fees, and other costs relative to the proceeding shall be governed by chapter XI of CAMARB Arbitration Rules.

9.2 The arbitral proceeding shall be strictly confidential, and CAMARB, the arbitrators, other professionals acting in the case and the parties themselves shall not disclose any information to which they may have access as a result of their position or participation in the proceeding, without consent of all parties, except where there is a legal obligation to disclose and where so determined by the provisions of these Rules. In the case of item 3.8, CAMARB's Secretariat is authorized to inform the names of the parties, the matter in dispute and its amount to the professionals it intends to include in the list to be presented to the parties, for purposes of prior verification of interest, availability, independence and impartiality.

9.3 CAMARB is hereby authorized by the parties and arbitrators to disclose excerpts of the arbitral awards for academic and informational purposes, by removing the names of the parties, arbitrators and other information that allow identification of the case.

9.4 In the absence of the parties' stipulation on the place of the arbitration, this shall be defined by the arbitrator.

9.5 The arbitrator shall interpret and apply these Rules, including his or her jurisdiction, duties, and prerogatives.

9.6 After five (5) years after the final arbitral award has been rendered, CAMARB is hereby authorized to discard the case records, in that only the arbitral awards shall remain in its files.

9.7 The parties may, prior to the expiration of the period provided for in item 11.6, request the withdrawal of any documents filed by them.

9.8 CAMARB Arbitration Rules shall apply additionally hereto, as applicable. Cases not provided for herein shall be governed by Brazilian Law No. 9307, of September 23, 1996, as amended by Brazilian Law No. 13129, of May 26, 2015, and by the arbitration treaties and agreements applicable in Brazil. In the absence of stipulation in such instruments, the silent cases shall be resolved by determination of the arbitrator or by the CAMARB's Board of Directors, if no Terms of Reference has been signed. In the latter case, the decision may be reviewed by the arbitrator after formalization thereof.

9.9 These Rules shall enter into force on December 19, 2019 and may only be amended by resolution of the CAMARB's Board of Directors.

Labor Arbitration Rules of CAMARB - Business Mediation and Arbitration Chamber - Brazil, are an integral and inseparable part of the Minutes of the CAMARB's Board of Directors Meeting, held on December 2, 2019.

