

**IN THE MATTER OF THE ARBITRATION UNDER
THE TIMOR SEA TREATY OF 20 MAY 2002**

- between -

THE DEMOCRATIC REPUBLIC OF TIMOR-LESTE

- and -

THE COMMONWEALTH OF AUSTRALIA

PROCEDURAL ORDER N° 1

(Rules of Procedure)

ARBITRAL TRIBUNAL:

**Professor Tullio Treves (Chairman)
Professor W. Michael Reisman
Lord Collins of Mapesbury PC, FBA**

REGISTRY:

The Permanent Court of Arbitration

6 December 2013

WHEREAS On 23 April 2013, the Republic of Timor-Leste (“**Timor-Leste**”) initiated these proceedings by way of a Notice of Arbitration served upon the Commonwealth of Australia (“**Australia**”) pursuant to the Timor Sea Treaty between the Government of East Timor and the Government of Australia of 20 May 2002 (the “**Timor Sea Treaty**”);

WHEREAS on 21 October 2013, the Arbitral Tribunal was constituted;

WHEREAS on 29 October 2013, the Arbitral Tribunal wrote to the Parties, requesting the Parties “to confer and to seek agreement on the Rules of Procedure for this arbitration to the greatest extent possible”;

WHEREAS on 27 November 2013, Timor-Leste wrote to the Arbitral Tribunal regarding the Rules of Procedure;

WHEREAS on 28 November 2013, Australia wrote to the Arbitral Tribunal regarding the Rules of Procedure;

WHEREAS on 28 November 2013, the Arbitral Tribunal wrote to the Parties, inviting them to provide “any additional comments the Parties may wish to make in writing regarding the rules or principles which may limit or guide the Tribunal’s exercise of its discretion under Paragraph (f) of Annex B to the Treaty in relation to the procedural choices on which the Parties have not reached agreement”;

WHEREAS on 2 December 2013, both Parties wrote further to the Arbitral Tribunal regarding the Rules of Procedure;

WHEREAS on 5 December 2013, the Arbitral Tribunal held a procedural meeting with the Parties at the Peace Palace in The Hague, the Netherlands;

WHEREAS the Arbitral Tribunal will conduct the proceedings in a fair and efficient manner and endeavour to render its Award promptly following the completion of the Parties’ written and oral submissions, taking note of the Parties’ agreement that the timetable set out in the Rules appended to this Order supersedes the deadline set out in Paragraph (i) of Annex B to the Timor Sea Treaty;

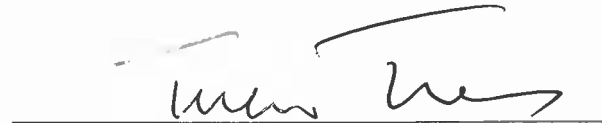
CONSIDERING that Paragraph (f) of Annex B under Article 23 of the Treaty provides that the “Arbitral Tribunal shall decide all questions relating to its competence and shall, subject to any agreement between Australia and East Timor, determine its own procedure”;

THE ARBITRAL TRIBUNAL HEREBY ISSUES THE FOLLOWING PROCEDURAL ORDER:

1. The arbitration shall be conducted in accordance with the Rules of Procedure appended to this order (“**the Rules**”), subject to any agreement between the Parties and such modifications or additions as the Arbitral Tribunal may find appropriate after seeking the views of the Parties, and the Terms of Appointment concluded by the Arbitral Tribunal and the Parties.
2. To the extent that any question of procedure is not expressly governed by the Timor Sea Treaty, the Rules, or existing procedural orders issued by the Arbitral Tribunal, the question shall, in accordance with the Timor Sea Treaty, be determined by the Arbitral Tribunal after seeking the views of the Parties.
3. The Tribunal has reserved the dates from the afternoon of **27 September through 2 October 2014** for a hearing.

Dated: 6 December 2013

ON BEHALF OF THE ARBITRAL TRIBUNAL

A handwritten signature in black ink, appearing to read 'Tullio Treves', is written over a horizontal line.

Professor Tullio Treves
Chairman

ARBITRATION UNDER THE TIMOR SEA TREATY
RULES OF PROCEDURE

SECTION I. INTRODUCTORY RULES

Scope of Application

Article 1

1. The arbitration shall be conducted in accordance with Article 23 and Annex B of the Timor Sea Treaty and these Rules.
2. These Rules are entirely without prejudice to the position of the parties on questions of jurisdiction and competence over the dispute.

Notice, Calculation of Periods of Time

Article 2

1. For the purposes of these Rules, any notice, including a notification, communication or proposal, is deemed to have been received when it has been delivered to the addressee. Notice shall be deemed to have been received on the day it is so delivered.
2. For the purposes of paragraph 1 of this article, 'delivered' includes delivery by electronic means. If written pleadings are delivered by a party by electronic means, that party shall also send a hard copy of the pleadings (including all documents annexed thereto) on the following day by courier to each member of the arbitral tribunal, the International Bureau, the Agent of the other party, and to counsel of the other party at their respective addresses.
3. For the purposes of calculating a period of time under these Rules, such period shall begin to run on the day following the day when a notice, notification, communication or proposal is received. If the last day of such period is an official holiday or a non-work day in the State of the addressee, the period is extended until the first work day which follows. Official holidays or non-work days occurring during the running of the period of time are included in calculating the period.

Representation and Assistance

Article 3

1. Each party shall appoint an agent. The parties may also be assisted by persons of their choice. The name and address of the agent must be communicated in writing to the other party, to the International Bureau and to the arbitral tribunal after it has been appointed.

SECTION II. COMPOSITION OF THE ARBITRAL TRIBUNAL

Challenge of Arbitrators (Articles 4 to 7)

Article 4

A prospective arbitrator shall disclose to those who approach him in connection with his possible appointment any circumstances likely to give rise to justifiable doubts as to his impartiality or independence. An arbitrator, once appointed or chosen, shall disclose such circumstances to the parties unless they have already been informed by him of these circumstances.

Article 5

1. Any arbitrator may be challenged if circumstances exist that give rise to justifiable doubts as to the arbitrator's impartiality or independence.
2. A party may challenge the arbitrator appointed by him only for reasons of which he becomes aware after the appointment has been made.

Article 6

1. A party who intends to challenge an arbitrator shall send notice of its challenge within thirty days after the appointment of the challenged arbitrator has been notified to the challenging party or within thirty days after the circumstances mentioned in articles 4 and 5 became known to that party.
2. The challenge shall be notified to the other party, to the arbitrator who is challenged and to the other members of the arbitral tribunal. The notification shall be in writing and shall state the reasons for the challenge.
3. When an arbitrator has been challenged by one party, the other party may agree to the challenge. The arbitrator may also, after the challenge, withdraw from his office. In neither case does this imply acceptance of the validity of the grounds for the challenge. In both cases the procedure provided in Annex B of the Timor Sea Treaty shall be used in full for the appointment of the substitute arbitrator, even if during the process of appointing the challenged arbitrator a party had failed to exercise his right to appoint or to participate in the appointment.

Article 7

1. If the other party does not agree to the challenge and the challenged arbitrator does not withdraw, the decision on the challenge will be made by the Secretary-General of the Permanent Court of Arbitration.
2. If the appointing authority sustains the challenge, a substitute arbitrator shall be appointed or chosen pursuant to the procedure set out in Annex B to the Timor Sea Treaty.

Replacement of an Arbitrator

Article 8

1. In the event of the death or resignation of an arbitrator during the course of the arbitral proceedings, a substitute arbitrator shall be appointed or chosen pursuant to the procedure set out in Annex B to the Timor Sea Treaty. Any resignation by an arbitrator shall be addressed to the arbitral tribunal and shall not be effective unless the arbitral tribunal determines that there are sufficient reasons to accept the resignation, and if the arbitral tribunal so determines the resignation shall become effective on the date designated by the arbitral tribunal. In the event that an arbitrator whose resignation is not accepted by the tribunal nevertheless fails to participate in the arbitration, the provisions of paragraph 3 of this article shall apply.
2. In the event that an arbitrator fails to act or in the event of the de jure or de facto impossibility of his performing his functions, the procedure in respect of the challenge and replacement of an arbitrator as provided in the preceding articles shall apply, subject to the provisions of paragraph 3 of this article.
3. If an arbitrator fails to participate in the arbitration, the other arbitrators shall, unless the parties agree otherwise, have the power in their sole discretion to continue the arbitration and to make any decision, ruling or award, notwithstanding the failure of one arbitrator to participate. In determining whether to continue the arbitration or to render any decision, ruling, or award without the participation of an arbitrator, the other arbitrators shall take into account the stage of the arbitration, the reason, if any, expressed by the arbitrator for such non-participation, and such other matters as they consider appropriate in the circumstances of the case. In the event that the other arbitrators determine not to continue the arbitration without the nonparticipating arbitrator, the arbitral tribunal shall declare the office vacant, and a substitute arbitrator shall be appointed pursuant to the provisions of Annex B of the Timor Sea Treaty, unless the parties agree on a different method of appointment.

Repetition of Hearings in the Event of the Replacement of an Arbitrator

Article 9

If under articles 6 to 8 the chairman is replaced, any hearings held previously shall be repeated; if any other arbitrator is replaced, such prior hearings may be repeated at the discretion of the arbitral tribunal.

SECTION III. ARBITRAL PROCEEDINGS

General Provisions

Article 10

1. Subject to the provisions of the Timor Sea Treaty and these Rules, the arbitral tribunal may conduct the arbitration in such manner as it considers appropriate, provided that the parties are treated with equality and that at any stage of the proceedings each party is given a full opportunity of presenting its case. The arbitral tribunal, in exercising its discretion, shall conduct the arbitration so as to provide a fair and efficient process for resolving the parties' dispute and to avoid unnecessary delay and expense.

2. If either party so requests at any appropriate stage of the proceedings, the arbitral tribunal shall hold hearings for the presentation of evidence by witnesses, including expert witnesses, or for oral argument. In the absence of such a request, the arbitral tribunal shall decide whether to hold such hearings or whether the proceedings shall be conducted on the basis of documents and other materials.
3. All documents or information supplied to the arbitral tribunal by one party shall at the same time be communicated by that party to the other party and a copy shall be filed with the International Bureau.

Place of Hearings and Meetings

Article 11

1. Unless the parties agree otherwise, the place where hearings will be held shall be The Hague, The Netherlands.
2. The arbitral tribunal may hold meetings for consultation among its members at any place it deems appropriate, having regard to the circumstances of the arbitration.
3. After inviting the views of the parties, the arbitral tribunal may meet at any place it deems appropriate for the inspection of property or documents. The parties shall be given sufficient notice to enable them to be present at such inspection.

Language

Article 12

1. The language of the arbitration is English.
2. Any documents annexed to the statement of claim or statement of defence, and any supplementary documents or exhibits submitted in the course of the proceedings, delivered in their original language, shall be accompanied by a translation into English.

Order of Pleading

Article 13

1. The timetable for submissions shall be as follows:

Participant	Event	Date
Timor-Leste	Submission of Statement of Claim	18 February 2014
Australia	Submission of Defence	19 May 2014
Timor-Leste	Submission of Reply	18 July 2014
Australia	Submission of Rejoinder	18 August 2014

2. At the request of either party, and after having sought the views of the other party, the arbitral tribunal may extend the time for the submission of any pleading.
3. The arbitral tribunal, after seeking the views of the parties, may determine such further written pleadings as may be required from the parties or may be presented by them and shall fix the periods of time for the submission of such pleadings.
4. Unless the arbitral tribunal otherwise decides, no further document or witness may be tendered by a party after the close of the written proceedings.

Statement of Claim

Article 14

1. Unless the statement of claim was contained in the notice of arbitration, within a period of time to be determined by the arbitral tribunal, the claimant shall communicate its statement of claim in writing to the respondent and to each of the arbitrators. A copy of the treaty or other agreement and of the arbitration agreement if not contained in the treaty or agreement, shall be annexed thereto.
2. The statement of claim shall include a precise statement of the following particulars:
 - (a) The names and addresses of the parties;
 - (b) A statement of the facts supporting the claim;
 - (c) The points at issue;
 - (d) The relief or remedy sought.

Statement of Defence

Article 15

1. Within a period of time to be determined by the arbitral tribunal, the respondent shall communicate its statement of defence in writing to the claimant and to each of the arbitrators.
2. The statement of defence shall reply to the particulars (b), (c) and (d) of the statement of claim (art. 14, para. 2).

Form of Written Submissions

Article 16

1. The parties shall submit together with their written submissions all documentary, witness, expert and other evidence upon which they intend to rely. The parties shall also append legal authorities (such as treaties, laws, decrees, or judicial decisions) cited in their submissions.
2. The parties' written submissions shall be transmitted in the following manner:

- (a) The submitting party shall transmit an electronic copy of its submission by e-mail, with accompanying evidence and legal authorities to the other party and the International Bureau, for onward transmission to the Tribunal.
 - (b) On the same day, the submitting party shall dispatch by courier to the opposing party and the International Bureau, for onward transmission to the Tribunal, hard copies of the same materials sent electronically, together with hard copies of all accompanying documentary exhibits, legal authorities, witness statements, and expert reports. The submitting party shall dispatch two copies of its submission to the opposing party and five copies to the International Bureau.
 - (c) Along with every hard-copy submission, the submitting party shall dispatch a complete electronic copy (including accompanying evidence and legal authorities) on USB flash drive or other electronic device, if possible in searchable Adobe PDF.
3. Evidence and legal authorities appended to the parties' written submissions shall be organised as follows:
 - (a) Documents submitted to the arbitral tribunal shall be numbered consecutively throughout the arbitration and shall clearly distinguish between different types of documents (e.g., exhibits, witness statements, expert reports, legal authorities). The parties shall agree on a method of numbering and labelling of documents that is consistent between them.
 - (b) Hard copies of documents shall be submitted in an appropriate order in files or volumes.
 - (c) Written submissions shall be accompanied by a detailed table of contents describing all evidence and legal authorities appended to them by exhibit number, date, type of document, and author or recipient, if and as applicable.

Amendments to the Claim or Defence

Article 17

During the course of the arbitral proceedings either party may amend or supplement its claim or defence unless the arbitral tribunal considers it inappropriate to allow such amendment having regard to the delay in making it or prejudice to the other party or any other circumstances. However, a claim may not be amended in such a manner that the amended claim falls outside the scope of the arbitration clause or separate arbitration agreement.

Pleas as to the Jurisdiction of the Arbitral Tribunal

Article 18

1. The arbitral tribunal shall have the power to rule on objections that it has no jurisdiction, including any objections with respect to the existence or validity of the arbitration clause or of the separate arbitration agreement.

2. The arbitral tribunal shall have the power to determine the existence or the validity of the treaty or other agreement of which an arbitration clause forms a part. For the purposes of article 18, an arbitration clause which forms part of the treaty or agreement and which provides for arbitration under these Rules shall be treated as an agreement independent of the other terms of the treaty or agreement. A decision by the arbitral tribunal that the treaty or agreement is null and void shall not entail ipso jure the invalidity of the arbitration clause.
3. A plea that the arbitral tribunal does not have jurisdiction shall be raised not later than in the statement of defence.
4. Issues of jurisdiction, admissibility and merits will be dealt with in a single hearing.

Evidence and Hearings (Articles 19 and 20)

Article 19

1. Each party shall have the burden of proving the facts relied on to support its claim or defence.
2. The arbitral tribunal may, if it considers it appropriate, require a party to deliver to the tribunal and to the other party, within such a period of time as the arbitral tribunal shall decide, a summary of the documents and other evidence which that party intends to present in support of the facts in issue set out in its statement of claim or statement of defence.
3. Written pleadings shall be accompanied by all documents and other evidence relied upon in support of any facts alleged therein. In so far as is possible, all documentary evidence shall be submitted with the respective Statement of Claim and Defence of the parties.
4. At any time during the arbitral proceedings the arbitral tribunal may call upon the parties to produce documents, exhibits or other evidence within such a period of time as the tribunal shall determine. The tribunal shall take note of any refusal to do so as well as any reasons given for such refusal.
5. The parties shall include with their written pleadings written witness or expert opinion testimony for each witness of fact or expert witness upon which they intend to rely.

Article 20

1. There shall be a hearing at which the parties may make their oral submissions. The arbitral tribunal shall give the parties adequate advance notice of the date, time and place thereof.
2. Before any hearing, a party may be called upon by the arbitral tribunal or the other party to present at the hearing for examination and cross-examination any witness or expert whose written testimony has been advanced with the written submissions. A party may also call its own witnesses or experts for examination at the hearing. Each party shall notify the International Bureau and the other party of the names of the witnesses and experts it wishes to call to testify at the hearing no later than 30 days prior to the hearing.
3. Except with leave of the Arbitral Tribunal, no expert or witness of fact may be heard unless he or she has provided a signed written expert report or statement.

4. If a witness or expert who has been called to testify by the arbitral tribunal or the other party does not appear to testify at the hearing, the witness's or expert witness's written testimony shall be stricken from the record, unless, in the opinion of the arbitral tribunal, exceptional circumstances apply.
5. Where a language other than English is to be used by a witness or expert witness, the necessary arrangements for interpretation into English shall be made by the International Bureau.
6. The International Bureau shall make arrangements for a verbatim record of each hearing to be produced.
7. Before testifying, witnesses (other than expert witnesses) shall not be in attendance at the hearing. The arbitral tribunal is free to determine the manner in which witnesses are examined.
8. The arbitral tribunal shall determine the admissibility, relevance, materiality and weight of the evidence offered.

Interim Measures of Protection

Article 21

1. Unless the parties otherwise agree, the arbitral tribunal may, at the request of either party, take any interim measures it deems necessary to preserve the respective rights of either party.
2. Such interim measures may be established in the form of an interim award. The arbitral tribunal shall be entitled to require security for the costs of such measures.
3. A request for interim measures addressed by any party to a judicial authority shall not be deemed incompatible with the agreement to arbitrate, or as a waiver of that agreement.

Experts

Article 22

1. The arbitral tribunal may appoint one or more experts to report to it, in writing, on specific issues to be determined by the tribunal. A copy of the expert's terms of reference, established by the arbitral tribunal, shall be communicated to the parties.
2. The parties shall give the expert any relevant information or produce for his inspection any relevant documents or goods that he may request of them. Any dispute between a party and such expert as to the relevance and appropriateness of the required information or production shall be referred to the arbitral tribunal for decision.
3. Upon receipt of the expert's report, the arbitral tribunal shall communicate a copy of the report to the parties who shall be given the opportunity to express, in writing, their opinion on the report. A party shall be entitled to examine any document on which the expert has relied in his report.
4. At the request of either party the expert, after delivery of the report, may be heard at a hearing where the parties shall have the opportunity to be present and to interrogate the expert. At this hearing either party may present expert witnesses in order to testify on the points at issue. The provisions of article 20 shall be applicable to such proceedings.

Failure to Appear or to Make Submissions

Article 23

1. If, within the period of time fixed by the arbitral tribunal, the claimant has failed to communicate its claim without showing sufficient cause for such failure, the arbitral tribunal shall issue an order for the termination of the arbitral proceedings. If, within the period of time fixed by the arbitral tribunal, the respondent has failed to communicate its statement of defence without showing sufficient cause for such failure, the arbitral tribunal shall order that the proceedings continue.
2. If one of the parties, duly notified under these Rules, fails to appear at a hearing, without showing sufficient cause for such failure, the arbitral tribunal may proceed with the arbitration.
3. If one of the parties, duly invited to produce documentary evidence, fails to do so within the established period of time, without showing sufficient cause for such failure, the arbitral tribunal may make the award on the evidence before it.

Closure of Hearings

Article 24

1. At the conclusion of the last statement made by a party at the hearing, its agent, without recapitulation of the arguments, shall read that party's final submissions. A copy of the written text of these, signed by the agent, shall be communicated to the arbitral tribunal and transmitted to the other party.
2. The arbitral tribunal may inquire of the parties if they have any further proof to offer or witnesses to be heard or submissions to make and, if there are none, it may declare the hearings closed.
3. The arbitral tribunal may, if it considers it necessary owing to exceptional circumstances, decide, on its own motion or upon application of a party, to reopen the hearings at any time before the award is made.

Waiver of Rules

Article 25

A party who knows that any provision of, or requirement under, these Rules has not been complied with and yet proceeds with the arbitration without promptly stating its objection to such non-compliance shall be deemed to have waived its right to object.

Confidentiality of the Proceedings

Article 26

1. The arbitration shall be listed on the website of the International Bureau. The listing shall identify the parties to the arbitration, the members of the arbitral tribunal, and the parties' Agents, Co-Agents, Counsel, Advocates and Advisers.

2. Hearings shall be held in camera unless the parties agree otherwise, with the exception of short opening statements which will be webcast on the website of the International Bureau.
3. Subject to any redactions ordered by the arbitral tribunal in accordance with article 31 upon the application of either party, any award of the arbitral tribunal shall be made public on the website of the International Bureau.
4. Subject to any redactions ordered by the arbitral tribunal in accordance with article 31 upon the application of either party, the parties' submissions, including all written pleadings, documents and evidence submitted in the arbitration, and verbatim transcripts of meetings and hearings, and the arbitral tribunal's procedural orders and decisions shall be made publicly available on the website of the International Bureau at the same time as the arbitral tribunal's final award.
5. Pending publication of the final award in accordance with paragraph 3 of this article, any unredacted award, as well as all written and oral pleadings, documents and evidence submitted in the arbitration, and verbatim transcripts of meetings and hearings shall remain confidential unless otherwise agreed by the parties.

SECTION IV. THE AWARD

Decisions

Article 27

1. Any award or other decision of the arbitral tribunal shall be made by a majority of the arbitrators.
2. In the case of questions of procedure, when there is no majority or when the arbitral tribunal so authorizes, the chairman may decide on his own, subject to revision, if any, by the arbitral tribunal.

Form and Effect of the Award

Article 28

1. In addition to making a final award, the arbitral tribunal shall be entitled to make interim, interlocutory, or partial awards.
2. The award shall be made in writing and shall be final and binding on the parties. The parties undertake to carry out the award without delay.
3. The arbitral tribunal shall state the reasons upon which the award is based, unless the parties have agreed that no reasons are to be given.
4. An award shall be signed by the arbitrators and it shall contain the date on which and the place where the award was made. Where an arbitrator fails to sign, the award shall state the reason for the absence of the signature.
5. Copies of the award signed by the arbitrators shall be communicated to the parties by the International Bureau.

Applicable Law

Article 29

1. The arbitral tribunal shall apply the law chosen by the parties, or in the absence of an agreement, shall decide such disputes in accordance with international law by applying:
 - (a) International conventions, whether general or particular, establishing rules expressly recognized by the contesting States;
 - (b) International custom, as evidence of a general practice accepted as law;
 - (c) The general principles of law recognized by civilized nations;
 - (d) Judicial and arbitral decisions and the teachings of the most highly qualified publicists of the various nations, as subsidiary means for the determination of rules of law.
2. This provision shall not prejudice the power of the arbitral tribunal to decide a case *ex aequo et bono*, if the parties agree thereto.

Settlement or Other Grounds for Termination

Article 30

1. If, before the award is made, the parties agree on a settlement of the dispute, the arbitral tribunal shall either issue an order for the termination of the arbitral proceedings or, if requested by both parties and accepted by the tribunal, record the settlement in the form of an arbitral award on agreed terms. The arbitral tribunal is not obliged to give reasons for such an award.
2. If, before the award is made, the continuation of the arbitral proceedings becomes unnecessary or impossible for any reason not mentioned in paragraph 1 of this article, the arbitral tribunal shall inform the parties of its intention to issue an order for the termination of the proceedings. The arbitral tribunal shall have the power to issue such an order unless a party raises justifiable grounds for objection.
3. Copies of the order for termination of the arbitral proceedings or of the arbitral award on agreed terms, signed by the arbitrators, shall be communicated to the parties by the International Bureau. Where an arbitral award on agreed terms is made, the provisions of article 28, paragraphs 2, 4, and 5, shall apply.

Redaction

Article 31

1. Within thirty days after the receipt of the award, either party, with notice to the other party, may apply to the arbitral tribunal for redactions to the award. Within the same period of time, either party may apply to arbitral tribunal for redactions to the parties' submissions, including all written pleadings, documents and evidence submitted in the arbitration, and verbatim transcripts of meetings and hearings, or to the arbitral tribunal's procedural orders and decisions.

2. After considering the views of the parties, the arbitral tribunal shall decide on the requested redactions within thirty days, after which the documents in question shall be made public pursuant to article 26.

Interpretation of the Award

Article 32

1. Within sixty days after the receipt of the award, either party, with notice to the other party, may request that the arbitral tribunal give an interpretation of the award.
2. The interpretation shall be given in writing within forty-five days after the receipt of the request. The interpretation shall form part of the award and the provisions of article 28, paragraphs 2 to 5, shall apply.

Correction of the Award

Article 33

1. Within sixty days after the receipt of the award, either party, with notice to the other party, may request the arbitral tribunal to correct in the award any errors in computation, any clerical or typographical errors, or any errors of similar nature. The arbitral tribunal may within thirty days after the communication of the award make such corrections on its own initiative.
2. Such corrections shall be in writing, and the provisions of article 28, paragraphs 2 to 5, shall apply.

Additional Award

Article 34

1. Within sixty days after the receipt of the award, either party, with notice to the other party, may request the arbitral tribunal to make an additional award as to claims presented in the arbitral proceedings but omitted from the award.
2. If the arbitral tribunal considers the request for an additional award to be justified and considers that the omission can be rectified without any further hearings or evidence, it shall complete its award within sixty days after the receipt of the request.
3. When an additional award is made, the provisions of article 28, paragraphs 2 to 5, shall apply.

Costs (Articles 38 to 40)

Article 35

The term 'costs' includes only:

- (a) The fees of the arbitral tribunal;

- (b) The travel and other expenses incurred by the arbitrators;
- (c) The costs of expert advice and of other assistance required by the arbitral tribunal;
- (d) The travel and other expenses of witnesses to the extent such expenses are approved by the arbitral tribunal;
- (e) Any fees and expenses of the appointing authority as well as the expenses of the Secretary-General of the Permanent Court of Arbitration at The Hague and the International Bureau.

Article 36

1. The fees of the arbitral tribunal shall be reasonable in amount, taking into account the complexity of the subject-matter, the time spent by the arbitrators, the amount in dispute, if any, and any other relevant circumstances of the case.
2. When a party so requests, the arbitral tribunal shall fix its fees only after consultation with the Secretary-General of the Permanent Court of Arbitration who may make any comment he deems appropriate to the arbitral tribunal concerning the fees.

Article 37

Each party shall bear its own costs of arbitration.

Deposit of Costs

Article 38

1. The International Bureau following the commencement of the arbitration, may request each party to deposit an equal amount as an advance for the costs referred to in article 35, paragraphs (a), (b), (c) and (e). All amounts deposited by the parties pursuant to this paragraph and paragraph 2 of this article shall be directed to the International Bureau, and disbursed by it for such costs, including, inter alia, fees to the arbitrators, the Secretary-General and the International Bureau.
2. During the course of the arbitral proceedings the arbitral tribunal may request supplementary deposits from the parties.
3. If the requested deposits are not paid in full within sixty days after the receipt of the request, the arbitral tribunal shall so inform the parties in order that one or another of them may make the required payment. If such payment is not made, the arbitral tribunal may order the suspension or termination of the arbitral proceedings.
4. After the award has been made, the International Bureau shall render an accounting to the parties of the deposits received and return any unexpended balance to the parties.