

**Rules of Mediation and Conciliation
of the Arbitration and Mediation Court within the Republican Union
of Agricultural Producers' Associations "UNIAGROPROTECT"**

Article 1.

(1) These Rules establish the terms of providing assistance to natural persons and legal entities interested in mediation and conciliation for the purpose of settling disputes in an amiable manner arising out of commercial and other civil relations and avoiding judiciary or arbitration litigation.

(2) Organization and conduction of the mediation and conciliation procedure is insured by the Arbitration and Mediation Court within the Republican Union of Agricultural Producer's Associations "UNIAGROPROTECT", hereinafter referred to as the Arbitration and Mediation Court.

(3) The parties resorting to the mediation and conciliation procedure through the Arbitration and Mediation Court shall accept these Rules.

Article 2.

(1) The Arbitration and Mediation Court organizes and conducts the mediation and conciliation procedure in disputes among members of agricultural producers' associations, which are part of "UNIAGROPROTECT" Union, as well as in disputes involving other subjects of civil relations, natural persons and legal entities with full legal capacity.

(2) The Arbitration and Mediation Court has the right to conduct the mediation and conciliation procedure of any dispute arising from civil relations for which the law provides conclusion of a transaction, including:

- a) commercial disputes (sale, exchange, donation, render of services, intermediary services, commission, etc.), including upon conclusion, performance or dissolution of the contract;
- b) disputes arising from conclusion, performance or dissolution of the lease contract of agricultural land or other agricultural assets;
- c) disputes related to the establishment of the procedure for using the jointly privatized assets by groups of participants in the farm privatization process, including disputes related to division of these assets;
- d) disputes arising from other civil relations.

Article 3.

(1) Initiation and conduction of the mediation and conciliation procedure shall be aimed to the achievement of an agreement between the parties regarding full or partial settlement of the dispute. If the parties fail to come to an agreement, they shall have the right to resort to arbitration or judiciary proceedings.

(2) Existence of an arbitration agreement (contractual arbitration clause or arbitration agreement) shall not constitute an impediment for the conduction of a mediation and conciliation procedure.

Article 4.

(1) The mediation and conciliation procedure shall be voluntary and can take place only based on the agreement of the parties.

(2) The parties may stipulate in their contracts and other agreements that the mediation and conciliation procedure shall be a mandatory step for dispute settlement before initiating judiciary or arbitration proceedings.

Article 5.

(1) The parties shall initiate the mediation and conciliation procedure by filing a request to the Arbitration and Mediation Court. The request can be submitted to the Secretariat of the Arbitration and Mediation Court or to the local secretariat office of an agricultural producers' association – a member of the “UNIAGROROTECT” Union.

(2) If the mediation and conciliation procedure is initiated only by one party, the Secretariat of the Arbitration and Mediation Court shall inform the other party about the mediation proposal and shall suggest that the respective party gives an answer as to whether he (she) accepts or declines the mediation and conciliation procedure and, in case of approval, states the position regarding the appointment of a mediator, as well as the opinion regarding the dispute. The answer shall be given no later than 30 days if the offer made by the first party does not provide a shorter term for an answer.

(3) If the second party to the dispute does not respond to the offer on initiation of the mediation and conciliation procedure or does not accept it within the deadline indicated in para. (2), the Secretariat of the Arbitration and Mediation Court shall notify about this the party that made the offer, and the mediation and conciliation procedure shall not be conducted.

Article 6.

(1) If both parties agree upon initiation of the mediation and conciliation procedure, they shall sign and submit in written form a joint Request for Mediation. The request shall contain a brief description of the issues of the dispute and the position of parties regarding possible solutions. The evidence of both parties shall be included in the Request.

(2) The Request for Mediation and Conciliation shall contain the first and last name of the Mediator jointly elected by both of the parties or the request of both parties for the Mediator to be appointed by the Arbitration and Mediation Court. The Mediator shall be elected from the persons included in the List of Arbitrators.

(3) If the parties fail to designate a Mediator, the latter shall be appointed by the Chairperson of the Arbitration and Mediation Court within 5 days following the filing in of the Request for Mediation.

(4) Along with the submission of the Request or no later than 10 days following the date of filing in the request, one of the parties or both parties shall pay the mediation fee in accordance with the Norms of Arbitration Fees and Expenses.

Article 7.

The Secretariat of the Arbitration and Mediation Court shall pass the Request of the parties and the supporting documents to the Mediator. After having consulted the parties, the Mediator shall set the date of the mediation and conciliation meeting, for which the parties shall be invited by the Arbitration and Mediation Court in written form or by other communication means (telephone, telegraph, etc.).

Article 8.

(1) The mediation and conciliation procedure shall be conducted in the form of discussions on the mediated dispute with the participation of parties and of the Mediator, and, if needed, of counselors and experts. Upon the mutual consent of parties, the Mediator shall have the right to discuss with each party separately the circumstances of the dispute and possible solutions.

(2) After hearing the parties, examining the acts and, if needed, making some calculations and other research, the Mediator can recommend the parties an equitable solution to the dispute, develop together with the parties possible options for settling the dispute based on the principles of justice, cooperation, impartiality, mutual concession and mutual renunciation.

Article 9.

If the parties agree upon a solution to the mediated dispute, they shall sign an agreement, called Compromise Agreement. This Agreement shall be prepared in accordance with the provisions of the Civil Code.

Article 10.

(1) If after the discussions held with the parties the Mediator comes to the conclusion that the conciliation attempts failed and the parties will not come to an agreement on an amiable solution for the dispute, the Mediator shall prepare a conclusion, in which he (she) shall state the failure of the mediation and conciliation procedure. In this case, the parties shall have the right to settle the dispute either through arbitration or in court.

(2) At any stage of the mediation and conciliation procedure any or both parties shall have the right to inform in written form the Arbitration and Mediation Court and/or the Mediator about the intention to stop this procedure, without being obliged to provide reasons for his (her) decision. The discontinuance of the mediation and conciliation procedure shall not impede the initiation and conduction of other mediation attempts in accordance with these Rules.

(3) In cases stated in para. (1) and (2), the parties shall receive full or partial reimbursement for the fees paid in accordance with the Norms on Arbitration Fees and Expenses.

Article 11.

The person who served as Mediator in a dispute subject to mediation and conciliation shall not serve as arbitrator or representative to any of the parties in the same dispute, except for the case when the parties of the dispute agree not to take this restriction into account.

Article 12.

(1) The mediation and conciliation procedure shall be confidential, regardless of its result. The contents of the resolution issued within the mediation and conciliation procedure shall also be confidential, except for the case when a competent Court issues a mandatory order.

(2) Access to information on the mediated dispute shall be made available only under the conditions specified in art. 44 of the Rules of Arbitration of the Arbitration and Mediation Court within the Republican Union of Agricultural Producers' Associations "UNIAGROPROTECT".

Article 13.

Regardless of the result of the mediation and conciliation procedure, the points of view, arguments, recommendations and suggestions expressed during the mediation and conciliation procedure by one of the parties or by the Mediator, as well as the parties' statements or their agreement to accept the mediator's suggestions or recommendations cannot be invoked and shall have no effect in judiciary or arbitration proceedings, where the dispute subject to mediation and conciliation is under examination.

Article 14.

The obligations undertaken by the parties as a result of the mediation and conciliation procedure shall be fulfilled voluntarily by the obliged party, in the manner and within the deadline established in the Compromise Agreement, and in case of their non-fulfillment or improper fulfillment the interested party shall have the right to resort to court.

Article 15.

The file of the dispute subject to the mediation and conciliation procedure shall be kept at the Secretariat of the Arbitration and Mediation Court (main office). If the mediation and conciliation procedure was held at a local office of an agricultural producers' association – member of "UNIAGROPROTECT" Union, the file of the dispute shall be transferred to the main office within 5 days following the completion of the mediation and conciliation procedure.

Article 16.

These Rules shall enter in force on the date of their approval.