

# **RULES OF THE INTELLECTUAL PROPERTY ARBITRATION CENTRE SOUTH AFRICA**

**Circle Chambers, Brooklyn, Pretoria**

## **CHAPTER 1 – GENERAL**

### **Article 1 – Intellectual Property Arbitration Centre South Africa**

- 1.1 The Intellectual Property Arbitration Centre South Africa (hereinafter IPACSA) comprises a secretariat and South African intellectual property lawyers who have agreed to be bound by these Rules and to sit as arbitrators under the aegis of these rules.
- 1.2 The secretariat will comprise one or more secretaries responsible for the administrative functioning of IPACSA.
- 1.3 Subject to 1.5 below arbitrators under IPACSA are and will be Advocates of the High Court of South Africa, Senior Counsel and Junior Counsel, with expertise and experience in intellectual property law.
- 1.4 The secretariat will maintain a list of IPACSA arbitrators including, in respect of each arbitrator, a brief description of his or her qualifications and experience and a statement disclosing the fees that each arbitrator will charge, on a daily or hourly rate, for work as an arbitrator under these Rules.
- 1.5 IPACSA arbitrations will be before a single arbitrator or a panel of three arbitrators (collectively referred to herein as the “Arbitral Tribunal”). Where the Arbitral Tribunal, whether at first instance or on appeal, comprises three arbitrators IPACSA encourages the parties to choose arbitrators on the IPACSA approved panel (as described in 1.3 and 1.4 above). However, if the parties agree, an Arbitral Tribunal of three arbitrators may include one or more persons not on the panel, who shall be practising lawyers, retired lawyers or retired judges with expertise and experience in intellectual property law.
- 1.6 The address and contact details of IPACSA are as follows:

The Secretariat, IPACSA  
Circle Chambers  
Brooklyn Bridge Office Park  
570 Fehrsen St  
Brooklyn, Pretoria 0181  
email: [secretary@ipac-sa.co.za](mailto:secretary@ipac-sa.co.za)  
Mobile: 0729430930
- 1.7 The preferred venue for arbitrations under these Rules is Circle Chambers utilising their boardrooms (main arbitration room) and, if necessary and if desired by the parties, two adjacent breakout consultation rooms.

## Article 2 – Intellectual property disputes

- 2.1 IPACSA arbitrations will relate exclusively to civil intellectual property disputes (as defined herein) between parties to the arbitration.
- 2.2 “Intellectual property disputes” comprise the following:
- (a) disputes arising under the Patents Act 1978 including infringement of the claims of any South African patent and invalidity of such a patent;
  - (b) disputes arising under the Trade Marks Act 1993 including claims for infringement of any trade mark registered under the Trade Marks Act, ownership disputes and claims that a registered trade mark is not validly registered under the Act;
  - (c) disputes arising under the Designs Act 1993 including infringement of any registered design and any claim or claims that a registered design is not validly registered;
  - (d) disputes arising under the Copyright Act 1978;
  - (e) disputes arising under the Plant Breeder’s Act, 15 of 1976;
  - (f) civil aspects of the Counterfeit Goods Act 1997;
  - (g) claims for passing off;
  - (h) claims involving allegations of unlawful competition;
  - (i) claims arising in respect of contracts which include provisions regarding intellectual property including restraints against use of intellectual property and provisions regarding the licensing of intellectual property.
- 2.3 In relation to disputes arising under the Patents Act special rules will apply and are dealt with in Chapter 8.

## Article 3- Definitions

- 3.1 Unless the context otherwise indicates the following words and phrases shall bear the following meanings:

**“the court”**: the High Court and the Court of the Commissioner of Patents, as the context may indicate;

**"deliver"**: to email a document or documents to another party as provided for in these Rules, and to email the document to the secretariat; and "delivery" has a corresponding meaning;

**"pleading"**: includes a statement of claim, a statement of defence, a counter-claim and a statement of defence to a counter-claim;

**“The Arbitration Act”**: the Arbitration Act 42 of 1965;

**"IPACSA"**: shall be the name under which the Intellectual Property Arbitration Centre South

Africa conducts its activities of providing the administrative means for the conduct of intellectual property arbitration proceedings;

**“days”**: normal working days excluding weekends and public holidays, noting that where a time period fixed by these rules or by an Arbitral Tribunal’s directions ends on a weekend or public holiday it will be deemed to end on the next working day;

**“The Secretariat”**: the person or persons appointed to perform the functions conferred upon them under these Rules.

#### **Article 4 - Purpose of these Rules**

- 4.1 These rules provide for the matters necessary to conduct intellectual property arbitral proceedings by IPACSA arbitrators.
- 4.2 With regard to matters which are not provided for in these rules, the IPACSA arbitrators shall follow the provisions of the Arbitration Act read with the International Arbitration Act 15 of 2017.

#### **Article 5- Effect of these Rules on Arbitral Proceedings**

- 5.2 Parties who have agreed to submit a dispute to arbitration by IPACSA, also agree that these rules shall govern the arbitral proceedings between the parties.
- 5.3 Parties who submit to arbitration under these Rules generally agree that awards made by an Arbitral Tribunal pursuant to these rules will be made an order of court in terms of section 31(1) of the Arbitration Act.
- 5.4 An application to court to make an arbitral award under these Rules an order of court in terms of section 31(1) of the Arbitration Act may be made jointly by the parties or, if the unsuccessful party does not cooperate in such an application, by the successful party in whose favour the award has been made.

#### **Article 6- Confidentiality**

- 6.1 Unless the parties agree otherwise in writing, all hearings shall take place in private.
- 6.2 The parties, the Arbitral Tribunal and IPACSA shall treat as confidential and shall not disclose to a third party without prior written consent from the parties all matters relating to the arbitration including the existence of the arbitration, the names of the parties, the award, materials created for the purpose of the arbitration and documents produced by another party in the arbitration proceedings and not in the public domain except:
  - (a) for the purpose of making an application to any competent court;
  - (b) for the purpose of making an application to court to enforce the award;

- (c) pursuant to the order of a court of competent jurisdiction; or
  - (d) to a person for the purposes of having or seeking third party funding, where that person has agreed to keep the material and information supplied confidential.
- 6.3 Nothing in Article 6.2 permits a party who receives information or documents provided by another party in the arbitration proceedings, which is not otherwise in the public domain, to disclose or use the information or documents otherwise than for the purposes of the arbitration proceedings.
- 6.4 Any party planning to make disclosure under Article 6.2 must within a reasonable time, not being more than 10 days, prior to the intended disclosure, notify the Arbitral Tribunal, the secretariat and the other parties (if during the arbitration) or the secretariat and the other parties (if the disclosure takes place after the conclusion of the arbitration) and furnish details of the disclosure and an explanation of the reason for it.
- 6.5 To the extent that a witness is given access to evidence or other information obtained in the arbitration, the party calling such witness is responsible for the maintenance by the witness of the same degree of confidentiality as that required of the party.
- 6.6 The Arbitral Tribunal may, in consultation with the parties and where appropriate the secretariat, adopt any measure:
- (a) to protect any physical and electronic information shared in the arbitration; and
  - (b) to ensure any personal data produced or exchanged in the arbitration is processed and/or stored in light of any applicable law.

## **CHAPTER 2 – APPOINTMENT AND REMOVAL OF ARBITRATORS AND CASE NUMBER**

### **Article 7 – Arbitrator, Arbitration Tribunal and Case Number**

- 7.1 Arbitration in IPACSA shall be conducted by a single arbitrator or panel of three arbitrators (hereinafter, the “Arbitral Tribunal”).
- 7.2 A panel of three arbitrators will include at least one Senior Counsel.
- 7.3 Before any arbitration is commenced under these Rules the party or parties intending to commence arbitration must ascertain from the secretariat a case number to be allocated to the matter, which case number must appear prominently at the head of the first page of each document delivered in the arbitration.

### **Article 8- Appointment of Arbitrators**

- 8.1 If two or more parties have agreed in advance to submit an intellectual property dispute or disputes to arbitration under the IPACSA Rules the parties or their representatives must sign an

IPACSA Agreement to Commence Arbitration (a standard document is accessible on the IPACSA website) which should be delivered, together with payment of the administration fee provided for in paragraph 1 of Appendix 1 and, if a cross-claim is contemplated, payment of the administration fee provided for in paragraph 2 of Appendix 1.

- 8.2 In the event of an Agreement as contemplated by 8.1 above, the parties may therein agree on a single arbitrator or a panel of three arbitrators, agree on the identity of the arbitrator or arbitrators from the IPACSA panel, if a single arbitrator agree/not agree that the award will be appealable to an Appeal Tribunal under these Rules and, if no agreement can be reached on the identity of the arbitrator or arbitrators or if an arbitrator is not available, the parties will agree to the nomination procedure provided for in this Article.
- 8.3 Upon receipt of a signed IPACSA Agreement to Commence Arbitration as contemplated in 8.1 above and upon receipt of the administration fee or fees referred to in 8.1 above, the secretariat will engage with the parties on the appointment of an available arbitrator or arbitrators (if the identity of the arbitrator or arbitrators has been agreed) or on the appointment of the Arbitral Tribunal under the procedure provided for hereunder, in this Article, and shall appoint the Arbitral Tribunal.
- 8.4 In the event of an Agreement provided for in 8.1-8.3 above, and once the arbitrator or arbitrators have been identified and appointed, the provisions of Articles 15, 17 and 18 will apply, and the documents and procedures provided for in Articles 13 and 14 will not be necessary.
- 8.5 Where there is no agreement in advance as contemplated in 8.1 above, the following Rules will apply.
- 8.6 A party or parties wishing to resort to arbitration before an IPACSA arbitrator, shall submit a written Request for Arbitration to the secretariat.
- 8.7 In a request for arbitration the party requesting (the "claimant") may request that the arbitration be heard by a panel of three arbitrators and the other party or parties (the "respondent/s") may agree or not agree to the appointment of three arbitrators. In the event of no agreement that the matter be heard by three arbitrators the matter will be heard by a single arbitrator.
- 8.8 If the matter is to be heard by a single arbitrator the claimant will be entitled to nominate one or more (up to a maximum of three) preferred arbitrators from IPACSA list of arbitrators and the respondent/s shall indicate whether they accept the appointment of one of the proposed arbitrators, in which event the secretariat will appoint the arbitrator thus agreed upon.
- 8.9 If the matter is to be heard by three arbitrators the claimant will be entitled to nominate three or more (up to a maximum of five) preferred arbitrators from the IPACSA list of arbitrators and

the respondent/s shall indicate whether they accept the appointment of three of the proposed arbitrators, in which event the secretariat will appoint the arbitrators thus agreed upon.

- 8.10 In the event of no agreement between the parties as to the identity of a single arbitrator or three arbitrators the secretariat shall appoint an arbitrator or arbitrators from IPACSA's list of arbitrators.
- 8.11 In the event of the appointment of three arbitrators the most senior will be nominated as the presiding arbitrator.
- 8.12 The direction of proceedings at hearings shall be conducted by the presiding arbitrator.
- 8.13 In the event of the appointment of three arbitrators, the arbitral award shall be decided by a majority of the members of the Arbitral Tribunal.
- 8.14 After the appointment of a single arbitrator each party shall indicate in writing whether they agree that the final award of the arbitrator will be subject to appeal (under Chapter 9 hereof). In the absence of unanimous agreement that the final award will be subject to appeal, there will be no right of appeal from the award. There is no right of appeal from an award made by a panel of three arbitrators.

#### **Article 9- Obligations of Arbitrators**

- 9.1 An arbitrator shall adhere to these rules and handle proceedings independently, fairly and swiftly.
- 9.2 If an arbitrator knows of anything which may cast doubt on his or her impartiality or independence, he or she shall immediately disclose details of such to the secretariat, and the secretariat shall immediately notify the parties of such circumstances.
- 9.3 Prior to accepting appointment each arbitrator must, in writing, disclose to the parties (through the secretariat) any circumstances which may give rise to conflicts of interest, including whether he or she has, in the past, arbitrated a dispute involving any of the parties, advised any of the parties on any matter, or represented any of the parties in any litigation.
- 9.4 Notwithstanding a disclosure of facts potentially affecting impartiality or independence under 9.2 above, or of conflicts or potential conflicts under 9.3 above, the parties may agree to continue with the appointed arbitrator; alternatively both parties may propose his or her removal under 10.2 below, or one or more of the parties may challenge an arbitrator under Article 11 below.
- 9.5 An arbitrator who has been agreed between the parties or nominated under Article 8 above may, of his or her own accord, refuse to take the arbitration because of circumstances arising in 9.2 and 9.3 above or for any other legitimate cause.

**Article 10- Resignation and Removal of Arbitrators**

- 10.1 An arbitrator may resign where there is sufficient cause.
- 10.2 The parties may propose the removal of an arbitrator by agreement.
- 10.3 Where there is a proposal as provided in 10.2, or a successful challenge to an arbitrator under Article 11, the secretariat shall notify the arbitrator who will then be obliged to withdraw from the arbitration and, if requested to do so, the secretariat will appoint a new arbitrator as agreed between the parties or after nominations in accordance with Article 8 above.

**Article 11- Challenge to Arbitrator**

- 11.1 Where circumstances exist giving rise to doubts as to an arbitrator's impartiality or independence, a party or the parties may request that IPACSA make a determination on the challenge to such arbitrator.
- 11.2 In such event the secretariat shall refer the challenge together with any written submissions which the parties wish to make in regards thereto to one of the Senior Counsel on the IPACSA list of arbitrators (the "referee").
- 11.3 The referee shall be entitled to charge his or her usual hourly rate for work done in determining the challenge. The fee will be communicated to the parties upon completion of the work in deciding the challenge and is payable immediately in equal shares by the parties.
- 11.4 The referee shall decide the challenge and make a determination on whether or not the arbitrator should be replaced. That determination will only be communicated to the parties if the fee provided for in 11.3 has been paid.

**Article 12 – Appointment of Replacement Arbitrator/s**

- 12.1 Where an arbitrator ceases to act for reasons of death, resignation, or successful challenge, another arbitrator or arbitrators shall be appointed pursuant to the provisions of Article 8.
- 12.2 Unless otherwise agreed by the parties, where a new arbitrator is appointed under Rule 12.1, the arbitration will continue from where the previous arbitrator stopped.

**CHAPTER 3: COMMENCEMENT OF ARBITRAL PROCEEDINGS****Article 13 – Agreement to Arbitrate or Notice of Arbitration**

- 13.1 Parties may commence an arbitration in the manner described in Rules 8.1-8.4 above by delivering a signed IPACSA Agreement to Commence Arbitration and obtaining a case number from the secretariat as provided in Rule 7.3 above. Otherwise, the procedure to be followed is set out in Articles 13 and 14.

- 13.2 After obtaining a case number from the secretariat is provided in Rule 7.3 above, the party initiating recourse to arbitration (the “Claimant”) shall deliver a Notice of Arbitration. The Claimant shall at the same time pay IPACSA’s administration fee as specified in Appendix 1. IPACSA may request the provision of hard copies if required.
- 13.3 The arbitration shall be deemed to commence on the date on which the Notice of Arbitration and the administration fee are received by IPACSA. The secretariat shall notify the parties of the commencement of the arbitration.
- 13.4 The Notice of Arbitration shall include the following:
- (a) a request that the dispute be referred to arbitration;
  - (b) the names, addresses, telephone numbers and email addresses (if any) of the parties and their legal representatives;
  - (c) a copy of the arbitration clause or the separate arbitration agreement that is invoked (if any);
  - (d) an identification of the type of intellectual property dispute between the parties – see Article 2 above;
  - (e) the general nature of the claim and an indication of the amount involved, if any;
  - (f) the relief or remedy sought; and
  - (g) a proposal as to the number of arbitrators (i.e. one or three), if the parties have not previously agreed thereon.
- 13.5 The Notice of Arbitration may also include:
- (a) the Claimant’s proposal for the nomination of a sole arbitrator in accordance with Article 8.8 or three arbitrators in accordance with Article 8.9;
  - (b) the Statement of Claim referred to in Article 17.
- 13.6 The Claimant shall at the same time deliver a copy of the Notice of Arbitration to the party or parties against whom it seeks relief (“Respondent” or “Respondents”), and notify the secretariat that it has done so, specifying the date of delivery.

#### **Article 14 – Answer to Notice of Arbitration**

- 14.1 Within 10 days after receipt of the Notice of Arbitration the Respondent(s) shall deliver an Answer to Notice of Arbitration. IPACSA may request the provision of hard copies if required.
- 14.2 The Answer to Notice of Arbitration shall include the following:
- (a) the names, postal addresses, telephone numbers and email addresses (if any) of the Respondent/s and its legal representatives;
  - (b) an indication that the respondent has consented that the intellectual property dispute with the applicant be referred to IPACSA arbitration;



- (c) the Respondent's comments on the particulars set forth in the Notice of Arbitration;
- (d) the Respondent's answer to the relief or remedy sought in the Notice of Arbitration; and
- (e) the Respondent's proposal as to the number of arbitrators if the parties have not previously agreed thereon;
- (f) in the event of the Claimant seeking arbitration pursuant to an arbitration clause in a contract, whether the respondent challenges the validity or scope of the arbitration agreement and whether the dispute falls within the agreement and is capable of being referred to arbitration,

14.3 The Answer to Notice of Arbitration may also include:

- (a) the Respondent's proposal for the nomination of a sole arbitrator in accordance with Article 8.8 or three arbitrators in accordance with Article 8.9;
- (b) the Statement of Defence referred to in Article 18; and
- (c) a Counterclaim, if any.

14.4 Once the registration fee has been paid, and the Arbitral Tribunal constituted, the secretariat shall transmit the file to the Arbitral Tribunal.

#### **Article 15- Receipt and appointment of Arbitral Tribunal**

15.1 The secretariat will acknowledge receipt of the documents referred to in Articles 13 and 14.

15.2 Thereafter the secretariat shall, promptly after receipt of the documents referred to in Article 14, appoint an arbitrator or arbitrators pursuant to the provision of Article 8, transmit the file to the arbitrator and notify both parties of the name or names of arbitrator.

15.3 As soon as possible, but no later than five days, after appointment, the arbitrator or presiding arbitrator, as the case may be, shall indicate to the parties, through the secretariat, at least three proposed dates and times for an initial case management hearing to be conducted as soon as practicable but no later than 15 days after the arbitrator's or arbitrators' appointment.

15.4 An initial case management hearing shall be held, preferably remotely on a suitable platform such as Teams, on the date and at the time agreed between the parties and the arbitrator or presiding arbitrator, during which the Arbitral Tribunal and the parties' representatives shall agree a trial plan and timetable for the hearing of the matter, including any interlocutory issues that may arise.

### **CHAPTER 4: ARBITRATION PROCEEDINGS**

#### **Article 16 – General Provisions**

- 16.1 Where a statute grants an official or a Court exclusive jurisdiction, the parties shall agree in writing to approach such official or Court to give effect to an arbitral award;
- 16.2 Where a statute prescribes certain procedures or time periods, the parties shall in writing agree that the procedures and time limits set out in these rules shall apply;
- 16.3 Subject to these Rules, the Arbitral Tribunal may conduct the arbitration in such manner as it considers appropriate, and shall adopt suitable procedures for the conduct of the arbitration in order to avoid unnecessary delay or expense, provided that each party is given a reasonable opportunity of presenting its case.
- 16.4 The Arbitral Tribunal may decide where the arbitration proceedings shall be conducted (in person or virtually).
- 16.5 The Arbitral Tribunal may meet at any venue it deems appropriate for the inspection of goods, property or documents. The parties shall be given sufficient notice to enable them to be represented at such inspection.
- 16.6 In the event of three arbitrators, matters of procedure may be decided by the presiding arbitrator alone, or if the Arbitral Tribunal so authorises, any other member of the Arbitral Tribunal. Any such decision is subject to revision, if any, by the Arbitral Tribunal as a whole.
- 16.7 No party shall communicate with an arbitrator without the other party or all other parties being sent a copy or copies of the communication.

#### **Article 17 – Statement of Claim**

- 17.1 Unless the Statement of Claim was delivered with the Notice of Arbitration, within a period of time to be determined by the Arbitral Tribunal at the initial case management hearing under Article 15.4, the Claimant shall deliver its Statement of Claim to the Respondent, each arbitrator and the secretariat.
- 17.2 The Statement of Claim shall include the following particulars:
- (a) the names, addresses, telephone numbers and email addresses of the parties and their legal representatives;
  - (b) a statement of the facts supporting the claim;
  - (c) the points at issue;
  - (d) the relief or remedy sought; and
  - (e) the legal grounds or arguments supporting the claim.
- 17.3 The Claimant should, as far as possible, annex to its Statement of Claim all documents on which it relies or include in the Statement of Claim references to them.

#### **Article 18 – Statement of Defence and Counterclaim**

- 18.1 Unless the Statement of Defence delivered with the Answer to Notice of Arbitration, within a period of time to be determined by the Arbitral Tribunal at the initial case management hearing under 15.4, the Respondent shall deliver a Statement of Defence to the Claimant, each arbitrator and the secretariat.
- 18.2 The Statement of Defence shall reply to the particulars (b) to (e) of the Statement of Claim (Article 17.2). The Respondent should, as far as possible, annex to its Statement of Defence the documents on which it relies for its defence or include in the Defence references to them.
- 18.3 Unless put forward in the Answer to Notice of Arbitration, the Respondent may together with its Statement of Defence, deliver a Counterclaim (in which event an additional administration fee, as provided for in Appendix 1, is payable by the cross claimant).
- 18.4 The provisions of Article 17.2 (b) to (e) shall apply to a Counterclaim.
- 18.5 If a Counterclaim is delivered the Claimant shall, within a time to be determined by the arbitral tribunal, deliver a Defence to the counterclaim in which event the provisions of Article 18.2 shall apply.

#### **Article 19 – Amendments to the Claim or Defence**

- 19.1 During the course of the arbitration proceedings either party may amend or supplement its claim, defence or counterclaim 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 it considers relevant.
- 19.2 Prior to making an amendment to a pleading as provided for in 19.1, the party intending to amend must deliver to all other parties, the secretariat and the Arbitral Tribunal a notice setting out the proposed amendment or amendments.
- 19.3 Within 7 days of receipt of the notice referred to in 19.2, any party may object to the proposed amendment or amendments and if so the party objecting must deliver to all other parties, the secretariat and the Arbitral Tribunal written reasons for the objection/s.
- 19.4 If an objection is delivered under 19.3 the arbitrator or the presiding arbitrator (or his nominee) will decide the objection and notify the parties.

#### **Article 20 – Disclosure of documents**

- 20.1 On the written application of any of the parties the Arbitral Tribunal may make an order that a party disclose a document or documents (if necessary, under oath as provided for in Rule 31.2(h)).
- 20.2 A written application for disclosure of documents must list:
- (a) Specific documents sought to be disclosed, if known; or

- (b) A list of categories of documents sought to be disclosed and, in each case, a statement setting out why that category of documents is necessary and relevant to an issue or issues in the proceedings.
- 20.3 A written application for disclosure under Article 20.2 must be delivered to the party from whom disclosure is sought, upon receipt of which that party may:
- (a) consent to disclose specific documents or documents within the suggested categories; or
  - (b) object in writing to part or all of the disclosure request, specifying the documents or categories objected to and the grounds for the objection.
- 20.4 In the event of an objection to a disclosure request, as provided for in 20.3 (b), the written application for disclosure and the written objection must be sent to the Arbitration Tribunal whereupon the arbitrator (if a single arbitrator) or the presiding arbitrator or his nominee (if there are three arbitrators) will determine whether the requested disclosure or any part of it should be made and if so the scope of the disclosure, specifying the time by which the disclosed documents must be provided to the requesting party.
- 20.5 In the event of a party from whom disclosure is sought contending that documents are confidential the documents will be marked “confidential” and will be accessible only to the Arbitral Tribunal and to the legal representatives of other parties, unless otherwise ordered.

#### **Article 21 – Splitting of Issues**

- 21.1 At any stage of the proceedings the parties may agree that all issues relating to pecuniary relief payable by a respondent in respect of any infringement or wrong will be heard and determined separately and after an award by the Arbitral Tribunal dealing with the merits of the intellectual property dispute and determining the liability, if any, of a respondent.
- 21.2 Failing agreement under 21.1, at any stage of the proceedings, a party may submit a written application to the Arbitral Tribunal for an order that all issues relating to pecuniary relief payable by a respondent in respect of any infringement or wrong will be heard and determined separately and after an award by the Arbitral Tribunal dealing with the merits of the intellectual property dispute and determining the liability, if any, of a respondent, and the Arbitral Tribunal, after hearing the parties, may make such an order.
- 21.3 In the event of an agreement under 21.1 or an order under 21.2 an Arbitral Tribunal will conduct an initial hearing to determine liability by a respondent (the “liability hearing”) after which the tribunal will make an initial award determining whether or not the respondent has infringe the intellectual property right or rights relied upon or committed the wrong complained of and, if necessary, conduct a second hearing (the “enquiry into damages”) to determine the pecuniary relief that should be granted.

- 21.4 The rules herein relating to evidence, expert evidence, experts appointed by the Arbitral Tribunal, disclosure of documents, pre-trial conferences and hearings will apply to both the liability hearing and the enquiry into damages.
- 21.5 After conclusion of the enquiry into damages the Arbitral Tribunal may make a second award dealing with issues of pecuniary relief.
- 21.6 The Arbitral Tribunal shall be entitled to make costs orders during or at the end of the liability hearing and during or at the end of the enquiry into damages, as deemed appropriate by the tribunal.

#### **Article 22 – Evidence**

- 22.1 After the close of pleadings and within a time to be determined by the Arbitral Tribunal the parties will exchange a list of witnesses each party intends to rely upon and a brief summary of the nature of the evidence to be given by each witness.
- 22.2 Upon receipt of the documents referred to in Article 21.1 the Arbitral Tribunal will call for written submissions by each party as to the method of presentation of evidence by each witness – by affidavit or oral evidence and if the latter may direct the provision of witness statements setting out the evidence in chief intended to be given by each witness.
- 22.3 If evidence is given by affidavit the Arbitral Tribunal may of its own accord, or upon application of any party, determine that a deponent to an affidavit should appear for cross-examination and re-examination.
- 22.4 If evidence is to be given orally all witnesses should be available for cross-examination and re-examination.
- 22.5 The Arbitral Tribunal shall hold hearings for the presentation of evidence by witnesses, including expert witnesses, and/or for oral argument.
- 22.6 The Arbitral Tribunal shall organise the conduct, place and time of any hearing in advance, in consultation with the parties. A hearing may take place in person, or virtually on a suitable platform such as Teams.
- 22.7 The Arbitral Tribunal shall give the parties reasonable notice in writing of any hearing.
- 22.8 If the Arbitral Tribunal so directs the parties shall be entitled to invoke any law to secure the attendance of any witness to give evidence and to produce books, documents or things to the arbitrator.

#### **Article 23 – Expert evidence**

- 23.1 If either party intends to call a witness to give evidence as an expert that party shall, within the time limit referred to in Article 22.1, deliver to the other party a summary of the expert's

opinions and his or her reasons for each opinion. The provisions of rule 36(9)(b) of the Uniform Rules of Court will apply to such summaries.

23.2 If both (or more if there are three or more parties) parties intend to call an expert witness or witnesses the following provisions will apply:

- (a) At least 10 days before the commencement of a trial hearing (or some other date determined by the Arbitral Tribunal) the expert witnesses will conduct a meeting, either on person or remotely on a suitable platform such as Teams – the “expert meeting”.
- (b) The expert meeting will be attended by expert witnesses only and not the parties or their legal representatives.
- (c) The experts must, at the expert meeting, seek to resolve differences of opinion that emerge from their respective expert reports.
- (d) During or after the expert meeting the experts must prepare a joint report, signed by all experts. In the joint report the experts must identify areas of agreement and issues where there are still differences of opinion between them, in the latter case each giving brief reasons for his or her opinion.

23.3 At any hearing where expert evidence will be taken the Arbitral Tribunal may, in its discretion, direct that the expert witnesses give their evidence concurrently with initial questions by the tribunal followed by questions by each of the parties’ legal representatives.

#### **Article 24 – Experts appointed by the Arbitral Tribunal**

24.1 To assist it in the assessment of evidence, the Arbitral Tribunal, after consulting with the parties and if the parties consent, may appoint one or more experts to report to it, in writing, on specific issues to be determined by the Arbitral Tribunal. The Arbitral Tribunal may meet privately with any tribunal-appointed expert. The Arbitral Tribunal shall establish terms of reference for the expert, and shall communicate a copy of the expert’s terms of reference to the parties and the secretariat.

24.2 The expert shall, before accepting appointment, submit to the Arbitral Tribunal and to the parties a description of his or her qualifications and a statement of his or her impartiality and independence. Within the time ordered by the Arbitral Tribunal, the parties shall inform the Arbitral Tribunal whether they have any objections as to the expert’s qualifications or independence. The Arbitral Tribunal shall decide promptly whether to accept any such objections.

24.3 The parties shall give the expert any relevant information or produce for his or her inspection any relevant documents or goods that he or she may require of them. Any dispute between a

party and such expert as to the relevance of the required information or production shall be referred to the Arbitral Tribunal for decision.

- 24.4 Upon receipt of the expert's report, the Arbitral Tribunal shall send a copy of the report to the parties who shall be given the opportunity to express, in writing, their opinions on the report. The parties shall be entitled to examine any document on which the expert has relied in his or her report.
- 24.5 At the request of either party, the expert, after delivery of the report, shall attend a hearing at which the parties shall have the opportunity to be present (in person or virtually) and to examine the expert. At this hearing either party may present expert witnesses in order to testify on the points at issue.

#### **Article 25 – Default**

- 25.1 If, within the time fixed by the Arbitral Tribunal, the Claimant has failed to deliver its Statement of Claim without showing sufficient cause for such failure, the Arbitral Tribunal may order for the termination of the arbitration proceedings or make any other order as the Arbitral Tribunal considers appropriate. If, within the 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 may order that the arbitration proceedings continue (with or without a hearing) and make one or more awards.
- 25.2 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 and make one or more awards.
- 25.3 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.

#### **Article 26 - Case Management Hearings**

- 26.1 From time to time the Arbitral Tribunal may hold case management hearings in order, generally, to determine the conduct of the arbitration proceedings and to deal with interlocutory matters that may arise.
- 26.2 Case management hearings may be held by one arbitrator designated by the Arbitral Tribunal.
- 26.3 Case management hearings may be held in person or virtually on a suitable platform such as Teams.

#### **Article 27 – Pre-trial conference**

- 27.1 On a date at least 10 days before a trial hearing the parties' legal representatives will attend a pre-trial conference on a date and at a place to be agreed by them or, failing agreement, to be determined by the Arbitral Tribunal.
- 27.2 Each party shall, not later than 5 days prior to the pre-trial conference, furnish every other party with a list of—
- (a) the admissions which such party requires;
  - (b) the enquiries which such party will direct; and
  - (c) other matters regarding preparation for trial which such party will raise for discussion.
- 27.3 Minutes of the pre-trial conference shall be prepared and signed by or on behalf of every party, including the following particulars:
- (a) the date, place and duration of the conference and the names of the persons present;
  - (b) a statement by or on behalf of each party that genuine attempts have been made to resolve the dispute or disputes between the parties and to narrow the issues in dispute;
  - (c) admissions made by each party;
  - (d) a statement identifying each issue that remains in dispute between the parties;
  - (e) a statement recording all matters that have been agreed between the parties regarding the conduct of the hearing.

#### **Article 28 - Duration of the Arbitration**

- 28.1 The Arbitral Tribunal and parties shall make efforts to create a plan for the arbitral proceedings on the date set for the first case management hearing under 15.4, in order for the expeditious resolution of the dispute, and shall cooperate with each other in order that the proceedings are conducted as planned, after the timetable for such proceedings has been set.
- 28.2 The aim is that the arbitration, including the issuance of the final award, should be completed within 6 months from the date of commencement of the arbitration.

#### **Article 29 - Records of Arbitral Proceedings**

- 29.1 The Arbitral Tribunal shall compile a record of each hearing, and the arbitrator shall affix his/her signature thereon.
- 29.2 Except for case management and other interlocutory hearings, in general the parties agree to the employment of a recording and transcription service (with a transcript to be delivered to the Arbitral Tribunal and the parties at agreed intervals, preferably daily in the event of a multi-day hearing, or upon completion of an oral trial). The parties agree to share the cost of such recording and transcription service.



29.3 The record of hearings as provided for in the preceding paragraphs shall include the type of hearing held, the date and time, the names of individuals appearing, and, in the case of case management and other interlocutory hearings, a summary of the proceedings and a summary of decisions, directions or orders made.

#### **Article 30 Conclusion and Recommencement**

30.1 Where the case is deemed ripe for rendering an arbitral award, the Arbitral Tribunal shall declare a conclusion to the trial.

30.2 The Arbitral Tribunal may however, in the case where it considers it necessary, recommence the trial, even after it has declared a conclusion to the trial.

#### **Article 31 – Powers of the Arbitrator**

31.1 Generally, the arbitrator shall exercise the powers provided for in these Rules and shall have a wide discretion to ensure a just and expeditious determination of all the disputes raised in the pleadings.

31.2 Without detracting from the generality of 31.1, the Arbitral Tribunal shall have the following powers:

- (a) to proceed with the arbitration in accordance with these Rules;
- (b) to strike out or dismiss any claim, defence or counterclaim because of failure or refusal of a party to comply with any direction made by the Arbitral Tribunal or any interim award;
- (c) to make any ruling or give any direction under these Rules or as he, she or they otherwise deem appropriate for the just and expeditious adjudication of disputes raised in the pleadings;
- (d) to determine the date and place of any hearing, and whether the hearing will be in person or conducted remotely on a suitable platform such as Teams;
- (e) to change any time limits provided for in these Rules or set by directions of the Tribunal;
- (f) to order the claimant or cross claimant to furnish security for costs in respect of the claim or counterclaim;
- (g) to permit other parties to be joined in the arbitration proceedings with their written consent;
- (h) to order that any disclosure of documents under Article 20 should be under oath supported by an affidavit as if it were a discovery affidavit under the Uniform Rules of the High Court;

- (i) to order a party to produce or make available for inspection any property or thing in possession or under the control of the party;
- (j) to make rulings or directions on matters of onus, admissibility of evidence, and procedure;
- (k) to receive oral or affidavit evidence and to make findings of fact and law;
- (l) to make an order or orders as to costs;
- (m) where a witness is unable to attend a hearing in person, to direct that that witness's evidence be taken remotely on a suitable platform such as Teams;
- (n) in the event of the Claimant seeking arbitration under an arbitration clause in a contract, to hear challenges on the validity or scope of the arbitration agreement and whether the dispute falls within the agreement and is capable of being referred to arbitration.

### **Article 32 - Written Arbitral Award**

- 32.1 In addition to making a final award, the Arbitral Tribunal shall be entitled to make interim or partial awards.
- 32.2 An award shall be made in writing and, subject to the right of appeal, if any, shall be final and binding on the parties. The parties undertake to carry out the award without delay.
- 32.3 The Arbitral Tribunal shall state the reasons upon which an award is based, unless the parties have agreed that no reasons are to be given. The award shall determine by whom and to what extent the costs of the arbitration shall be paid.
- 32.4 An award shall be signed by the Arbitral Tribunal. In the event of three arbitrators, if any arbitrator does not sign an award, the signatures of the majority or (failing a majority) of the presiding arbitrator shall be sufficient, provided that the reason for the omitted signature or signatures is stated in the award.
- 32.5 The Arbitral Tribunal shall deliver copies of an award signed by the arbitrator(s) to the parties and the secretariat.
- 32.6 Before delivering an award, the Arbitral Tribunal shall ask the secretariat whether there are any outstanding monies due by any of the parties. The award shall not be delivered until the secretariat notifies the Arbitral Tribunal that there are no monies still due to the secretariat for administration fees or for the fees of the Arbitral Tribunal.
- 32.7 Immediately upon the making of the award the arbitrator or arbitrators shall be entitled to receive all fees held by IPACSA in respect of the arbitration, provided that the parties may agree that monies deposited with IPACSA in respect of arbitrator's fees may be paid to an arbitrator on an interim basis and before the conclusion of the arbitration.

**Article 33 - Resolution by Settlement and Ruling of Settlement**

- 33.1 Where the parties settle the civil dispute the subject of the arbitral proceedings, during arbitral proceedings, and both parties so request, the Arbitral Tribunal may make a ruling upon agreed terms.
- 33.2 The ruling as provided in the preceding paragraph shall have the same effect as an arbitral award.
- 33.3 The ruling as provided in Paragraph 33.1 shall be made in writing in accordance with Article 32 and shall state that it is an arbitral award.

**Article 34 - Apportionment of Arbitral Costs**

- 34.1 The costs paid by the parties relating to the arbitral proceedings shall be apportioned between the parties in accordance with the agreement of the parties, and in the case where no such agreement exists, and subject to Article 38 below the costs shall be borne by each party.
- 34.2 Notwithstanding the preceding paragraph, the Arbitral Tribunal may determine the apportionment between the parties depending on the particular case and at its own discretion and, in accordance with Article 38 below, may determine the incidence of costs and make an award or awards for the payment of costs by one party to another.

**CHAPTER 5: WITHDRAWAL AND TERMINATION OF ARBITRAL PROCEEDINGS****Article 35 – Withdrawal And Termination of Arbitral Proceedings**

- 35.1 A claimant may withdraw his, her or its claim before the conclusion of the arbitral proceedings with the consent of the respondent. This also applies to a counterclaim.
- 35.2 The arbitral proceedings shall be terminated by a final arbitral award or by a ruling to terminate the arbitral proceedings.
- 35.3 The Arbitral Tribunal shall issue a ruling to terminate the arbitral proceedings in the case where any of the following grounds for termination exists:
- (a) where the applicant withdraws its application pursuant to the provision of paragraph 35.1 above;
  - (b) where both parties agree on the termination of the arbitral proceedings; or
  - (c) where the parties settle the civil dispute the subject of the arbitral proceedings.

**CHAPTER 6: FEES AND COSTS****Article 36 – Costs of Arbitration**

36.1 The term “costs of arbitration” includes:

- (a) the fees of the Arbitral Tribunal;
- (b) IPACSA’s administration fees;
- (c) the fees and expenses of any experts and/or assistants appointed by the Arbitral Tribunal;
- (d) the costs of venue hire;
- (e) the cost of any recording and transcription service used for a hearing;
- (f) the parties’ legal and other costs directly incurred in conducting the arbitration, if such costs were claimed during the arbitration proceedings and only to the extent that the Arbitral Tribunal determines that such costs are reasonable as assessed under Article 38 below;
- (e) the costs of any professional taxing consultant employed under Article 38.6(f) below

### **Article 37 – Deposit of Costs**

37.1 Within the time periods provided for in Appendix 1 the parties will be required to pay the IPACSA administration fee or fees and the deposits in respect of the fees of the arbitrators, as provided for in Appendix 1. IPACSA may also, after consulting the Arbitral Tribunal, fix an amount to be paid by the parties for the deposit of costs to pay for the fees of any experts appointed by the Arbitral Tribunal.

37.2 The amount to be paid by the parties or any of them for any deposit of costs fixed by IPACSA for the fees and expenses of the Arbitral Tribunal shall be determined by the secretariat in accordance with the schedule of fees in Appendix 1. In addition to the deposit for costs, if the parties choose to avail themselves of the arbitration facilities at Circle Chambers referred to in 1.7 above, the secretariat will provide an amount to be paid by the parties for the use of those facilities.

37.3 Any deposit of costs fixed by the secretariat pursuant to Articles 37.1 and 37.2 shall in principle be payable in equal shares by the Claimant and the Respondent or, where there are more than two parties, in equal shares by each of the parties.

37.4 Where a Respondent submits a counterclaim or it otherwise appears appropriate in the circumstances, the secretariat may, after consulting the Arbitral Tribunal, fix separate deposits of costs and request payment of them from the parties.

37.5 During the course of the arbitration proceedings, the secretariat may, after consulting the Arbitral Tribunal, readjust the amount to be paid and/or the proportion to be paid by any party for any deposit of costs fixed by IPACSA and request the parties or any of them to make supplementary deposits.

37.6 Any deposit of costs fixed under this Article will be paid to and held by IPACSA.

- 37.7 The Arbitral Tribunal will not proceed with the arbitration unless and until the secretariat has confirmed in writing to the Arbitral Tribunal that all the necessary deposits have been paid and that IPACSA is in possession of the funds.
- 37.8 If the required deposits of costs are not paid in full within the time periods provided for in Appendix 1, the secretariat shall, after consulting the Arbitral Tribunal, so inform the parties in order that any party may pay the unpaid portion of the deposit to allow the arbitration to proceed. In such circumstances, a party making substitute payment shall be entitled to recover that amount as a debt immediately due from the defaulting party and the Arbitral Tribunal may issue an award for that debt on application of the party making substitute payment.
- 37.9 In the event that any deposit of costs provided for in these rules and Appendix 1 remains unpaid (in whole or in part), the Arbitral Tribunal may, after consulting the secretariat, order the suspension or termination of the whole or any part of the arbitration.
- 37.10 At the end of any arbitration the secretariat shall render an accounting to the parties of the deposit of costs received and held by IPACSA and return any unexpended balance to the parties.

#### **Article 38 – Decisions on Costs of Arbitration by the Arbitral Tribunal and Assessment thereof**

- 38.1 The costs of the arbitration referred to in Article 36 shall be fixed by the Arbitral Tribunal either:
- (a) in the final award;
  - (b) in an award on agreed terms made pursuant to Article 32;
  - (c) in an order for the termination of the arbitration issued pursuant to Article 35;
  - (d) in any interim costs award made by the arbitrator under 38.2 below.
- 38.2 In addition to making a final award on costs of arbitration, the Arbitral Tribunal may at any time during the arbitration make decisions on costs and order payment. Any such order on costs may be made by the Arbitral Tribunal as an interim, interlocutory or partial award.
- 38.3 Generally, the costs of arbitration shall be paid by the unsuccessful party. However, the Arbitral Tribunal may make any determination as to apportionment of costs that it considers just and equitable in the circumstances.
- 38.4 The award of costs is in the discretion of the Arbitral Tribunal. In exercising its discretion the Tribunal may take into account any circumstances it considers relevant including the extent to which each party conducted the arbitration in an expeditious and cost-effective manner.
- 38.5 At the conclusion of the arbitration or at any stage during the arbitration when the Arbitral Tribunal considers it necessary to make a costs award against one or more parties, whether in the final award or otherwise, the Arbitral Tribunal shall determine and indicate in writing to each party the party or parties by whom costs must be paid and the party or parties to whom such

costs should be paid and the general nature of the costs, whether for a portion or the whole of the arbitration.

38.6 After a determination of the incidence of costs under 38.5 above the costs will be assessed as follows:

- (a) The parties may agree on the amount of costs payable under the determination;
- (b) Failing agreement under (a) within seven days of the determination of the incidence of costs, the party or parties to whom costs are to be paid may present, within a further 14 days, a bill or bills of costs setting out the items and amounts of costs claimed;
- (c) Within seven days of receipt of a bill of costs under (b) above a party liable for costs may agree on the items and amounts set out in the bill in which event the bill and amount will be communicated to the Arbitral Tribunal;
- (d) Alternatively, within seven days of receipt of a bill of costs under (b) above, a party liable for costs may dispute the bill setting out in writing the items or amounts disputed, in which event both the bill of costs and the document disputing the bill will be sent to the Arbitral Tribunal;
- (e) After receipt of the documents referred to in (c) or (d) the Arbitral Tribunal shall, in its discretion, determine the amount of costs payable in each case;
- (f) For the purposes of the determination under (e) above the Arbitral Tribunal shall be entitled to employ the services of a professional taxing consultant to assist in determining the amount of costs to be awarded and shall determine the amount of such costs on such reasonable basis as it deems appropriate in the circumstances.

## **CHAPTER 7 – REFERRAL OF EXISTING LITIGATION TO ARBITRATION UNDER THESE RULES**

### **Article 39 – Proceedings other than Patent Cases**

39.1 Where proceedings involving intellectual property disputes (other than patent cases) have already commenced in any Division of the High Court the parties to those proceedings may, at any stage, agree to refer the dispute to arbitration under these Rules. They may do so by agreeing to discontinue the High Court proceedings and to commence arbitration proceedings under these Rules. Alternatively, they may do so by adopting the procedures described in this Article.

39.2 In the event of an agreement under Article 39.1, where the parties do not decide to discontinue the High Court proceedings, they may, by consent, apply to the court before which the matter is pending, under section 38(1) of the Superior Courts Act 2013, for an order appointing an identified IPACSA arbitrator as a referee and referring to him or her, under section 38(1)(c) the

matters in dispute arising in the case for enquiry and report by the referee and the court may adopt the report.

- 39.3 Once the parties have agreed in principle to refer an existing intellectual property dispute before a Division of the High Court to arbitration under these Rules they shall:
- (a) Agree on a single arbitrator from the IPACSA list of arbitrators to act as a referee under section 38 of the Superior Courts Act, and if they can't so agree, adopt the appointment procedure referred to in Article 8 of these Rules in relation to a single arbitrator.
  - (b) Through the secretariat, obtain the written consent of the single arbitrator so appointed to act as a referee under section 38, such consent to include a statement of the arbitrator's costs and charges.
  - (c) Jointly apply to the court to have the whole of the dispute (as defined in the pleadings filed in the High Court) referred to the agreed referee.
- 39.4 Upon appointment as a referee under section 38 of the Superior Courts Act the arbitrator shall conduct an arbitration on the issues raised in the court proceedings, such arbitration to be conducted in accordance with these Rules with the following exceptions:
- (a) If pleadings have been exchanged in the court proceedings such pleadings will be deemed to be the pleadings in the arbitration and it will not be necessary for the parties to deliver a statement of claim and defence under Articles 17 and 18.
  - (b) If discovery has been made in the court proceedings such discovery shall be deemed to be disclosure in the arbitration proceedings under article 20.
- 39.5 Upon conclusion of arbitration proceedings under this Article the arbitrator's award will be made in the form of a report to the court by a referee appointed under section 38 of the Superior Courts Act and the parties will jointly apply for that report to be adopted by the court to have effect, under section 38(2), as if it were a finding of the court in the proceedings in question.

#### **Article 40 – Existing proceedings before the Commissioner of Patents**

- 40.1 Where proceedings involving a dispute in relation to a South African patent have already commenced in the Court of the Commissioner of Patents the parties to those proceedings may, at any stage, agree to refer the dispute to arbitration under these Rules. They may do so by agreeing to discontinue the Commissioner's Court proceedings and to commence arbitration proceedings under these Rules. Alternatively, they may do so by adopting the procedures described in this Article.
- 40.2 In the event of an agreement under Article 40.1 the parties agree that they shall, by consent, apply to the Commissioner before whom the matter is pending, under section 38(1) of the Superior Courts Act 2013, read with section 17(1) of the Patents Act 1978, for an order

appointing an identified IPACSA arbitrator as a referee and referring to him or her, under section 38(1)(c) the matters in dispute arising in the case for enquiry and report by the referee and the Commissioner may adopt the report.

- 40.3 In such event the provisions of Rules 39.3 to 39.5 shall apply mutatis mutandis, save that references to the High Court or to a Division of the High Court should be read as the Court of the Commissioner of Patents.

## **CHAPTER 8 – SPECIAL RULES IN RELATION TO PATENT DISPUTES**

### **Article 41 – Patent infringement proceedings**

- 41.1 These special rules, in addition to the general Rules contained herein, apply where parties have agreed that a dispute between them in relation to the alleged infringement, validity or ownership of a South African patent should be determined by an Arbitral Tribunal under these Rules.
- 41.2 In relation to any dispute or disputes between the parties that arise under the Patents Act 1978 the parties expressly agree that the dispute or disputes will be the subject of confidential private arbitration under these Rules and that they will be bound by the opinion of the arbitrator or arbitrators, and any appeal panel under these Rules.
- 41.3 These rules in Articles 41 and 42 apply separately from Article 40 and relate to patent disputes which are not yet the subject of litigation before the Commissioner of Patents.
- 41.4 In the event of a dispute in relation to alleged patent infringement being referred to arbitration under these Rules the parties agree that, notwithstanding the provisions of the Patents Act, they will be bound by the opinion of the Arbitral Tribunal and, in the event of a finding that the respondent has infringed a valid claim or claims of a patent the respondent will agree not to make, use, exercise or dispose of the invention, or offer to do any of those things, during the remaining period of the patent until its expiry.
- 41.5 Further, the parties agree that any award made by the Arbitral Tribunal in relation to infringement, including pecuniary relief, may be made an order of court under section 31(1) of the Arbitration Act, read with section 17(1) of the Patents Act, upon application by the patentee to the Court of the Commissioner of Patents.

### **Article 42 – Invalidity as a defence in patent infringement proceedings**

- 42.1 In any arbitral proceedings alleging infringement of a patent the respondent shall be entitled to raise, as a defence, the invalidity of the patent under any of the grounds of invalidity set out in section 61 of the Patents Act 1978.



42.2 In the event of a respondent being successful in raising invalidity as a defence to patent infringement proceedings before an Arbitral Tribunal the following provisions shall apply:

- (a) The patentee will agree not to enforce the patent against the successful respondent for the remaining duration of the patent until expiry and will agree that the respondent will be entitled to make, use, exercise and dispose of the invention.
- (b) With the consent of both or all parties to the litigation the parties may agree to jointly apply to the Court of the Commissioner of Patents under section 31(1) of the Arbitration Act, read with section 17 (1) of the Patents Act, for an order revoking the patent.
- (c) Alternatively to (b) above, with the consent of all of the parties to the litigation, the patentee may surrender the patent.
- (d) For the avoidance of doubt the steps referred to in (b) and (c) above are not compulsory as long as the successful respondent is the beneficiary of an agreement from the patentee under (a) above.

## **CHAPTER 9 – APPEALS**

### **Article 43: Notice of Appeal**

43.1 Where the parties have, under paragraph 8.14 of Article 8, agreed that the final award of a single arbitrator shall be subject to a right of appeal the following rules will apply.

43.2 A notice of appeal shall be delivered by the appellant, within 10 days of delivery of the award, failing which the award shall not be appealable. If there is a cross-appeal, a notice of cross-appeal shall be delivered within 10 days of delivery of the notice of appeal, failing which a cross-appeal shall be precluded.

43.3 The notice of appeal and notice of cross-appeal, if any, shall state whether the whole or part only of the award is appealed against, and, if only part is appealed, it shall state which part, and shall further specify the findings of fact and rulings of law appealed and the grounds upon which the appeal or cross-appeal is founded.

43.4 In respect of both an appeal and a cross-appeal an administration fee will apply (as provided in Appendix 1), which administration fee is payable at the time of filing of the notice of appeal and the notice of cross-appeal.

### **Article 44: Fees and appointment of appeal arbitrators**

44.1 Upon delivery of a notice of appeal (with or without a cross-appeal), and if the administration fee or fees referred to in 43.4 above have been paid, the Secretariat shall obtain from the

arbitrator an estimate of the time needed for the appeal tribunal to read the record, hear the appeal and cross-appeal, if any, and make an award.

- 44.2 Thereafter, after calculating the fees likely to be charged by the appeal arbitrators taking into account the estimate referred to in 44.1, the Secretariat shall notify the parties of the amount of a costs deposit to be paid in equal shares by each of them and of the date by which such deposits are payable. The notification shall state that, if any party fails to pay his share of such deposit, the other party is entitled within 5 days of being notified by the Secretariat of such failure, to pay also the share of the defaulting party to ensure the continuance of the appeal.
- 44.3 An appeal shall be heard by three appeal arbitrators, at least one of whom should be Senior Counsel. Upon receipt of the deposits referred to in 44.2 the Secretariat shall invite the appellant to nominate between three and five potential appeal arbitrators from the IPACSA list of arbitrators and to communicate such nomination to all other parties by email. Within three days of receipt of the appellant's nomination the other parties shall indicate whether they agree to 3 of the nominated appeal arbitrators. If there is no agreement the secretariat shall appoint three appeal arbitrators, including at least one Senior Counsel. The most senior shall be the president of the Appeal Tribunal.
- 44.4 As soon as possible after the appointment of the Appeal Tribunal the president or one of the other appeal arbitrators nominated by him shall hold an online conference with the representatives of all parties during which an appeal timetable will be determined, the place and manner of the appeal decided and orders made regarding the prior exchange of written submissions on the appeal.

#### **Article 45 – Lapse, hearing and nature of the appeal**

- 45.1 If any party is in default of paying his, her or its share of the deposit referred to in 44.2, and the other party does not pay also the share of fees payable by the defaulting party, the appeal or cross-appeal, as the case may be, shall lapse.
- 45.2 The appeal and/or cross-appeal may be heard in person at a venue to be agreed upon or online, through a suitable online platform such as Teams.
- 45.3 The Appeal Tribunal shall adopt similar procedures and have the same powers as if the appeal and cross-appeal, if any, were a civil appeal and cross-appeal to the Supreme Court of Appeal of South Africa.

### **CHAPTER 10 – IMMUNITY**

#### **Article 46 Immunity of the Arbitral Tribunal**

38.1 The Arbitral Tribunal shall not be liable for any act or omission in connection with any arbitration conducted under these Rules save where the act or omission was not done in good faith.

**THESE RULES SHALL COME INTO FORCE AND EFFECT ON 17 FEBRUARY 2024**

**Appendix 1****A IPACSA REGISTRATION FEES**

1. The administration fee payable by the claimant upon commencement of arbitration proceedings is R20,000.
2. In the event of a cross claim an administration fee payable by the cross claimant shall be R10,000.
3. The administration fee payable by an appellant upon commencement of appeal proceedings is R15,000.
4. The administration fee payable by a cross-appellant upon commencement of a cross-appeal is R4,000.
4. All payments to IPACSA for administration fees referred to above and arbitration fees referred to below must be made to the following bank account (citing as the reference the case number allocated to the matter by the secretariat):

INVESTEC

Account name: IPACSA NPC

Sort Code: 58 01 05

Account No: 10013539456

**B FEES PAYABLE TO THE ARBITRAL TRIBUNAL**

5. In respect of both single arbitrators and a panel of three arbitrators the fees payable, excluding VAT, will be based upon that arbitrator's daily and hourly arbitration rates as set out in each arbitrator's entry in the IPACSA list of arbitrators. If no rates are provided for an individual arbitrator in the list then the applicable rates will be R40,000 per day and R4000 per hour for Senior Counsel and R25000 per day and R2500 per hour for junior counsel. In each case + VAT.
6. Fees will be charged by arbitrators as follows:

- 6.1 Where full days are used or set aside for reading evidence, submissions or appeal records, or for hearings – the applicable daily rate.
- 6.2 Upon writing the award, where full days are used for this purpose – the applicable daily rate.
- 6.3 In all other cases, including case management and interlocutory hearings and considerations – the applicable hourly rate.
- 6.4 Where five or more days are set aside by an arbitrator or arbitrators they may propose a collapse fee in the event of the matter being settled or postponed. If agreed, a collapse fee may be charged by the Arbitral Tribunal if the matter is settled or postponed less than two weeks before the proposed commencement of the matter, and the fee will be 50% of the total fee that each arbitrator would have been entitled to receive if the matter had run for the full period reserved. However, no collapse fee will be chargeable by an arbitrator or arbitrators unless the parties specifically agree in writing that such a fee will be payable.

## **C DEPOSITS PAYABLE IN RESPECT OF ARBITRATION FEES AND COSTS**

7. Immediately after the appointment of the Arbitral Tribunal the secretariat will determine a deposit amount to be paid in respect of initial case management hearings and other interlocutory steps. The first deposit amount will be based upon five hours. From time to time, in the event of more than five hours being used for these purposes, the secretariat may determine further deposit amounts. These initial deposit amounts will be based upon arbitrator's hourly rates.
8. Not less than 15 days before a trial hearing the secretariat will determine from the Arbitral Tribunal the anticipated length of the hearing, the anticipated time that the arbitrator or arbitrators will need to read documents in preparation for the hearing and the anticipated time that the arbitrator will need to write his or her award or awards. Based upon those estimates the secretariat will determine a deposit amount to be paid in respect of the hearing and the award, to be calculated at the arbitrator's or arbitrators' daily rates. The deposit amount will be communicated to the parties and it must be paid in equal shares at least 10 days before the commencement of the hearing (save that if one of the parties fails to pay a share and that share is paid by another party, the substituted payment may be made not more than 5 days before the hearing).

9. If the Circle Chambers facilities are to be used the parties will deposit, in advance (and at least five days before the hearing), the anticipated cost for the use of those facilities.

Circle Chambers costs (inclusive of VAT) in respect of the arbitration facilities:

Daily rate for arbitration room (12-14 people) – R1970.00

Alternatively, daily rate for boardroom on second floor (8-10) – R1220.00

Daily rate for breakout consultation rooms – R610 each

Recording device – R355.00

Parking is included in the daily fee

3 X tea/coffee and biscuits included

Lunches available from surrounding restaurants at their own cost

10. Recording and transcription services – the parties shall pay in equal shares, directly to the provider of such services, the fees charged for the services.
11. All deposit amounts as provided for herein are to be paid in equal shares by the parties (save that if one or more parties fails to pay, another party may pay the defaulting party's share and the provisions of the Rules in relation thereto, shall apply).

**D Address and contact details for commencing arbitration:**

12. All documents should be filed electronically by emailing them to the secretariat at [secretary@ipac-sa.co.za](mailto:secretary@ipac-sa.co.za)
13. All documents referred to in these rules, or delivered in the arbitration proceedings, must bear the case number allocated by the secretariat under Rule 7.3, prominently displayed at the head of the first page of each document (or covering page of a set of documents).

13. The address for the delivery of any physical documents is as follows:

The Secretariat, IPACSA  
Adv Marcia Davids  
Circle Chambers  
Brooklyn Bridge Office Park  
570 Fehrsen St  
Brooklyn, Pretoria 0181  
Mobile: 072 943 0930