

AGREEMENT
BETWEEN
THE GOVERNMENT OF MALAYSIA
AND THE
ASIAN-AFRICAN LEGAL CONSULTATIVE ORGANIZATION
RELATING TO THE
REGIONAL CENTRE FOR ARBITRATION IN
KUALA LUMPUR

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WHEREAS a Regional Centre for Arbitration (hereinafter referred to as the 'Centre') under the auspices of the Asian-African Legal Consultative Organization (hereinafter referred to as the 'Organization') in co-operation with and with the assistance of the Government of Malaysia (hereinafter referred to as the 'Host Government') was established in Kuala Lumpur in March 1978 for an initial period of three years, pursuant to an Agreement concluded by an Exchange of Letter dated 3 March 1978 between the Organization and the Host Government on terms and conditions set out in the aforesaid Agreement;

WHEREAS on the expiry of the initial period of three years another Agreement was concluded between the Organization and the Host Government on 29 July 1981 together with a Memorandum of Understanding for the continued operation of the Centre for a further period of three years;

WHEREAS on the expiry of the said Agreement the Centre continued to operate from 1984 to 1988 on the basis of the said Agreement and the operational costs were met out of savings from the Host Government grants and the Host

Government continued to make available the existing building with all its fittings for the premises of the Centre;

WHEREAS it was deemed appropriate to provide for the continued functioning of the Centre for a further three years for which an Agreement between the Host Government and the Organization was concluded on 10 August 1989 and the Host Government agreed to resume its annual contributions for the Centre for a period of three years with effect from 1 January 1989 and to allocate new premises for the Centre;

WHEREAS on the expiry of the said Agreement the Centre continued to operate on the basis of the abovementioned Agreements and the Host Government continued to make annual contributions to the Centre and make available the said premises for the Centre;

WHEREAS due recognition is given to the fact that over the years the Centre has achieved international recognition as an independent and neutral arbitral institution;

WHEREAS following consultations between the Host Government and the Organization it was deemed appropriate to formalize the continued functioning of the Centre for a further period of five years with effect from 1 January 1992;

AND WHEREAS on completion of the five-year terms of the Centre for two tenures ending on 31 December 2011, the Host Government and the Organization deem it appropriate to formalize the continued functioning of the Centre for a further period of five years with effect from 1 January 2012.

IT IS HEREBY AGREED as follows:

ARTICLE I INDEPENDENCE OF THE CENTRE

1. The Centre has been named as Kuala Lumpur Regional Centre for Arbitration (hereinafter referred to as KLRCA).
2. The Centre shall continue to function under the auspices of the Organization only and on the basis of co-operation, mutual understanding and goodwill.
3. The Host Government shall respect the independent functioning of the Centre.

ARTICLE II JURIDICAL PERSONALITY

The Centre shall possess juridical personality and shall have the capacity to contract and dispose of immovable and movable property and to institute legal proceedings in its name in accordance with the relevant provisions of the Malaysian Law.

ARTICLE III PRIVILEGES AND IMMUNITIES OF THE CENTRE AND PROFESSIONAL STAFF

1. The Centre shall enjoy such privileges and immunities as may be necessary for the purpose of executing its functions including immunity from suit and legal process.

2. The Host Government shall take the necessary steps to ensure that the premises of the Centre, its property, assets and archives and all documents belonging to it or held by it shall be inviolable.
3. The Host Government shall take the necessary steps to ensure that:
 - (i) the Centre be exempted from customs duties in respect of equipment used by it for its official purposes; and
 - (ii) the Centre, its assets, funds, income and other property whether owned or occupied shall be exempted from tax.
4. Foreign professional staff of the Centre shall be immune from legal process in respect of words spoken or written and all acts performed by them in their official capacity.
5. Foreign professional staff of the Centre shall be exempted from taxation on the salaries and emoluments paid to them by the Centre.
6. The Director of the Centre, if he is a citizen of Malaysia, shall be entitled to such privileges and immunities as determined by the Minister pursuant to Act 485.

ARTICLE IV

ADMINISTRATION OF THE CENTRE

1. The Centre shall be administered by a Director who shall be a national of Malaysia and shall be appointed by the Host Government in consultation with the Secretary-General of the Organization.
2. The Host Government shall continue to make available a suitable premise for the Centre and to make an annual grant for the purposes of the functioning of the Centre including the following:

- (i) Operating costs of the Centre;
 - (ii) Purchase of office furniture, equipment, stationery, telephones, faxes, etc;
 - (iii) Costs of seminars and conferences which are to be conducted in Malaysia under the auspices of the Centre.
3. The Director shall send annual reports on the activities to the Secretary-General of the Organization and the appropriate department of the Host Government.

ARTICLE V INTERPRETATION

This Agreement shall be interpreted in the light of its primary objective of enabling the Centre to fully and efficiently discharge its duties and fulfill its purposes and functions as an independent arbitral institution of an international character.

ARTICLE VI SUPPLEMENTARY AGREEMENTS

The Government of Malaysia and the Organization may enter into such supplementary agreement(s) as may be necessary to fulfill the purposes of the Agreement.

ARTICLE VII CONFIDENTIALITY

1. Each Party shall undertake to observe the confidentiality and secrecy of documents, information and other data received or supplied to the other Party during the period of the implementation of this Agreement or any

other agreements made pursuant to this Agreement.

2. Both Parties agree that the provisions of this Article shall continue to be binding between the Parties notwithstanding the termination of this Agreement.

ARTICLE VIII SUSPENSION

Each Party reserves the right for reasons of national security, national interest, public order or public health to suspend temporarily, either in whole or in part, the implementation of this Agreement which suspension shall take effect immediately after notification has been given to the other Party through diplomatic channels.

ARTICLE IX SETTLEMENT OF DISPUTES

Any difference or dispute between the Parties concerning the interpretation and/or implementation and/or application of any of the provisions of this Agreement shall be settled amicably through mutual consultation and/or negotiations between the Parties, without reference to any third party or international tribunal.

ARTICLE X ENTRY INTO FORCE, DURATION AND TERMINATION

1. This Agreement shall come into force on the date of signing and shall remain in force for a period of five (5) years.
2. Thereafter, it shall be automatically extended for a further period of five (5) years.

3. Notwithstanding anything in this Article, either Party may terminate this Agreement by notifying the other Party of its intention to terminate this Agreement by a notice in writing through diplomatic channels, at least six(6) months prior to its intention to do so.

ARTICLE XI

REVISION, MODIFICATION AND AMENDMENT

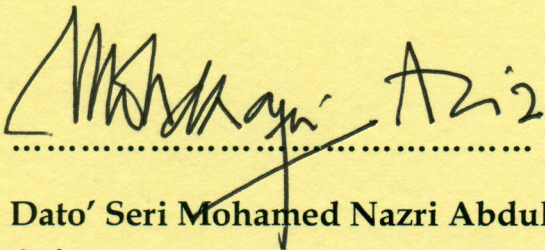
1. Either Party may request in writing a revision, modification or amendment of all or any part of this Agreement.
2. Any revision, modification or amendment agreed to by the Parties shall be reduced into writing and shall form part of this Agreement.
3. Such revision, modification or amendment shall come into force on such date as may be determined by the Parties.
4. Any revision, modification or amendment shall not prejudice the rights and obligations arising from or based on this Agreement before or up to the date of such revision, modification or amendment.

IN WITNESS WHEREOF the undersigned being duly authorized thereto by their respective authorities, have signed this Agreement on

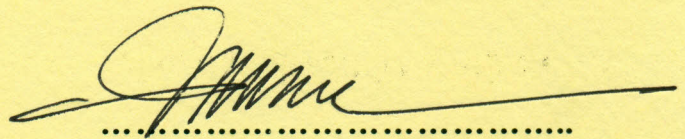
DONE at KUALA LUMPUR on this 26th day of MARCH the year 2013 in two (2) originals in English Language, both texts being equally authentic.

For the Government of Malaysia

For the Asian-African Legal
Consultative Organization



Dato' Seri Mohamed Nazri Abdul
Aziz
Minister in the Prime Minister's
Department



His Excellency Prof. Dr. Rahmat
Mohamed
Secretary-General
Asian-African Legal Consultative
Organization