

Rules for Mediation Proceedings

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Chapter 1: General Provisions (Article 1 to Article 1-2)

Chapter 2: Application for Mediation (Article 2 to Article 5)

Chapter 3: Appointment of Mediators (Article 6 to Article 10)

Chapter 4: Mediation Proceedings (Article 11 to Article 19)

Chapter 5: Termination of Mediation Proceedings (Article 20 to Article 22-2)

Chapter 6: Mediation Costs (Article 23 to Article 31)

Chapter 7: Management of Mediation Cases (Article 32)

Chapter 8: Proceedings and Transfer by Branches and Subbranches (Article 33, Article 34)

Chapter 9: Complaint Handling Procedures (Article 35)

Supplementary provisions

Chapter 1: General Provisions

Article 1 (Purpose)

(1) These rules provide for matters necessary to conduct mediation proceedings by the Japan Intellectual Property Arbitration Center (hereinafter, the “Center”).

(2) These rules are also applicable to mediation proceedings conducted by branches or subbranches of the Center.

Article 1-2 (Explanation of Mediation Proceedings)

The Center shall, according to the following article, deliver a written document explaining the following items to a party who intends to submit an application for mediation (hereinafter, the “applicant,” including the party that files and has filed the application), prior to the acceptance of the application pursuant to the provision of Article 3, and also to the applicant’s mediation counterpart (hereinafter, the “respondent”), within the time that the respondent has answered to the Center’ notice to show his/her intention of compliance with the mediation proceeding (hereinafter, the “compliance”) pursuant to the provision of Article 4,:

(i) matters relating to the appointment of mediators;

(ii) matters relating to the fees and costs to be paid by the parties (or the applicant or respondent, hereinafter, the same);

(iii) standard progression of the mediation proceedings from the commencement to the termination of the mediation;

(iv) method of handling secrets of the mediation parties or third parties as stated in opinions or included in the materials presented or submitted during the mediation proceedings, or in records of mediation proceedings pursuant to the provision of Article 19, Paragraph (1), or in the documents as mentioned in Paragraph (2) of the same article;

(v) requirements and method for the parties to terminate the mediation proceedings;

(vi) where, depending on the mediation proceedings, it is determined that there is no settlement likely between the parties, that the mediator shall promptly terminate the mediation proceedings and give notice to the parties; and

(vii) where a settlement is reached between the parties, preparation of documents and a summary of the author, number of copies, and other matters pertaining to said documents.

Chapter 2: Application for Mediation

Article 2 (Application for Mediation)

(1) Any party seeking to resolve a dispute relating to intellectual property through mediation may submit an application for mediation to the Center.

(2) The applicant shall submit one original of a written application for mediation to the Center, which includes the following items, together with duplicate copies in a number equal to the total number of respondents and mediators, plus one additional duplicate copy:

- (i) the names (or trade names, hereinafter, the same), domiciles (or residences, hereinafter, the same), and contact information (telephone numbers, fax numbers, e-mail addresses, hereinafter, the same) of the parties, and names of the parties' representatives if the parties are juridical persons;
- (ii) the names, domiciles and contact information of agents, if any;
- (iii) the location for sending documents relating to the mediation proceedings, including the name, address and contact information of the party who receives the sent documents;
- (iv) summary of the dispute;
- (v) the gist of the resolution for which the application is made; and
- (vi) where the applicant has a preference for three mediators, such preference must be stated.

(3) The applicant shall submit the following documents in person or by postal mail. Provided, the documents as provided in Items (i) through (iii) shall be submitted at the same time as the application, and the documents as provided in Items (iv) and (v) shall be submitted at the same time as application or promptly after the respondent's representation of its intention to attend the mediation proceedings, respectively:

- (i) the certificate of qualification for the applicant's representative or the respondent's representative, if either or both of them are juridical persons;
- (ii) the power of attorney if an application is made by an agent;

(iii) documentary evidence such as a patent publication or a trademark publication, etc., which indicate the scope of the rights which have become the basis for the dispute;

(iv) documentary evidence other than those as provided in Item (iii); and

(v) duplicate copies of the documentary evidence provided in Items (iii) and (iv) (the number of duplicate copies shall be the sum of the number of respondents and mediators, plus one additional duplicate copy).

(4) An agent shall be a person who is recognized as a representative under laws and regulations or a person whom the Director of the Center considers appropriate and gives permission.

(5) An applicant wishing to obtain permission to have an agent act on their behalf pursuant to the provisions in the preceding paragraph shall submit to the Center an application to this effect stating the name, and qualifications or occupation of the agent, describing the relationship between the agent and the applicant.

Article 3 (Acceptance of Application)

The Center will accept an application that conforms to the provisions in the preceding article. However, the Director of the Center may refuse to accept an application, or dismiss it even after initially accepting it, where the application is considered improper for mediation by the Center. In this case, the Center shall promptly notify the applicant to that effect.

Article 3-2 (Commencement of Mediation Proceedings)

The mediation proceedings shall commence when the Center has accepted the application for mediation.

Article 4 (Sending of Written Application to Respondent and Solicitation for Attendance at Mediation Proceedings)

(1) After the acceptance of an application for mediation, the Center shall promptly notify the respondent that such application for mediation has been received, send the respondent a duplicate copy of the written application for mediation, and require the respondent to answer to the Center, within 14 days from the date of receiving such notice, whether or not the respondent has an intention to attend the mediation proceedings. Where documentary evidence has also been submitted by the applicant, the Center shall promptly send this to the respondent.

(2) As set forth in the preceding paragraph, confirmation of the respondent's intention of attending the mediation proceedings is determined by their return of documents that were sent to them requiring an answer as to whether or not they would attend, along with a duplicate copy of the application for mediation.

(3) In the case where the respondent does not indicate an intention in writing, as set forth in the preceding paragraph, to attend the mediation proceedings of the Center within the reply deadline from the date of receiving the notice of the application for mediation, the Center may solicit their attendance by an appropriate method so that it is possible to confirm their intention to attend the mediation proceedings.

(4) Prior to the hearing and after explaining the matters pursuant to the provisions in Article 1-2, the Center shall confirm the respondent's intention by his/her written answer regarding to comply with the mediation proceedings.

Article 5 (Submission of Written Answer)

(1) The mediators shall request a submission of a written answer, and shall designate a deadline for submitting such written answer.

(2) When the respondent submits the written answer as provided in the preceding paragraph, the respondent shall describe the following items in the written answer and shall submit one original thereof together with duplicate copies in a number equal to the total number of

applicants and mediators, plus one additional duplicate copy:

- (i) the mediation case number;
- (ii) the name of the applicant;
- (iii) the name, domicile, and contact information of the respondent, and name of the respondent's representative if the respondent is a juridical person;
- (iv) the location for sending documents relating to the mediation proceedings, including the name, address and contact information of the party who receives the sent documents;
- (v) the names, address and contact information of agents, if any;
- (vi) affirmation or denial with regard to the "summary of the dispute," and the respondent's allegations;
- (vii) an answer to "the gist of the resolution for which the application is made"; and
- (viii) in the case where the applicant has a preference for three mediators, the respondent's consent or objection thereto.

(3) The following documents shall be attached to the written answer:

- (i) the power of attorney if an answer is made by an agent;
- (ii) where the respondent demands a reduction of fees, a written proposal to that effect and materials by which the circumstances prescribed in Article 27 can be recognized;
- (iii) documentary evidence; and
- (iv) duplicate copies of documentary evidence (the number of duplicate copies shall be the sum of the number of applicants and mediators, plus one additional duplicate copy).

(4) An agent shall be a person who is recognized as a representative under laws and regulations or a person whom the Director of the Center considers appropriate and gives permission.

(5) A respondent wishing to obtain permission to have an agent act on their behalf pursuant to the provisions in the preceding paragraph shall submit to the Center an application to this effect stating the name, and qualifications or occupation of the agent, describing the relationship between the agent and the respondent.

Chapter 3: Appointment of Mediators

Article 6 (Appointment and Number of Mediators)

(1) After accepting the application for mediation, the Director of the Center shall promptly appoint mediators from a list of mediator candidates which it provides at all times, and give notice to both parties. Provided, where both parties wish to appoint mediators through their mutual agreement, such agreed-upon candidates shall be appointed as mediators, in principle.

(2) The number of mediators shall be two. Provided, in the case where the applicant has requested that the mediation proceedings be conducted by three mediators, upon applying for mediation, and where the respondent has consented to this, when complying with the mediation proceedings, the number of mediators shall be three.

(3) After commencement of the mediation proceedings, in the case where the number of mediators is two, and the parties or the mediators propose to add one mediator, one mediator may be added with the consent of all parties and mediators. Provided, a party who has received a reduction of fees under Article 27 shall not make such proposal.

(4) Among the appointed mediators, at least one mediator shall be a lawyer.

Article 7 (Obligations of Mediators)

A Mediator shall adhere to laws and regulations and to these Rules for Mediation Proceedings, make efforts to resolve disputes amicably, delve into facts which are necessary to the resolution of disputes, and handle proceedings independently, fairly and promptly.

Article 7-2 (Disqualification of Mediation Personnel)

(1) Mediators and assistant mediators, as defined in Article 10, (hereinafter, “mediation personnel,” in this and the following paragraph) shall be subject to disqualification from the mediation proceedings where any of the grounds set forth in following items for disqualification are present:

- (i) where the mediation personnel, or their current or former spouse, is a party with an interest in the mediation case (hereafter, “mediation case” in this paragraph), or has a joint tenant, recourse debtor, or co-debtor relationship with the parties in the mediation case;
- (ii) where the mediation personnel has or has had a fourth degree or closer consanguinity with a party in the mediation, or a third degree or closer relationship by marriage, or occupies or has occupied the same household as a family member;
- (iii) where the mediation personnel have the relationship of a guardian, supervisor of a guardian, curator, supervisor of curator, assistant, or supervisor of assistant with party in the mediation;
- (iv) where the mediation personnel serves as a witness or an expert witness for the mediation case;
- (v) where the mediation personnel serves as an agent or counsel for a party about the mediation case;
- (vi) where the mediation personnel is or has been involved in arbitral awards or made a determination serving as a panelist for Advisory Opinion on Infringement and Advisory Opinion on Validity by the Center related to the mediation case (as defined in Article 7 of the Procedural Rules for Advisory Opinion on Infringement and Advisory Opinion on Validity by the Center); or
- (vii) where the mediation personnel is or has been involved as the person in charge of consultation services (consultation personnel, as defined in the Consultation Operating Procedures, Part 4) regarding the mediation case at the Center.

(2) The Director of the Center shall, upon application or ex officio, determine the presence or absence of the causes for disqualification as provided in the preceding paragraph.

Article 7-3 (Exclusion of Mediation Personnel)

(1) In the case where circumstances exist related to the mediation personnel which could preclude fair procedures in the mediation, the parties may apply for exclusion of such mediation personnel and submit to the Center a document containing the following items:

- (i) name or trade name of the party making the application for exclusion;
- (ii) name of the mediation personnel to be excluded; and
- (iii) reasons for suspecting fairness in the mediation proceedings.

(2) Where there is an application for exclusion as provided in the preceding paragraph, the Director of the Center shall promptly notify other parties to that effect and from a Steering Committee of the headquarters, a branch, or subbranch select at least three members and form a subcommittee to investigate and make a judgment on whether or not there is a reason for exclusion.

(3) Where the subcommittee as provided in the preceding paragraph has reached a decision that there is reason for exclusion, this decision may not be appealed.

(4) Where the subcommittee as provided in the preceding paragraph has reached a decision that there is no reason for exclusion, this decision may be appealed to the Steering Committee.

(5) The decision of the Steering Committee as provided in the preceding paragraph may not be appealed.

Article 8 (Resignation and Dismissal of Mediators)

(1) Where it is very difficult or impossible to conduct the duties due to illness or, where a reason for exclusion or disqualification has been found, or where there is another justifiable reason, it is possible for a mediator to resign with the approval of the Director of the Center.

(2) Notwithstanding the reasons set forth in the preceding paragraph, where the mediator has not resigned and has unduly delayed the performance of his or her duties, after obtaining the

opinion of the mediator, the Director of Center shall dismiss the mediator.

Article 9 (Appointment of New Mediators)

(1) In the case where either of the grounds set forth in following items is present, the Director of the Center shall appoint new mediators in accordance with the provision of Article 6:

- (i) where pursuant to the provisions of any of the three preceding Articles there is a mediator vacancy; or
- (ii) where the appointed mediator has died.

(2) Where a new mediator has been appointed under the provisions of the preceding paragraph, the Center shall immediately notify the parties to that effect.

Article 10 (Appointment and Duties of Assistant Mediators)

(1) The mediators may appoint assistants to the mediators from among assistant candidate lists which the Center provides. Provided, where there is a special necessity, the mediators may appoint a person who is not on the list of assistant candidates.

(2) Assistant mediators shall conduct the following duties under the instruction of the mediators:

- (i) attend hearings;
- (ii) investigate matters (facts, prior arts, laws and regulations, judicial precedents, trial precedents, etc.) as instructed by the mediators;
- (iii) offer opinions to the mediators; and
- (iv) perform other matters which the mediators consider necessary.

Chapter 4: Mediation Proceedings

Article 11 (Notice of Proceedings)

After appointing mediators pursuant to the provisions of Article 6, the Director of the Center shall give notice in writing to both parties of the necessary matters such as the names of the mediators, a summary of the mediation proceedings, the date and location of the first hearing, and other relevant matters.

Article 12 (Sending of Documents and Notice)

(1) Documents relating to the mediation proceedings and notices (hereinafter, “notices”) shall be sent to the domiciles of the parties or the locations which the parties have specified they prefer to receive such documents (hereinafter, the “Notice Address”), except in the case where the documents are delivered in exchange for a receipt slip or having the seals of the parties affixed. Such documents shall be sent by registered mail with proof of delivery or by a method equivalent thereto (for example, by courier with trackable delivery status).

(2) Notwithstanding the provisions of the preceding paragraph, general notifications such as of the mediation hearings and other proceedings in progress shall be conducted using regular postal mail, by phone, facsimile, or through another appropriate means. In this case, the Center shall make records of the fact that notifications have been sent according to the procedures as set forth in the provisions of Article 19, Paragraph 1.

Article 13 (Hearings, Location, Attendance of the Parties)

(1) Mediation hearings shall be held at a location which the Director of the Center designates, and the attendance of both parties shall be required.

(2) Notwithstanding the preceding paragraph, the hearings may be held between parties in

remote locations via communication systems, such as by so-called teleconferencing, or through some other means.

(3) At the appointed mediation hearings, mediation proceedings may be conducted with the parties attending together or separately.

(4) At the appointed mediation hearings, parties may present their allegations orally or in writing.

(5) As for the second and later mediation hearings, upon hearing the opinions of both parties, the mediators shall specify the times and dates and notify both parties by some means.

Article 14 (Closed-Door Proceedings)

(1) The mediation proceedings held by the Center and the records thereof shall be maintained behind closed-doors, and officers, mediators, mediator candidates, assistants of mediators, mediation case managers (hereinafter, "mediation case managers") as set forth in the provisions of Article 32, Paragraph 2, members of Steering Committees, staff, the parties, and agents thereof, and interested persons as set forth in the provision of Article 18 shall not disclose or use the facts relating to the mediation case and the facts which come to be known through the mediation case (including, but not limited to the existence, content, and result of the mediation), without the consent of the parties to disclosure or use. This shall also apply to such persons who have left the positions mentioned above. Provided, in the case where it is necessary for enlightenment and research, etc. of resolution of disputes relating to intellectual property, the Director of the Center may disclose the above information in a limited content and manner, such as where the names of the parties and the matters under dispute are not specified.

(2) Neither of the parties may submit the allegations, opinions, or proposals, which have been submitted by the other party and mediators in the mediation, as evidence in legal or arbitral

proceedings. Provided, however, that this shall not apply in the case where the other party has agreed thereto.

(3) In the case where the Director of the Center recognizes that proof by the Center is necessary to establish the nature of matters, such as whether or not the mediation proceedings have been conducted, whether or not a compromise settlement has been reached in the mediation, or the authenticity of the agreement thereof, etc., in legal or arbitral proceedings, through the request of a party the Center shall cooperate with such investigations.

Article 14-2 (Submission of Pledge)

After taking office, officers, mediators, assistant mediators, mediation case managers, Steering Committee members, and staff shall promptly create a pledge that promises to comply with stipulations concerning mediation proceedings and other confidential matters as set forth in the preceding article to properly implement the work of the Center and submit this pledge to the Center.

Article 15 (Creation of Plan for Proceedings of Mediation)

(1) The mediators and parties shall make efforts to create a plan for the mediation proceedings on the date set for the first hearing, for the prompt resolution of the dispute, and shall cooperate with each other in order that the proceedings are conducted as planned, after the schedule for such proceedings has been set.

(2) The aim of the mediation shall be to complete within six months from the date of the first hearing, with up to three hearings held during that period.

Article 16 (Requirement for Preparations Outside Scheduled Hearings)

The mediators may require the parties to conduct necessary preparations outside the scheduled hearings, such as arrangement and supplement of allegations, submission of documentary evidence.

Article 17 (Provisions for the Protection of Secrets)

The parties may, before submitting evidentiary materials, propose that the mediators keep particular parts of said evidence secret and not disclose such parts to the other party. In the case that such a request is made, the mediators and assistant mediators shall not disclose said evidentiary materials to the other party.

Article 18 (Interested Persons)

(1) The mediators may allow interested persons to intervene in the mediation proceedings.

(2) The provisions of Article 1-2 (Explanation of Mediation Proceedings) shall apply mutatis mutandis in the case where there is participation by interested persons.

Article 19 (Creation and Safekeeping of Hearing Records)

(1) The Center shall create a mediation proceeding record for compiling records of each mediation proceeding which shall include the following items:

- (i) mediation case number, application date, application acceptance date, date of receipt in the Center of the document stating that the other party will respond to the mediation proceedings;
- (ii) names or trade names of the parties and their agents;
- (iii) names of the mediators;
- (iv) record of the progression of the mediation proceedings;

- (v) result of mediation proceedings (including the reasons and date of the termination of the proceedings);
- (vi) content and dates of demands in the mediation proceedings; and
- (vii) where the end result of the mediation proceedings is the establishment of mediation, the content of the mediation.

(2) For each hearing, the mediators shall create a hearing record, on which they have recorded their names and affixed their seals, stating the following items:

- (i) date, time, and location of the hearing;
- (ii) names of the attendees;
- (iii) summary of the course of the proceedings (where demands are presented at this hearing, the content of the demands); and
- (iv) result of the hearing.

(3) Both the mediation proceeding records as set forth in Paragraph (1) and the hearing record as set forth in the preceding paragraph, together with any evidentiary materials and allegations in writing submitted by the parties in the mediation proceedings, shall be kept confidential.

(4) The Center shall, in accordance with the provisions of document storage and management rules, store the mediation proceeding records for safekeeping as set forth in Paragraph (1) and the hearing records as set forth in Paragraph (2), together with any evidentiary materials and allegations in writing submitted by the parties in the mediation proceedings. Provided, among the evidentiary means submitted by the parties, items of physical evidence other than documentary evidence shall be assumed to be returned to the party who submitted them as soon as possible after the completion of the mediation proceedings.

Chapter 5: Termination of Mediation Proceedings

Article 20 (Termination by Mediator)

(1) The mediation proceedings may be terminated by a mediator in the case where it is considered that there is no possibility of reaching a settlement and any of the following grounds for termination are present. Provided, where grounds in Item (i), (iii) or (vi) exist, the mediation proceedings shall be terminated without fail.

(i) where it becomes known that the respondent has no intention of compliance (even though the respondent has received a solicitation as set forth in Article 4, Paragraph 3, including when the respondent has not expressed an intention to attend the mediation proceedings), or where termination of the mediation proceedings has been offered, pursuant to the provisions of Article 22-2, Paragraph 2;

(ii) where, without a suitable reason, one party to the dispute was absent on the hearing two or more times in succession;

(iii) where it becomes known that one party to the dispute has no intention to seek a settlement;

(iv) where at the present time, a settlement may not be immediately reached, and in view of the circumstances involving the parties to the dispute and the nature of the conflict, with respect to the parties, there is a probability that prejudice will outweigh any benefits to be expected by reaching a settlement if the mediation proceedings were continued;

(v) where it is not possible to continue the proceedings because a party does not follow the directions of the mediator, or where a party has not complied with the order for prepayment under the provisions of Article 30, Paragraph 1, or the instructions for an additional payment under the provisions of Article 27, Paragraph 10;

(vi) where the content of the dispute was found to be unsuitable for mediation;

(vii) where it is found that settlement would be difficult in light of other realities of the dispute, the state of the proceedings, or the intention of the parties; or

(viii) where, as prescribed in Article 23 to Article 25, various mediation costs or fees have not been paid.

(2) Where the mediator has terminated the mediation proceedings due to any grounds as set forth in the preceding paragraph, both parties shall be promptly notified to that effect.

Article 21 (Termination by Settlement)

(1) Where an agreement in the mediation proceedings has been reached between the parties through a settlement, both parties shall create a settlement agreement, and the mediators shall, as witnesses to the execution of the mediation settlement agreement, sign and affix their seals to such agreement. Upon the signing and the sealing of the agreement, the mediation proceedings will be considered terminated.

(2) The settlement agreement as provided for in the preceding paragraph shall describe the content of the settlement and the ratio of apportionment of the costs relating to the mediation to be shared between the parties.

Article 22 (Termination by Transition into Arbitral Proceedings)

(1) In the case where a settlement agreement has been reached in the mediation proceedings, and where both parties request an arbitral award which has the content of such settlement as the main text, by submitting an arbitral agreement, the mediation proceedings shall be terminated and transitioned to arbitral proceedings. In this case, the mediators in the mediation proceedings shall become the arbitrators in the arbitral proceedings.

(2) Where only an arbitral settlement has been reached between the parties in the mediation proceedings, the mediation shall be terminated upon the creation of the arbitral agreement.

(3) In the case of the preceding paragraph, with both parties' agreement, the arbitral award may be determined by arbitrators who were mediators in the mediation proceedings.

(4) In the case of Paragraph (1), it is not necessary for the applicant to submit a written application for arbitration or to pay an arbitration application fee again.

(5) In the case of Paragraph (3), it is necessary for the applicant to submit a written

application for arbitration, but it is not necessary to pay an arbitration application fee again.

Article 22-2 (Offering of Application Withdrawal and Termination)

(1) The applicant may withdraw the mediation application at any time.

(2) The respondent may request the termination of the proceedings at any time.

(3) In the case where a party offers to withdraw the application for mediation or requests to terminate the proceedings, a document shall be submitted to the Center stating the following items. Provided, the offering or request may be notified orally to the mediator at the hearing.

(i) names or trade names of the parties; and

(ii) withdrawal of the application for mediation or request of termination of the proceedings.

(4) Where the proceedings are terminated through the withdrawal of the application for mediation as provided in Paragraph (1), both parties shall be promptly notified to that effect by the mediator.

Chapter 6: Mediation Costs

Article 23 (Apportionment of Mediation Costs)

The costs paid by the parties relating to the mediation proceedings (including fees as provided in Articles 24 through 26) shall be borne by each party, unless otherwise agreed upon by the parties.

Article 24 (Application Fee)

(1) After the application is accepted, applicants shall promptly pay 47,620 yen (tax excluded, hereinafter the same) as an application fee by bank transfer to the bank account designated by the Director of the Center. Bank transfer charges shall be borne by the applicant.

(2) Where the respondent has not responded to the mediation proceedings, the Center shall reimburse 28,572 yen to the applicant. Any charges involved in returning the fee shall be borne by the Center.

Article 25 (Hearing Fees)

(1) Each of the parties shall respectively pay 47,620 yen as a hearing fee by the payment deadline and by bank transfer to the bank account as designated by the Director of the Center.

(2) Where the hearing fee prescribed in the preceding paragraph is not paid by the payment date as set forth in the preceding paragraph, a mediator may postpone or cancel the mediation hearing.

(3) Where the hearing is canceled, the Center shall return to the parties any fees that have been paid. Any charges involved in returning such fees shall be borne by the Center.

Article 26 (Settlement Agreement Drafting Fee, Attendance Fee)

(1) Where a settlement agreement is reached, each party shall respectively pay 142,858 yen as a settlement agreement drafting fee and attendance fee promptly upon reaching the settlement by bank transfer to the bank account as designated by the Director of the Center.

(2) Where there is a special difficulty during the proceedings or with the resolution thereof, such that the case is complicated, etc. or in the case where it is considered that the benefits to

the parties obtained through the resolution of the dispute are particularly significant, after hearing the opinions of the parties, the mediators may increase the amount as provided in the preceding paragraph up to 285,715 yen.

(3) Where there are special circumstances such that extra time has been required to examine the allegations from one of the parties, after hearing the opinions of the parties, the mediators may transfer a portion of the amount of the fee to be paid by the other party to that party who required the extra time under the preceding two paragraphs, up to a maximum of 47,620 yen.

(4) The settlement agreement shall clearly describe the amounts which shall be paid by both parties as prescribed for in these Rules.

(5) The fee relating to a written arbitral award in the case of transition to arbitral proceedings under Article 22, Paragraph (1) shall be the fee as set forth in this article.

(6) Where the settlement agreement drafting fee and attendance fee as set forth in Paragraph (1) have not been paid, the mediators may not grant the settlement agreement.

Article 27 (Reduction of Fees)

(1) Where either or both parties have difficulty paying the prescribed fee, a motion for a reduction of the fees to be paid to the Center may be made through said party's submission of a written motion for a reduction of fees.

(2) Materials indicating the circumstances relating to the difficulty in paying the prescribed fee shall be attached to the written motion for a reduction of fees.

(3) Where a written motion for a reduction of fees has been submitted, the Steering Committee of the Center shall examine whether or not there are grounds for the motion, and issue a ruling with respect to the payment of fees.

(4) During the examination as provided in the preceding paragraph, various factors such as the monetary capacity, scale of operation, and other financial circumstances of the party who made the motion for a reduction of fees, the existence or nonexistence of public need, the particularity of the mediation case, the economic benefits which lay behind the mediation case, etc. shall be taken into consideration.

(5) In issuing the ruling as provided for in Paragraph (3), in addition to or in place of granting a reduction ruling, the Steering Committee may issue a ruling to allow payment of fees in installments or a ruling to permit rescheduling of the due date for payment of fees.

(6) The motion for reduction as provided in Paragraph (1) shall, in principle, be submitted before the submission of a written application for mediation by the applicant, or before the submission of a written intention to comply with the mediation by the respondent.

(7) Where the applicant submits a written motion for a reduction of fees at the same time as the written application for mediation, the applicant shall unavoidably pay half the amount of the prescribed application fee to the Center as a temporary application fee.

(8) Where a written motion for a reduction of fees has been submitted at the same time as a written application for mediation without a temporary payment of the application fee, the Center shall accept only the written motion for a reduction of fees, and when the fees determined through an examination of the written motion for a reduction of fees have been paid, the Center shall accept the written application for mediation.

(9) Where the respondent has submitted a written motion for a reduction of fees at the same time as a written answer indicating an intention to comply with the mediation, the Center shall unavoidably accept only the written motion for a reduction of fees, and only when the respondent has agreed to the result of the examination of the written motion for a reduction of fees and the respondent has paid the fees, shall the Center accept the written answer indicating an intention to comply with the mediation.

(10) Where the mediators have confirmed from the facts presented that it is not a burden for

a party to pay the prescribed fee, after that party has received a ruling to reduce the fee to be paid and has already paid the reduced fee, the mediators may order such party to make additional payment(s) of the difference between the prescribed fee and the reduced fee that has been already paid.

(11) Where an additional payment has been ordered pursuant to the provision of the preceding paragraph, and where such additional payment has not been made, the mediators may suspend or terminate the mediation proceedings.

Article 28 (In the case where there are three Mediators)

(1) In the case where three mediators are appointed, the fees for the hearings provided for in Article 25 shall be 66,667 yen, and the settlement agreement drafting fee and attendance fee provided in Article 26 Paragraphs (1) and (2) shall be 190,477 yen and 380,953 yen, respectively.

(2) Where a party, who has received a ruling of a reduction of fees pursuant to the provision of Paragraph (1) of the preceding article, has agreed to the appointment of three mediators, the fees for the hearings provided in Article 25, which are to be borne by such party, shall be 38,096 yen, and the settlement agreement drafting fee and attendance fee provided in Article 26, Paragraphs (1) and (2), which are to be borne by such party, shall be 142,858 yen and 285,715 yen, respectively.

Article 29 Deleted

Article 30 (Prepayment of Actual Expenses other than Fees)

(1) In the case where additional expenses are to be incurred in the mediation proceedings by the Center due to investigations of facts, conference calls or teleconferences with remote

locations, business trips of mediators, etc., unless otherwise agreed by the parties, the mediators may, after explaining the amount to the parties, order the parties to prepay to the Center an amount determined by the mediators as a rough estimate for such actual expenses, designating an adequate time limit and apportioning such prepayments between the parties on an equal basis.

(2) Where such prepayments, as ordered under the provisions of the preceding paragraph, have not been made, unless otherwise agreed upon by the parties, after the mediators have discussed the situation among themselves, the mediators may suspend or terminate the mediation proceedings.

Article 31 (In the case of Transition from Arbitration by the Center or Advisory Opinion on Infringement and Advisory Opinion on Validity by the Center)

In the case of transition from arbitration by the Center or proceedings of Advisory Opinion on Infringement and Advisory Opinion on Validity by the Center to mediation, the hearing fees, settlement agreement drafting fee, and attendance fee shall be governed by these Rules.

Chapter 7: Management of Mediation Cases

Article 32 (Management of Mediation Cases)

(1) Management of the mediation proceedings shall be conducted by a Steering Committee and its administrative work shall be conducted by the mediation case manager and staff.

(2) When an application for mediation is accepted, the Steering Committee shall promptly appoint a mediation case manager from the Steering Committee members to manage the mediation case, and the mediation case manager shall undertake all matters required to process mediation proceedings promptly and fairly on their own or by instructing staff to take

such action.

(3) For the purpose of managing the progress of the mediation proceedings, the mediation case manager may attend hearings as necessary. Provided, such attendance shall not in any way affect the neutrality and independence of the mediators.

(4) When the respondent does not indicate an intention to attend the mediation proceedings and a settlement has not been reached, under Article 4, Paragraph (2), the mediation case manager shall prepare a written report to that effect and the Director of the Center shall maintain such report as an internal record.

(5) In connection with the management of the mediation proceedings, those matters which are not provided herein shall be determined by the Steering Committee.

Chapter 8: Proceedings and Transfer by Branches and Subbranches

Article 33 (In the case of Mediation Proceedings by a Branch or Subbranch)

In the case where mediation proceedings are conducted by branches or subbranches of the Center, terms in these rules (with the exception of Article 7-3, Paragraph 2; Article 14, Paragraph 1 and Paragraph 3; and Article 35, Paragraph 2) shall be deemed to be read replacing as follows: "Director of the Center" with "Director of the Branch" or "Director of the Subbranch"; and "Steering Committee" with "Branch Steering Committee" or "Subbranch Steering Committee".

Article 34 (Transfer of Mediation Cases)

With the agreement of both parties, and through a decision by the Steering Committee, the

Center's headquarters, branches and subbranches may transfer mediation cases to other headquarters, branches and subbranches, and it is possible for other headquarters, branches and subbranches to accept such transfers.

Chapter 9: Complaint Handling Procedures

Article 35 (Complaint Handling Procedures)

(1) In the case where there is a complaint with regard to the handling of the mediation proceedings by the Center, the person filing such complaint shall submit to the Center a complaint form with a written summary describing the complaint.

(2) Upon receiving the written complaint as set forth in the preceding paragraph, the Director of the Center shall appoint three or more members from Steering Committees at the headquarters, branches or subbranches to investigate the content of the complaint, deliberate on methods to handle the complaint, and report on their findings in the Steering Committee at the Center headquarters.

(3) In response to the report set forth in the preceding paragraph, the Steering Committee of the headquarters shall determine how to resolve the complaint.

(4) The Steering Committee of the headquarters shall notify the person who filed the complaint in writing or orally of their findings regarding the complaint and the results of any action taken to resolve the complaint.

Supplementary provisions

These rules shall come into force effective November 1, 2004.

With regard to the fees for mediation cases applied before the effective date, the provisions as set forth in the Procedural Rules of the Japan Intellectual Property Arbitration Center (March 26, 1998) shall remain applicable.

Supplementary provisions (January 16, 2006)

These amended rules (amended provisions of Article 27) shall come into force effective January 16, 2006.

Supplementary provisions (January 9, 2007)

These amended rules (amended provisions of Article 14, Paragraph 1) shall come into force effective January 9, 2007.

Supplementary provisions (February 6, 2007)

These amended rules (amended provisions of Article 5, Paragraph 1) shall come into force effective February 6, 2007.

Supplementary provisions (November 1, 2011)

With the following amended provisions:

Article 1, Paragraph 2 (new); Article 1-2 (new); Chapter 2 (chapter title); Article 2; Article 3; Article 3-2 (new); Article 4, Paragraph 2 (new) through Paragraph 4 (new); Article 5; Article 6, Paragraph 1 and Paragraph 4 (new); Article 7, Paragraph 1 and Paragraph 2, Paragraph 3 (deleted); Article 7-2 (new); Article 7-3 (new); Article 8; Article 9; Article 10; Article 12; Article 13, Paragraph 2 and Paragraph 3 through Paragraph 5 (new); Article 14 Paragraph 1 and Paragraph 2; Article 14-2 (new); Article 17; Article 18, Paragraph 2 (new); Article 19; Article 20; Article 21, Paragraph 1; Article 22, Paragraph 1, Paragraph 4 and Paragraph 5 (new); Article 22-2 (new); Article 24; Article 25; Article 26, Paragraph 1 and Paragraph 2; Article 27; Article 28; Article 29 (deleted); Article 31; Article 32; Chapter 8 (new) and Chapter 9 (new);

these amended rules shall come into force effective January 1, 2012.

Supplementary provisions (September 4, 2012)

With the following amended provisions:

Article 14-2; Article 19, Paragraph 3 and Paragraph 4; Article 22-2, Paragraph 4; Article 24, Paragraph 1; Article 26, Paragraph 1; Article 27, Paragraph 1, Paragraph 2, and Paragraph 10; and Article 32, Paragraph 1 and Paragraph 2;
these amended rules shall come into force effective September 4, 2012.

Supplementary provisions (April 2, 2013)

With the following amended provisions:

Article 20, Paragraph 1, Item (viii) (new); and Article 25, Article 26, Paragraph 1 and Paragraph 6 (new);
these amended rules shall come into force effective April 2, 2013.

Supplementary provisions (February 4, 2014)

With the following amended provisions:

Article 2, Paragraph 2, Item (iii); Article 5, Paragraph 2, Item (v); Article 14, Paragraph 1 and Paragraph 3; Article 19, Paragraph 2 and Paragraph 3; Article 20, Paragraph 1, Item (i) and Item (vii); Article 22-2, Paragraph 4; Article 24; Article 25, Paragraph 1; Article 26, Paragraph 1 through Paragraph 3; Article 28; and Article 33;
these amended rules shall come into force effective April 1, 2014.