

AGREEMENT ON COOPERATION
BETWEEN
THE PERMANENT ARBITRATION COURT
WITHIN THE ECONOMIC CHAMBER OF MACEDONIA
AND
THE PERMANENT ARBITRATION COURT
WITHIN THE KOSOVA CHAMBER OF COMMERCE

Being convinced that the use of commercial arbitration through fair, inexpensive and expeditious procedures leads confidence and stability to trade between Macedonia and Kosovo, the Permanent Arbitration Court within the Economic Chamber of Macedonia and the Permanent Arbitration Court at the Kosova Chamber of Commerce agree as follows:

1. The above named organizations will cooperate in popularizing arbitration as a means for setting disputes arising out of international commercial transactions.

2. The organizations will promote wider use of arbitration under their auspices and will recommend the firms engaged in Macedonian-Kosovian trade, as an optional clause, the insertion in contracts of the following provision:

" All disputes, controversies or differences, which may arise between the parties, out of, relating to or in connection with this contract shall be finally settled by arbitration. The place of arbitration shall be the country in which the claimant has its place of business. In case the claimant is a Macedonian physical or legal person, the arbitration shall be held at the Permanent arbitration Court within the Economic Chamber of Macedonia under the Arbitration Rules thereof. In case the claimant is a Kosovian physical or legal person, the arbitration shall be held at the Permanent Arbitration Court at the Kosova Chamber of Commerce under the Rules thereof. The award to be rendered shall be final and binding upon the both parties.

Eventual counter-claims by the defendant shall be referred to the same arbitration as claimant's claims".

3. Organizations shall provide each other, upon request, facilities or administrative services for taking of any step in the arbitration proceedings. Expenses incurred shall be reimbursed by the institution requesting the facilities.

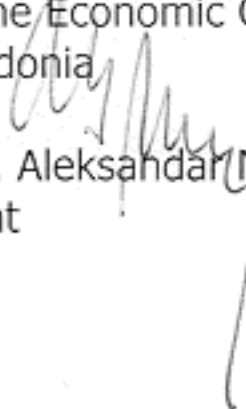
4. The organizations will exchange information and publications of mutual interest in the field of commercial arbitration.

5. This agreement is done in two copies in English language, one copy for each party.

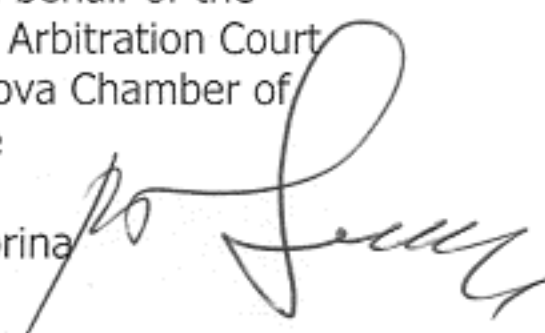
In witness thereof, the authorized representatives of the above organizations have appended their signatures on the agreement.

Skopje, December 23rd 2003

For and on behalf of the
Permanent Arbitration Court
within the Economic Chamber
of Macedonia


Prof. Dr. Aleksandar Nikolovski
President

For and on behalf of the
Permanent Arbitration Court
within Kosova Chamber of
Commerce


Bajram Morina
President