

Contents

Preamble

Article 1	Definitions
Article 2	Scope of Application
Article 3	Forms of Mediation Agreement
Article 4	Notifications, Alerts, and Time Calculations
Article 5	Mediation Fees
Article 6	Mediator's Duties
Article 7	Mediator's Obligations
Article 8	Prohibitions for the Mediator
Article 9	Recusal or Removal of the Mediator or Incompetence
Article 10	Mediation Procedures
Article 11	Mediation Sessions
Article 12.....	Confidentiality
Article 13.....	End of Mediation
Article 14	Exemption from Liability
Appendix 1.....	Mediation Request
Appendix 2	Response to Mediation Request
Appendix 3.....	Mediation Request Registration Fees and Administrative Fees

Preamble

Mediation is a highly effective method for resolving disputes, offering parties the opportunity to reach amicable settlements within a reasonable timeframe. It is recognized as a collaborative and voluntary approach to dispute resolution, allowing parties to retain control over the settlement process through cooperation. This cooperation occurs between the disputing parties on one hand, and the mediator from the Franchise and Trademark Association “Tagmoa” on the other. The mediator’s role is to manage the dispute professionally, facilitate constructive dialogue, and ensure the preservation of commercial relationships, contributing to a stable economic environment free from prolonged conflicts.

The 2024 Mediation Rules (the Rules) were issued by the Franchise and Trademark Association “Tagmoa” – United Arab Emirates, and officially came into effect in January, 2025, following the adoption of the association's bylaws. These bylaws provide a robust legal framework, which, in conjunction with these Rules, outline the standards that franchise companies must adhere to when engaging in mediation through “Tagmoa.” These standards are guided by the preliminary provisions stated herein, as well as the following key elements:

1. The franchise agreement signed between the disputing parties (franchisor and franchisee).
2. Relevant operational manuals (to be specified).
3. The Non-Disclosure Agreement (to be specified).
4. The legal framework established within the association’s bylaws, encompassing the overarching laws governing relationships between commercial entities.
5. The Code of Professional Conduct.

These provisions ensure a structured, transparent, and fair mediation process, fostering trust and efficiency in dispute resolution within the franchise ecosystem.

Article (1): Definitions

The following words and phrases shall have the meanings assigned to them unless the context indicates otherwise:

- **Bylaws:** The bylaws of the Franchise and Trademark Association “Tagmoa.”
- **Mediation Rules:** Refers to the Mediation Rules of the Franchise and Trademark Association “Tagmoa.”
- **Tagmoa:** The Franchise and Trademark Association, established by the decision of the Ministry of Community Development No. W.S/752/2023.
- **Party or Parties:** Refers to the requesting party or parties for mediation and/or the responding party or parties, including franchisors (franchisee grantors) and franchisees (franchise recipients).
- **Mediation:** A voluntary alternative method for the amicable resolution of civil or commercial disputes, whether existing or potential, arising from a legal relationship—contractual or otherwise—whereby the parties seek assistance from a neutral third party (mediator).
- **Mediation Agreement:** A written agreement between the parties to resort to mediation for dispute resolution, whether this agreement was made before or after the dispute arose.

- **Mediator or Mediators:** Any natural person assigned by the parties or “Tagmoa” to mediate and amicably resolve the dispute, provided they are listed in the Tagmoa Mediators’ list.
- **Private Mediator:** Any natural person assigned by the parties to mediate and amicably resolve the dispute, who is not listed in the Tagmoa Mediators’ list.
- **Requesting Party:** Refers to the party or parties initiating the mediation process by submitting a Mediation Request.
- **Responding Party:** Refers to the party or parties against whom the mediation request is submitted.
- **Settlement Agreement:** The document concluded between the disputing parties under the supervision of the mediator, through which the dispute is amicably resolved in accordance with the procedures stipulated by law and its regulations.

Article (2): Scope of Application

1. The Tagmoa Mediation Rules shall apply if the parties agree to refer their current or future disputes to mediation through Tagmoa, regardless of whether the parties are members of Tagmoa or not.
2. In cases of a pre-existing mediation agreement, the Rules shall apply to mediations initiated after the Rules come into effect, regardless of when the mediation agreement was concluded.
3. Tagmoa is authorized to conduct mediation in commercial disputes between franchise companies eligible for settlement, provided they are registered with Tagmoa and hold its membership.
4. The provisions of the Tagmoa Mediation Rules apply in two cases:
 - When mediation procedures are conducted within the country.
 - When the mediation concerns an international commercial dispute, and the parties have agreed to refer the matter to Tagmoa's Rules.
5. The provisions of Tagmoa's Rules shall also apply if mediation addresses the entire subject of the dispute or only part of it.
6. Mediation cannot be pursued if reconciliation has already been attempted, nor can reconciliation be pursued if mediation has previously been attempted, in accordance with the provisions of the law.

Article (3): Forms of the Mediation Agreement

1. A mediation agreement may take any of the following forms: -
 - a) It may precede the dispute, whether as an independent agreement or as a clause in a specific contract concerning all or some disputes that may arise between the parties.
 - b) It may follow the emergence of a dispute, even if a legal lawsuit has already been filed.
2. A mediation agreement must be concluded by a natural person with the legal capacity to dispose of rights, or by an authorized representative of a legal entity empowered to enter into a mediation agreement.

Otherwise, the agreement shall be deemed void. The mediation agreement shall not terminate upon the death of one of the parties or the dissolution of their legal entity, and it may be executed by or against their legal successor, unless the parties agree otherwise.

- The mediation agreement must be in writing and signed by the disputing parties, whether through an official or unofficial contract, through exchanged letters or other written means of communication, or via an electronic message, in accordance with electronic transaction laws in the country. The written mediation agreement may exist in paper or electronic format; otherwise, it shall be deemed void.
- Any explicit reference in a written contract to the terms of a model contract or another document containing a mediation clause shall be considered a written mediation agreement, provided that the reference clearly indicates that the clause is an integral part of the model contract.

Article (4): Notifications, Communications, and Time Calculation

- All notifications and communications between the parties, the mediator, and Tagmoa must be made in writing via email or through the means specified by Tagmoa. Tagmoa may also require the parties to submit any documents in printed form if deemed necessary.
- Under Tagmoa Rules, and unless otherwise agreed in writing by the parties, the calculation of time limits specified in these rules shall commence on the day following the day the party or their designated representative receives or is deemed to have received a notification or communication. If the last day of this period falls on an official public holiday or non-working day in Abu Dhabi, UAE, the period shall be extended to the next working day. Unless explicitly stated otherwise, days are considered calendar days, including any public holidays or non-working days within the calculation period. Similarly, any reference to months shall mean calendar months.

Article (5): Mediation Fees

Tagmoa charges a non-refundable registration fee of **AED 459/-** for mediation services provided to both members and non-members from franchise companies. Additionally, a percentage fee based on the claim value is charged if the mediation process successfully resolves the dispute. If no settlement is reached, Tagmoa does not charge any percentage fee.

The percentage fees are as follows: -

Minimum/Maximum Limit	Percentage	Claim Value
Minimum AED 2,500	4%	Less than AED 100,000
Maximum AED 20,000	4%	AED 100,000 – AED 500,000
Maximum AED 40,000	4%	AED 500,000 – AED 1,000,000
Maximum AED 1,500,000	4%	More than AED 1,000,000

Additional Fees:

- **Expert Fees:** If the nature of the dispute requires appointing an external expert mediator, the requesting party shall bear the associated costs.

Payment Terms:

- The initial application fee of AED 459 is due upon submission of the mediation request.
- All other fees are due upon the conclusion of the mediation services.

Examples:

Minimum/Maximum Limit	Percentage	Application Fee	Claim Value	Final Fee
Minimum AED 2,500	4%	AED 459	AED 50,000	AED 2,500
Maximum AED 20,000	4%	AED 459	AED 250,000	AED 10,000
Maximum AED 40,000	4%	AED 459	AED 750,000	AED 30,000
Maximum AED 1,500,000	4%	AED 459	AED 1,500,000	AED 60,000

Article (6) – The Mediator's Mission

1. **The mediator**, within no more than seven (7) days after receiving the file from "Tagmoa," must contact the parties to schedule a preliminary meeting. If deemed appropriate, the mediator may send a draft mediation agreement to the parties for review. The preliminary meeting can be conducted in person, via phone, or through any other suitable virtual means, including video communication, as agreed upon by the parties or as determined by the mediator after consulting with them.

The purpose of the preliminary meeting includes agreeing with the parties on the following: -

- The mediation agreement and its execution.
- The procedural language of the mediation and the method of communication with the mediator and the parties.
- The time and place of any meetings, whether physical or virtual. These meetings require the attendance of the disputing parties or their representatives. If one of the disputing parties is a legal entity, a representative authorized to settle the dispute (other than legal agents) must attend unless otherwise agreed.
- Confidentiality of information/documents exchanged or created during the mediation.
- Attendance of other individuals in mediation sessions if agreed upon by the parties.
- Preparation of mediation statements summarizing the disputed elements and issues.
- Formalities required for validating the settlement agreement and the extent to which disclosure is allowed, including any legal or other reasonable conditions requiring the mediator's signature on the settlement agreement.
- Any other relevant procedural or administrative matters.

2. If the parties and the mediator fail to reach a mutual agreement on any initial procedural matter related to the mediation, the mediator, at their discretion, will select the procedural approach and communicate their opinion on the matter to the parties and the center.
3. The mediator shall review and verify all received documents to ensure their accuracy and the validity of the claims.
4. The mediator shall assist the parties in clarifying unclear aspects and placing them in their correct context by asking questions, receiving confidential information, and helping the parties understand the dispute and its legal background.
5. The mediator shall take any necessary steps to achieve an amicable resolution of the dispute, such as presenting evidence, facilitating dialogue, and enhancing persuasion to foster an amicable mediation process.
6. The mediator shall aim to guide all parties towards a resolution that preserves dignity and achieves justified outcomes using objective and legal standards.
7. The mediator shall manage meetings, establish basic rules, set agendas, organize time, and monitor behavior and conduct during the sessions.
8. The mediator shall document the meeting proceedings in an official report.
9. If the parties agree to conduct the mediation on an expedited basis, the mediator shall conclude the mediation process within the period agreed upon during the preliminary meeting.
10. If the disputing parties reach a resolution, the mediator shall:
 - Supervise the drafting of the amicable mediation agreements.
 - Ensure that all outstanding issues have been settled and addressed.
 - Guarantee clarity and transparency.
 - Assist in defining tasks, drafting them, and setting the necessary timelines.
 - Facilitate the signing of the amicable settlement agreement in the presence of both parties and their legal representatives.
 - Follow up on the settlement, promote its implementation among the parties, and resolve any remaining issues.

Article (7) – Mediator's Obligations

The mediator is committed to the following:

1. Conduct mediation activities in accordance with relevant laws, regulations, and instructions.
2. Maintain records detailing their work, the duration of the mediation agreement, any amendments, and its geographical scope.
3. Include their license number and date on all official documents, correspondence, and issued papers.
4. Attend training programs specified by "Tagmoa" in coordination with relevant authorities.
5. Safeguard the confidentiality and privacy of client information.

6. Establish a mechanism for handling client complaints as issued by "Tagmoa."
7. Maintain a separate and distinct bank account designated exclusively for franchise mediation, into which commissions earned from mediation are deposited.
8. Ensure the safety of client funds and establish written internal procedures governing the handling of such funds.
9. Provide "Tagmoa" with any requested data or documents and notify them of any material changes to their information within thirty (30) days of the change.

Article (8) – Prohibitions on the Mediator

1. After completing mediation procedures, the mediator is prohibited from acting as an arbitrator, expert, or legal representative in any dispute involving the same subject matter of the mediation or its derivatives, unless otherwise agreed by the parties.
2. The mediator is prohibited from testifying against any party in matters related to the subject of mediation, even after the mediation process has concluded, unless otherwise agreed by the parties. However, if the testimony pertains to a criminal offense, the mediator may testify.
3. The mediator is prohibited from mediating in any dispute where one of the parties is their spouse or a relative by blood or marriage up to the fourth degree.

Article (9) – Withdrawal, Dismissal, or Ineligibility of the Mediator

1. The mediator must withdraw voluntarily if they sense a conflict of interest or are unable to proceed with mediation without bias toward any party.
2. The mediator may withdraw for any reason by notifying "Tagmoa" and the parties in writing.
3. The mediator's withdrawal or the parties' agreement to terminate their role does not constitute an acknowledgment of the validity of any grounds for dismissal.
4. A party may submit a written request to "Tagmoa" and the mediator for the mediator's dismissal under the following conditions:
 - If there are justifiable doubts about the mediator's neutrality or independence, or if the mediator lacks qualifications previously agreed upon by the parties.
 - If the mediator is unable to fulfill their duties, has not started their duties, or has been unduly delaying the mediation process.
 - If the mediator violates the confidentiality obligations stipulated in Article (13) of the mediation rules.

Article (10) – Mediation Procedures

1. The mediator must notify the disputing parties or their legal representatives of the dates and venues of mediation sessions through any legally recognized communication methods, including electronic means.

2. The disputing parties must attend mediation sessions in person or through legally authorized representatives. If one party is a legal entity, its legal representative or designated agent must attend. Parties may be accompanied by advisors, and the mediator may limit the number of attendees per party if deemed necessary for the mediation's efficiency. Non-relevant individuals may not attend sessions without the consent of all parties.
3. Each party must submit a brief memorandum to the mediator well in advance of the first session, summarizing their claims or defenses and attaching supporting documents and evidence. These memoranda and documents will not be exchanged between the parties.
4. Experts may be engaged by mutual agreement to provide technical or specialized insights. Their fees and scope of work must be agreed upon by the parties, and the requesting party shall bear the expert's costs.
5. The mediator may appoint a translator if necessary and determine their fees.
6. Mediation must not exceed three (3) months from the date the mediator was notified of their appointment. This period may be extended once, for a maximum of one (1) month, upon the mediator's request and with the consent of all parties.

Article (11) – Mediation Sessions

1. Before the first session begins, the mediator must remind the parties of their rights and obligations under the law and its regulations. The mediator should adopt the best practices to bring the parties closer to a mutually agreeable resolution.
2. During mediation sessions, the mediator may discuss the dispute collectively with the parties, consult with them regarding their claims and defenses, and take appropriate steps to bridge their differences. Upon request, the mediator may express their opinion, evaluate documents and evidence, and outline relevant legal principles to facilitate resolution.
3. The mediator may hold private sessions with each party separately. Confidential information shared during these sessions cannot be disclosed to the other party without written consent.
4. The mediator must not make promises or guarantee specific outcomes during the mediation process to influence the parties
5. The mediator must not impose any solution on the parties.

Article (12) – Confidentiality

1. Unless all parties expressly agree in writing otherwise, the parties and the mediator must maintain the confidentiality of:
 - All information related to the mediation, as well as all materials created for the mediation;
 - All documents provided by or in possession of any party in the mediation, including the results of mediation procedures related to the dispute under mediation or any other dispute arising from the same legal relationship(s) or connected thereto.
 - The contents and/or existence of any settlement agreement, except to the extent that disclosing its existence is required by law.

2. Nothing disclosed to the mediator in private should be repeated to any other party without the explicit consent of the party making the private communication(s).
3. In no case may any statement made during the mediation process, whether written or verbal, be used as evidence of confessions against the interests of the party who made it.
4. In the event of a breach of the confidentiality rules set forth in the mediation process, either by the mediator or any of the disputing parties, the affected party may refer the matter to "Tagmoa" for disciplinary sanctions as prescribed by the Franchise and Trademark Association's statutes.

Article (13) – Termination of Mediation

1. Mediation terminates in the following cases:
 - The parties sign a settlement agreement.
 - (b) The parties agree to terminate the mediation before reaching a settlement for any reason.
 - (c) Any party informs the mediator or "Tagmoa" of their desire to withdraw from or cease participating in the mediation.
 - (d) The mediator notifies "Tagmoa" in writing or electronically of the futility of the mediation and the impossibility of reaching a resolution.
 - (e) The mediator notifies the center in writing or electronically of the termination of the mediation due to the absence of any party from two consecutive mediation sessions without a valid excuse.
 - (f) The mediation period expires without renewal.
2. In all cases, the mediator must return all memoranda and documents submitted by the parties at the end of the mediation and must refrain from retaining or keeping copies of them.
3. The mediator may submit a written or electronic report to "Tagmoa" on the outcome of the mediation within three (3) working days from the end of the mediation for any reason. The center shall notify the parties of the report and the mediation outcome within three (3) days.
4. If the mediator fails to reach a settlement for any reason during the mediation period, a report shall be submitted to "Tagmoa" outlining the failure to settle and detailing the parties' and their representatives' attendance at the designated sessions. The parties shall receive a certificate regarding the status of the mediation.
5. If the parties reach a partial or full settlement at the end of the mediation, the mediator shall submit a report to "Tagmoa," accompanied by the signed settlement agreement for approval.

Article (14) – Exemption from Liability

1. "Tagmoa" or any of its employees, mediators, or any experts appointed by the mediators shall not be held liable to any party or third party for any action, omission, or behavior related to the mediation conducted in good faith.
2. No party shall seek to make the mediator, "Tagmoa" employees, or experts witnesses in any legal proceedings related to any mediation governed by these rules.

Appendix 1 - Mediation Request Form

A. Details of the Requesting Party

1. Name of individual, company, or entity:

2. Are you the authorized representative of the requesting party?

Yes No Not Applicable

3. Contact details (including nationality, address, email, phone, and mobile):

4. Details of legal representatives (if applicable):

B. Details of the Responding Party

5. Contact details of the responding party (please provide details of all parties if more than one. Include name, nationality, address, email, and phone numbers):

6. Legal representatives of the responding party (if known):

C. Dispute Details

7. Is there a prior agreement to mediate?

Yes No

(If yes, please provide a copy of the contract including the mediation agreement)

8. Please provide the value of the disputed claim (if applicable) along with the currency:

9. Are you submitting any supporting documents?

Yes No

(If yes, please list all supporting documents in the following section)

10. List of supporting documents:

D. Mediation Details

11. Do you recommend a mediator? If yes, how many? Please specify the name, nationality, and contact details of all recommended mediators.

Yes No

No. of mediators:

Contact details: _____

12. Do the responding party (parties) agree to this appointment?

Yes No Unknown

E. Declaration

I confirm that the information provided in this form is correct and accurate to the best of my knowledge.

I confirm that the registration fee of AED is attached to this request.

Name of requesting party: _____

Signature: _____

Position (if applicable): _____



Appendix 2 - Response to Mediation Request

A. Details of the Responding Party

1. Name of individual, company, or entity:

2. Are you the authorized representative of the responding party?

Yes No Not Applicable

3. Contact details (including nationality, address, email, phone, and mobile):

4. Details of legal representatives (if applicable):

B. Dispute Details

5. Is there a prior agreement to mediate?

Yes No

(If yes, please provide a copy of the contract including the mediation agreement)

6. Please provide a brief description, including the nature of the dispute:

7. Please provide the currency value of the dispute (if applicable):

8. Are you submitting any supporting documents?

Yes No

(If yes, please list all supporting documents in the following section)

9. List of supporting documents:

C. Mediation Details

10. You have been invited to respond to a mediation request by the requesting party. Do you agree to refer your dispute to mediation at "Tagmoa"?

Yes No

+971 55 248 6683

Info@Tagamo.com

www.tagamo.com

Abu Dhabi - Shakhbout - villa 200

11. If you answered "No" to question 10, please provide your reasons below (optional):

12. Do you agree to the requesting party's nomination of a mediator (mediators)?

Yes No

No. of mediators:

13. Do you recommend a mediator? If yes, how many? Please specify the name, nationality, and contact details of all recommended mediators.

Yes No

No. of mediators:

D. Declaration

I confirm that the information provided in this form is correct and accurate to the best of my knowledge.

Name of responding party:

Signature:

Position (if applicable):



Appendix 3 – Registration Fees and Administrative Fees

Amount	Fees
Registration Fee (Non-refundable)	AED
Administrative Fees for “TAGMOA”	(.....) % of the claim value

