

Association Court Regulations
as adopted by the General Meeting on March 19th, 1995,
revised by the General Meeting on March 23rd, 1997
revised by the General Meeting on March 20th, 2005
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Association Court Regulations
§ 1
Component of By-Laws

The Association Court Regulations (*VerbGO*) are a component of the JGHV By-laws (Section 12 of the By-laws).

The Association Court serves as an institutional arbitration court for the member clubs which by acceptance are subject to the Association By-Laws.

Persons working for the Association, who are not members of JGHV or a member club, can agree to be subject to the jurisdiction of the Association Court (arbitration court by agreement).

A. Institutional Arbitration Court
§ 2
Jurisdiction over Persons and Subject Matter

The Arbitration Court is an institution and not an executive body of JGHV.
The Association Court has jurisdiction over the below listed persons:

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- a) JGHV, its executive bodies and members of such bodies when organizational disputes arise;
- b) The member clubs and member associations;
- c) The individual members of affiliated clubs and associations which have included the JGHV arbitration regulations in their own by-laws and are therefore subject to these Regulations.

The Association Court has subject matter jurisdiction over organizational disputes. These are disputes which in their essence must be judged according to JGHV By-laws, its test regulations, or in accordance with other executive bodies of the Association.

Subject to this condition, the Arbitration Court shall have subject matter jurisdiction in the following areas:

- a) Disputes between JGHV, including any of the executive bodies, and the member clubs and their members, as well as disputes among member clubs (referred to as association disputes).
- b) Requests for revocation or modification of an action, reinstatement of a rejected or cancelled action, or directive by the Association or by an affiliated member club (referred to as administrative disputes).
- c) Disputes between JGHV and members of its executive bodies (which arise from an intra-organizational relationship, referred to as organizational disputes);

- d) Disputes between member clubs and their members, if provided for in the by-laws of the respective member clubs.
In the event that a member club or a member of an executive body leaves the Association, the arbitration jurisdiction under the By-laws and these Regulations shall remain binding for any legal relationships and disputes which arose prior to the party's departure.

Furthermore, the Association Court has jurisdiction and functions as an appellate court for disputes as provided in the By-laws and the Association's Regulations.
It also has jurisdiction as the final court of appeal for reviewing decisions by the Association's Disciplinary Committee or by a member club when the parties have chosen the Association Court as the legal venue.

§ 2 a

Jurisdiction over Persons and Subject Matter

The Association Court reviews the Disciplinary Committee's final decision only with respect to legal errors.

As a rule, hearings are precluded. Before the Association Court renders its decision, it forwards the written appeal to the Legal Counsel and the offender, and it must afford each the opportunity to respond with a statement.

The Association Court can reject the appeal and assign the costs of the appeal to the appealing party, or it can alter the disciplinary action by the Disciplinary Committee and – using equitable discretion - assign the costs of the appeal to the offender and/or JGHV, or it can return the case to one of the Disciplinary Chambers and request a revised decision. In the latter instance, the same Disciplinary Chamber will also decide which party or parties will be responsible for the costs of the appeal.

§ 3

Exhausting the Association's Internal Legal Remedies

The Association Court may not be called upon until the initiating party has exhausted all other internal legal remedies, and the voluntary submission to a decision of the proper authority has failed.

§ 4

Composition of the Association Court

One Presiding Judge and two associate judges constitute the Association Court.

One alternate judge shall be appointed for each member of the Association Court.
The Presiding Judge, one associate judge and their alternates must be eligible to hold the position of judge (within the meaning of the German Justice Code; *DRiG*).

§ 5
Independence

Members of the Association Court are independent and not subject to directions. They may not have an employee or work relationship with JGHV or an affiliate club or receive regular remuneration from a club for other reasons.

§ 6
Appointment of Arbitrators

Members of the Association Court and their alternates shall be elected separately. See paragraphs 3 and 9 of Section 7 of the By-laws.

§ 7
Formal Request for Arbitration

The party initiating an arbitration proceeding before the Association Court (arbitration requester) shall submit a request for arbitration (one original and two copies) to the Presiding Judge. The proceeding is then pending. The request must delineate a specific complaint which must be substantiated, and evidence – where necessary – shall be provided.

Protests against decisions by the Executive Committee, admissible under the By-laws or the respective regulations, and the right of appeal against decisions by the Disciplinary Committee shall be assigned a filing deadline by the Presiding Judge. Protests must be submitted in writing by the deadline.

Inadmissible requests for arbitration and legal recourse which are obviously without grounds can be rejected in a unanimous decision by the Association Court in a written procedure.

A request for arbitration is inadmissible if it does not pertain to a matter in dispute as defined by Section 2 of these Regulations; a deadline has expired; advance payment on the proceeding costs (Section 22) is not documented or the proper format under paragraph 2 is not complied with, even after written notice to that effect was sent by the Presiding Judge.

Requests for arbitration which are obviously without grounds may be rejected by unanimous decision of the Association Court. The requester shall be advised of the Court's decision that the complaint has no merit and should not proceed any further. A decision may not be made until 2 weeks have expired from the date the notification was sent.

§ 8
Timely Filing of Request for Arbitration

All other requests which have no specified filing deadline must be filed within 3 months from the time the requester learned of the actual facts upon which the dispute is based.

In all cases, however, requests shall be inadmissible if they are filed 6 months or more after the event(s) occurred.

Stipulations of the (German) Rules of Civil Procedures (*ZPO*) regarding reinstatement shall be applied accordingly to any case where the deadline has not been met.

§ 9

Preparatory Action by the Presiding Judge

If the request is admissible and valid, the Presiding Judge shall send to the respondent a duplicate of the request by registered mail with return receipt, requesting a reply statement within 2 weeks from the date of receipt.

The Presiding Judge shall prepare the case so that a settlement can be reached in a hearing, or an arbitration award can be issued.

To this end, the Presiding Judge may order that files be provided by JGHV or the respective affiliated clubs; request assistance from regular courts (for example to hear a witness who lives far away); or hear witnesses and expert witnesses if both parties give consent. A transcript of the testimony must be taken and shall be read aloud in the hearing.

§ 10

Principle of Hearing

The Association Court generally reaches a decision following a hearing. With irrevocable written consent of the parties a hearing may be waived in favor of a decision by written procedure. The parties shall be informed of the decision.

§ 11

Summons

In agreement with the associate judges, the Presiding Judge shall set the location and date for the hearing. If possible, the hearing should be conducted within 3 months of the filing of the request.

The parties to a dispute and when necessary, witnesses and expert witnesses, shall be summoned by registered mail in compliance with the required 2 week notice.

Parties furnishing evidence, who are not subject to mandatory appearance before the Association, shall be invited to the hearing. They shall be advised that they will be reimbursed by JGHV in accordance with the current rates of the (German) Code on Reimbursement of Witnesses and Expert Witnesses (*ZSEG*).

If, despite a proper summons, a party fails to appear at the hearing without an explanation, and is otherwise not represented, the Association Court shall render a decision based on available facts. In this case, witnesses and expert witnesses shall not be heard.

§ 12
Representation

At any stage of the proceeding, the parties may elect to be represented by an attorney who is authorized to practice in a German court. The cost for such representation or legal consultation shall always be assumed exclusively by the respective party, regardless of the outcome of the proceeding or the Courts' decision on cost assignment as part of the arbitration judgment.

Persons authorized to represent a party must present a power of attorney.
The Association is generally represented by its Legal Counsel in proceedings where the Association constitutes a party to the dispute or where its interests are affected. The Legal Counsel shall be compensated equal to the presiding judge of the Association Court.

§ 13
Closed Hearings

Hearings before the Association Court are closed to the public, with the exception of disciplinary proceedings.
The Court can admit spectators.

§ 14
Structure of the Proceeding

The Presiding Judge shall conduct the hearing and communicate, in writing, with the parties involved in the dispute.

The Court shall be under obligation to thoroughly investigate the facts, adhere to the generally applicable rules of procedure and grant the parties involved sufficient opportunity to be heard.

The parties shall be provided with copies of each other's statements and motions.

Following the hearing, wherein the facts and the evidence of the case were presented, the parties must be given the opportunity to make a closing argument.

The Court structures its proceedings at its discretion with consideration for all matters. It is not bound by requests from the parties relative to finding facts nor investigating the evidence. It can, at its discretion, hear witnesses and expert witnesses, investigate evidence in any manner it deems appropriate, or conclude that a party be taken under oath.

The Association Court is not authorized to administer the oath to witnesses, expert witnesses or parties. It may request that each party petition the court having jurisdiction (Section 20) to perform the judicial acts deemed necessary. If a party fails to meet this request the Association Court can hold this against the party.

§ 15 Challenging Judges

It is not permissible to challenge the Association Court as a whole.

In the event that a judge is challenged, he shall comment on the challenge. His comment shall be forwarded to both parties.

The Association Court may declare the challenge substantiated on grounds of a possible conflict of interest. The alternate judge of the challenged arbitration judge shall participate in making this decision.

A challenge shall always be considered substantiated when a reason for disqualifying the judge exists in accordance with Section 41 of the (German) Rules of Civil Proceedings (*ZPO*).

If the Association Court finds that the challenge is not founded, it may order that the proceeding be continued. Or it may set a deadline for the challenging party to initiate formal challenge proceedings with a regular court and state the proceeding before the Court until such time that the regular court has finalized its proceeding (Section 1045 of the German Rules of Civil Proceedings; *ZPO*).

§ 16 Transcript

A transcript shall be made of each hearing before the Association Court. The Presiding judge designates the secretary and dictates to him the contents to be transcribed. Dictation onto a tape recorder is permissible.

The transcript should include:

- a) The designation and composition of the Association Court
- b) Location, date and start time of the proceeding;
- c) The subject matter of the dispute;
- d) The names of the parties in attendance, legal representatives or authorized representatives;
- e) The statements of the parties regarding the monetary value of the dispute as well as the Tribunal's assessment of the value;
- f) The content of any settlement reached. It should also include a note that the settlement was read aloud and approved of by the parties;
- g) The motions submitted by the parties and the essence of their content;
- h) The synopsis of witness and expert witness testimony;
- i) The synopsis of the result of a visual inspection;
- j) The description of documents which were read aloud during the taking of evidence or which have otherwise become a subject of the taking of the evidence;
- k) The description of significant acts during the proceeding;
- l) The wording of the any arbitration award or the decision and the time and manner in which it was announced;

- m) The time at which the proceeding were concluded; the transcript shall be signed by the presiding judge and when possible by the recorder. If only one judge was assigned to the taking of the evidence by the Association Court, he shall be responsible for signing the transcript.

§ 17 Settlement

In the interest of peace within the Association, the Court should make the effort to reach a settlement whenever possible.

The settlement shall be recorded in the transcript, read aloud and approved by the parties. If the settlement includes an enforceable judgment, the debtor shall agree to be subject to immediate enforcement under Section 1044 of the (German) Rules of Civil Proceedings (*ZPO*).

The settlement document shall indicate the date on which it was reached. It shall be signed by all participating judges and parties (their representatives) and be deposited with the Clerk's Office of the jurisdictional court (Section 20 of the German Rules of Civil Proceedings; *ZPO*).

The deposit of the settlement with the jurisdictional court may be dispensed with; in this case, the settlement is limited in its enforceability to an out-of-court action.

§ 18 Announcing the Arbitration Award

Deliberations and any subsequent arbitration award(s) must include the entire legal subject matter of the dispute that has arisen between the parties.

The parties shall be given the opportunity to make a closing argument prior to the rendering of an arbitration award.

The Tribunal's decisions shall be based on laws that govern the Association. In other respects, principles of substantive law can be taken into account.

Only the decision-making members of the Association Court may be present during deliberations and the process leading to the award. They shall be bound by the secrecy of the deliberations.

The arbitration award shall be in writing with the following content:

- a) The designation of the arbitration tribunal, including the names of the judges participating in the decision;
- b) The designation of the parties to the proceedings, their legal representatives and authorized representatives if applicable;
- c) The wording of the award, including the decision on costs;
- d) A brief description of the subject matter as presented by the evidence;

- e) The reasons for the decision of the arbitration award shall be signed by the participating arbitration judges. The date of the last signature shall be noted.

The duly rendered and deposited arbitration award has the effect of a legally binding judgment for the parties (Section 1040 of the German Rules of Civil Proceedings; *ZPO*).

§ 19 Depositing the Arbitration Award

The court bailiff shall serve a duplicate of the arbitration award on each party after it has been signed by the participating arbitration judges. The service shall be ordered by the Presiding Judge.

The signing of the award shall be made in conjunction with the certificates of service; the Presiding Judge shall deposit the award in his name and on behalf of the other arbitration judges with the Clerk's Office of the jurisdictional court (Section 20 of the German Rules of Civil Proceedings; *ZPO*). The Presiding Judge shall forward a photocopy of the deposit confirmation to the parties, or their authorized representative(s) respectively.

An arbitration settlement (Section 17) does not require formal service; it is deposited with the office of the jurisdictional court. The parties may dispense with the deposit of the arbitration award.

§ 20 Jurisdictional Court

The jurisdictional court (Amtsgericht) in Bonn, Germany, is the appropriate court to deposit an arbitration award (settlement); and for performing those judicial acts that the Association Court deems necessary (Section 1042 of the German Rules of Civil Proceedings; *ZPO*); and for decisions wherein arbitration judges are challenged; and for the issuance of decisions as set forth in Section 1042 of the German Rules on Civil Proceedings (*ZPO*).

The above court does not have jurisdiction over parties who reside within the jurisdiction of another court. Depositions and testimony under oath by witnesses and expert witnesses or testimony under oath by the parties shall be administered by the respective local court with jurisdiction.

§ 21 Cost of the Proceeding

The arbitration award, or the settlement, shall stipulate which party must assume the costs of the proceeding.

The Association Court can assign partial costs to both parties if neither party won or lost the dispute as a whole.

A party that withdraws the request for arbitration shall bear the costs thus far incurred.

The Arbitration Tribunal determines the value of litigation. The value of disputes of a non-pecuniary nature shall be set between € 2000,- and € 20.000,- (Euro).

Costs of arbitration proceedings include standard court costs under the (German) Law on Court Costs (*GKG*), costs and travel expenses of the Arbitration Tribunal, as well as costs for hearing parties for the evidence and other matters of evidence.

§ 22

Advance Payment Towards Costs of Proceeding

The party requesting arbitration shall pay an advance of € 2500 (Euro) to the Association Office and shall show documentation thereof.

The Association Court may request that an additional and proportional advance on the proceeding costs be paid before it performs certain procedures. This rule shall not apply to proceedings appealing decisions by the Disciplinary Committee or the Executive Committee.

§ 23

Enforcing the Award

Decisions by the Association Court shall be enforced by the Executive Committee of the Association.

Enforcement proceedings through the jurisdictional court may be initiated after the party losing the arbitration has failed to honor the arbitration award despite having been requested to do so.

B. Arbitration by Agreement

§ 24

Agreement on Arbitration Court

These Regulations apply to all disputes wherein regulations are being contested. Association Court Regulations shall also apply to individual members of affiliated clubs and associations as long as these clubs have declared themselves bound by the JGHV By-laws in a general statement to that effect in their respective by-laws.

When disputes are of a non-organizational nature, these Regulations do not apply.

However, it is optional to agree to the jurisdiction of the JGHV Association Court as the arbitration tribunal (Section 1027 of the German Rules of Civil Proceedings; *ZPO*).

Under this option, when the request for arbitration is made, the Presiding Judge of the Association Court sets a deadline for the parties to submit the arbitration agreement wherein parties have signed and declared themselves bound by the Regulations of the Association Court which excludes jurisdictional courts.

The Regulations herein shall also apply to proceedings under arbitration agreement.

§ 25
Keeping of Records

Arbitration Court records of proceedings with legally enforceable decisions shall be kept at the Association Office for a minimum of 10 years.

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