Introduction

P.R.I.M.E. Finance is a Panel of Recognized International Market Experts in Finance based in The Hague. It has been established to assist judicial systems in the settlement of disputes on complex financial transactions. The organization's core activities will include education and judicial training, providing expert opinions and risks assessment and arbitration or mediation. P.R.I.M.E. Finance will be supported by a Panel of Experts which currently includes some of the most senior people in the financial markets with collectively over 2000 years of experience in the markets. P.R.I.M.E. Finance's Advisory Board is chaired by Lord Woolf of Barnes, former Lord Chief Justice of England and Wales, and its Management Board is chaired by Jeffrey Golden, Visiting Professor at London School of Economics and Political Science and former partner at Allen and Overy. A guiding principle of the organization is independence which will distinguish it from other financial market participants, including industry associations.

The market need for this initiative has been identified through meetings in 2010 and 2011 with market experts, jurists and financial market regulators in various financial centers of the world. The enthusiasm and support we have had so far from those in the global legal and finance community is truly encouraging. P.R.I.M.E. Finance is currently being approached by the highest calibre of legal and finance experts to become Panel members, which makes the current list a blend of the finest financial and legal minds in the world.

Prominent governance members

A list of the Advisory Board and Management Board members of P.R.I.M.E. Finance can be found on our website, [www.primefinancedisputes.org](http://www.primefinancedisputes.org).

Top quality global expertise

Among the 82 P.R.I.M.E. Finance Experts are sitting judges, central bankers, regulators, representatives from private practice and, of course, derivative market participants. It is a diverse and international group with a variety of backgrounds across geography, market activity, jurisdiction, linguistic skills and nationality. This distinguished group of individuals has been carefully vetted and is committed to the goals of the organization.

Independent and transparent

The policy of P.R.I.M.E. Finance is to act in a manner that is independent. This is a guiding principal of the organization and will be closely overseen by the Management Board. Additionally, P.R.I.M.E. Finance’s activities will be highly transparent to the various constituencies that will use its services. P.R.I.M.E. Finance plans to maintain a comprehensive database on legal proceedings and judicial decisions relating to complex financial transactions and intends to produce regular publications including results of P.R.I.M.E. Finance arbitral tribunal proceedings. There are also plans for regular reporting and interchange and consultations between judicial and market experts as part of P.R.I.M.E. Finance sponsored conferences.

Cooperation with Permanent Court of Arbitration

Under the UNCITRAL Rules, as adapted for P.R.I.M.E. Finance, the Permanent Court of Arbitration (“PCA”) Secretary General, also based in The Hague, has agreed to act as appointing authority for P.R.I.M.E. Finance in cases where the parties cannot agree as to the experts to be assigned to the case. Disputes may be resolved anywhere in the world, however the PCA has authorised the conduct of arbitral hearings at the Peace Palace, in The Hague.

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Market Need
Rapid growth and ever-increasing complexity in the financial markets calls for innovative solutions to dispute settlement. To date, national courts and ad hoc arbitration have been unable to produce a settled and authoritative body of law. Decisions are unpredictable, too decentralized, taken too slowly and not always enforceable in home jurisdictions. The current system is heavily dependent upon advocates for the plaintiffs and the defendants. Jurists have limited resources of their own to draw upon. There have been prominent examples of the same question about a market standard agreement being decided in opposite ways in two countries. In addition, judges do not always have the necessary expertise to deal with the complex products traded in the global market. P.R.I.M.E. Finance is designed to respond to these problems, to serve the public policy need of assisting jurists in the settlement of these complex cases thereby reducing legal uncertainty and fostering stability and confidence in world finance.

Services
P.R.I.M.E. will develop a centre of excellence aimed at promoting a more sophisticated understanding on matters relating to documentation, law and market practice for derivatives and other complex financial products. Services will include:

I. Judicial training: P.R.I.M.E. Finance will provide from the outset training for jurists through customized training programs upon request and through a series of conferences. These sessions will draw upon our experts, publications and our library of international precedents.

II. Database/Library of cases: P.R.I.M.E. Finance will develop an easily accessible computer database of all significant judicial decisions relating to complex financial transactions from around the world.

III. Law reform: Working groups will identify areas of potential legal risk and seek, where appropriate, to improve the law in the relevant markets.

IV. Dispute resolution services: The services to be offered will include arbitration, mediation, expert and advisory services. For many market participants, particularly those from Asia, Africa and South America, P.R.I.M.E. will be a much more acceptable forum for resolution of complex financial disputes than is resort to litigation in either New York or London.

Scope of cases
Expected cases include: (i) cases arising under and in relation to ISDA documentation for OTC derivatives; (ii) cases relating to other forms of documentation (English and non-English) for derivatives, including the European Master Agreement, NY Fed sponsored documentation (IFEMA, FEOMA and ICOM), and local language and law master agreements sponsored by the French and German banking associations and, where appropriate, other bodies (e.g., NAFMI in China); (iii) cases relating to documentation for other products (repos, stock lending, etc) sponsored by SIFMA, ICMA, ISLA, EMTA, the FOA and others (note: there are currently no special subject matter tribunals for any of the arrangements contemplated by (i), (ii) or (iii)); (iv) cases relating to wholesale financial market trading, and especially trading on ISDA terms, where one or more parties are situated in a developing market country; and (v) cases (or expert advice) in connection with the activities of systemically relevant players such as clearinghouses (CCPs) and exchanges and in relation to matters involving regulators or central banks.

Media interest
Please click on the link below to find recent press articles concerning the P.R.I.M.E. Finance project: