

## **Representation plan on behalf of Conglomerated Nanyu Tobacco Ltd**

### **Facts and Nature of the Dispute**

Conglomerated Nanyu Tobacco Ltd. (Nanyu) and Real Quick Convenience Stores Ltd (RQ ) entered into a long-standing business relationship, usually signified by signing 10 years Distribution Agreements. The last Distribution Agreement (the "Agreement") between Parties was signed on December 14th, 2010. On March 14, 2011, a Gondwana Senator introduced Bill 275 which introduces far-reaching reforms to tobacco regulation, including the requirements that all tobacco products be placed in generic packaging which would eliminate all trademarks, images, designs, colors or structural elements which used by tobacco producers to characterize its products. Only the band or company's name would be printed on the products. Between March 21st, 2011 and March 11th, 2013, RQ attempted to raise concerns about the regulations in Gondwana with the Nanyu several times and its wishes to renegotiate the contract. Although parties managed to sit together on April 11, 2013, efforts to renegotiate the contract failed. On May 1, 2013, RQ notified the Nanyu that it would no longer be able to perform its duties under current Agreement because of impossibilities caused by passage of Bill 275 and other several regulations. Nanyu subsequently requested the liquidated damages set out in the termination clause of the Agreement, which the RQ refused to pay. On January 12th, 2014, Nanyu brought the arbitration claim based on the Dispute Resolution clause as set out in the original Agreement before the current tribunal.

### **Interests of the parties**

#### **Conglomerated Nanyu Tobacco Ltd**

1. Nanyu wishes to reduce the financial losses resulting from the termination of the agreement.
2. Nanyu has an interest in asking RQ to fulfill the obligation of the Agreement and if CR refused to do so, Nanyu wishes RQ to pay the liquidated damages in the sum of USD \$75,000,000 or transfer its equity.
3. Nanyu has an interest in renegotiating the Agreement and maintain a long-lasting relationship based on trust and understanding.

**Real Quik Convenience Stores Ltd**

1. RQ has interests in exempting the liability of terminating the Agreement.
2. RQ wishes Nanyu to share the responsibility for the failure of performing Agreement result from Bill 275.
3. RQ wishes to renegotiate the Agreement and maintain a long-lasting relationship based on trust and understanding.

**Mediation strategy and responsibility sharing**

Mr. Adam Mayfair will be in charge of presenting Nanyu's interest and positions. However, he may will be supported by his counsel, and make settlement offers to RQ, and finally decide whether a deal is acceptable. His legal representative will be responsible for addressing all legal issues and will provide an objective leverage to the negotiation position of Nanyu.

In his opening statement, he will outline his perception of the issues and respective interests. Nanyu wishes to start the mediation by preparing an agenda of the issues and both Parties intend to discuss. Firstly, Nanyu would like to discuss the possibility of the performance of the Agreement as Nanyu has provided the new package of the products and RQ should have foreseen the situation. Then Nanyu wishes to touch upon the Agreement. While discussing the matter, Nanyu will seek to establish a mutual agreement on a new Agreement based on the Parties' concerns. As Nanyu is particularly interested in continuing the cooperation between the Parties, it wishes to improve the communication between them as it is of great importance to past disagreements. Additionally, it is Nanyu's interest to be reimbursed for the loss of time and money suffered as a result of the nonperformance of the Agreement by RQ.