



1ST VIRTUAL INTERNATIONAL NEGOTIATION COMPETITION

24th June 2022 - 26th June 2022

hosted by



**Newcastle
University**

in Collaboration with



L&L
PARTNERS
Law Offices



NEGOTIATION PROBLEMS

DISCLAIMER

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CLARIFICATIONS

In case participating team has any questions, clarifications or interpretations in relation to one or more Negotiation Simulations then these can be submitted to the organizers at admin@mediateguru.com by 21st June, 2022 at the latest.

• Problem 1

Please note that this problem will be used for Preliminary Round 1 and Preliminary Round 2. Each team would have to play the roles of both Requesting and Responding Party. Participants are required to submit Negotiation Plan ONLY for Problem 1, from both the sides, in accordance with the official brochure of the competition.

• Problem 2

Please note that this problem will be used for Semi Finals. Each qualifying team would have to play the role of either Requesting party of Responding Party, which is to be decided by Draw of Lots.

• Problem 3

Please note that this problem will be used for Finals. Both Qualifying team would have to play the role of either Requesting party of Responding Party, which is to be decided by Draw of Lots.



1ST VINC'22

PROBLEM 1



PROBLEM 1

John, Alex, Paul, Gerald and Henry are five friends living in Brooklyn, New York and working together in a Multi-National Corporation there. Gerald is engaged and about to get married on the night of 03rd April 2022. Gerald is a resident of Queens, New York and his to-be wife also lives in Queens itself. Both the families mutually decide to organize all the functions relating to the marriage in two subsequent days on 03rd April and 04th April 2022. The wedding and other functions on the aforementioned dates are planned in Delight Hotels, a chain of five-star hotels in Northern part of the country. All the arrangements had already been done by both the families for the two consecutive days. Accommodation, food and other arrangements had been made in the hotel itself. However, since the combined budget of the families was limited, they decided to accommodate the close relatives in Delight Hotels and other relatives and friends in a nearby motel. John, Alex, Paul and Henry were not seemingly happy with this arrangement and decided to book their own place through online platforms for booking stays and accommodations. Henry had been travelling from Paris to New York and was due to arrive on the afternoon of 03rd April 2022.

On 29th March 2022, John booked two rooms from comestaywithus.com near the venue itself in a 3-star hotel and accommodation services. The E-Commerce organization had its own rating mechanism which they make the users fill for them and the hotel they booked, namely Hotel Decent was rated 4.8 out of 5, being the highest rated one in the entire locality. John also checked the pictures showed of the property in the description by the owners of the property and also by the guests. All of them were convinced that the stay will be pleasant and comfortable at such a place. The package they bought included two deluxe rooms with four guests along with the breakfast included in the same. The check-in was scheduled at 12:00 PM on 03rd April 2022 while, the checkout was scheduled on 04th April 2022 by 11:00 AM. John, Alex and Paul arrived at the hotel around 11:30 AM on 03rd April 2022.

PROBLEM 1

They witnessed that the reception was heavily rushed with a lot of people checking in and others getting their grievances resolved. They overheard a few people talking about the unhygienic conditions of the room. In order to get the issue cleared, Paul went to the reception desk at which he was asked to wait till 12:00 PM for him to be allotted the room. Their turn came at around 01:15 PM at the reception desk. The staff at the reception seemed pretty rude and riled up. They were only allotted one room at that time and were told that the other room would be allotted in half an hour since a lot of guests have not vacated their rooms from previous bookings. John, Alex and Paul were frustrated due to this behavior and reached to their room on 3rd floor.

On entering the room, they realized that the it has not been cleaned up and sanitized before being allotted to them. There were cracks on wall, a few lights were not working and the lock of the cupboard was already broken.

Meanwhile, Henry reached the place and he also witnessed these issues. All of them immediately took all of their belongings and went down to the reception desk and complained. They mentioned about the pathetic condition of the room allotted to them. Additionally, there were no toiletries given to them. All of them led by Henry fought over these things and since no solution was offered to them, they decided to reach out to the customer care services of comestaywithus.com. The platform had no direct calling number available and would only let one connect through a bot on a chat service.

After that, if the consumer's complaint still stays unresolved, then it would automatically get connected to a calling executive. The whole process took them two hours and the calling executive would every time connect with the reception desk/manager of the property to try to get the issue resolved.

PROBLEM 1

The executives at reception desk/property manager would deny any such condition of the room and would ask them to check the pictures available on the website as well as on the application. The four of them were seeking a refund and both the hotel executives and executives of comestaywithus.com stated that the booking can only be refunded within one hour of the check-in time, which means till 01:00 PM. After making several attempts, the four friends left the property premises and immediately booked two rooms in Delight Hotels itself, since there was no time left for them to find a hotel, change and then get ready for the functions. Since that was an instant booking, it cost them around 500/- (USD) for both the rooms. Additionally, they did not get a refund of 250/- (USD) for their previous bookings. On 08th April 2022, they filed a complaint in local authorities (local court) for deficiency in service and discomfort accrued.

They stated in their complaint that firstly they were not allotted two rooms, they were made to wait unreasonably in the room allotment, the room allotted was unhygienic and lastly, they were not even refunded once they made the complaint. The complaint was made against the Hotel Decent and the comestaywithus.com organization. They pleaded that their services were up to the mark and as their reputation goes in the market, the complaint is frivolous.

Both the parties, agreed to undergo negotiation, to settle their dispute.

For the purpose of clarity;

The interest of John, Alex, Paul, Gerald and Henry would be represented by John, and they shall be Requesting Party. Whereas, Hotel Decent and comestaywithus.com would be represented by comestaywithus.com and they shall be Responding party.



1ST VINC'22

PROBLEM 2



PROBLEM 2

Dr. Robert Barnett a cardiologist by profession and owner of the Hospital named Spring Hill Community Hospital in New Jersey was serving the local citizens of the New Jersey state with Medical Instruments like Diagnostic and Antibody Tests facilities, Masks, Respirators, Gloves, Gowns, and Other Personal Protective Equipment (PPE), Ventilators and Ventilator Accessories, Oxygen Cylinders , and other Medical Devices. For the same he entered into a Purchase Service Contract with a Medical Devices manufacturing Company named Prime Solutions Pvt. Ltd based in New York. For the year 2019-2022, he secured a long term Contract to manage the Hospital Supplies during these crucial years.

Planning for the long term and seeing the seriousness of the situation, Hospitals started preparing for their future needs and diseases and having enough basic medical supplies. For the first year that is 2019 (January) - 2020 (January) the Contract worked smoothly between Spring Hill Community Hospital and Prime Solutions Pvt. Ltd. However as soon as the Pandemic hit the world, their contract came to stand still as the prices of the basic medical amenities went up sky rocketing and Prime Solutions making use of the situation started increasing the prices to a level much higher than is considered reasonable or fair.

Initial Signing Contract of 3 years is as follows:-

MEDICAL SERVICES AGREEMENT;

THIS MEDICAL SERVICES AGREEMENT is made between: the Spring Hill Community Hospital and Prime Solutions Pvt. Ltd.

The Parties agree as follows:

- **Agreement** means this medical services agreement.
- **Clinical Privileges** means the type of Medical Services that a Nominated Medical Practitioner is approved to provide at a Hospital. Clinical Privileges Conditions means the terms and conditions specified by the Board and attached to the Nominated Medical Practitioner's application for Clinical Privileges.

PROBLEM 2

- **Director General** means the Director General of the Department of Health and includes any person acting in that position from time to time.
- **Fixed Payments** means the periodic payment by the Hospital.
- **Rural Practice** means Incentive but not including any payments for Additional Services.
- **Force Majeure** means any cause not reasonably within the control of the party claiming force majeure including, but not limited to, accident, illness, fires, flood, storms and other damage caused by the elements, strikes, riots, explosions, governmental action (other than that related to health purchasing), acts of God, insurrection and war but does not include the financial circumstances of a party.
- **Initial Prices** agreed by both the Parties are as follows :-
 - v Diagnostic and Antibody Tests facilities- \$45.00
 - v Sanitizers - \$5.00
 - v Masks (Two types) -
 - Surgical Masks - \$ 15.05
 - N95 -\$ 20.00
 - v Respirators - \$50.00
 - v Gloves- \$12.00
 - v Gowns, and Other Personal Protective Equipment (PPE)- \$80.00
 - v Ventilators and Ventilator Accessories- \$120.00
 - v Oxygen Cylinders - \$90.00
- **All Disputes** will be Dealt by Alternative Dispute Mechanism - Mediation/Negotiation.

However the same prices increased as the situation started getting serious and without informing the Spring Hill Community Hospital, Prime Solutions Pvt. Ltd stopped the supply of the basic medical amenities at the crucial hour of the need. On sending various Emails to the Company respectively dated 02.03.2020 and 15.03.2020, they sent a revised quote of the medical amenities as follows:-

PROBLEM 2

- v Diagnostic and Antibody Tests facilities- \$145.00
- v Sanitizers - \$55.00
- v Masks (Two types) -
 - Surgical Masks - \$ 35.05
 - N95 -\$ 75.00
- v Respirators - \$150.00
- v Gloves- \$50.00
- v Gowns, and Other Personal Protective Equipment (PPE)- \$115.00
- v Ventilators and Ventilator Accessories- \$200.00
- v Oxygen Cylinders - \$190.00

Which was not only a big blow for the Hospital but also the Patients admitted in the said Hospital suffering in this Pandemic and down with the virus.

In a recent Medical conference, Prime Solutions Pvt. Ltd., showcased through a presentation with financial and documentary evidence, how in these times of the pandemic their manufacturing units were affected through reasons like:

- There was an acute lack of personnel due to illness and quarantine measures, and those available to work did it at a reasonably higher than usual rate.
- Their delivery procedures were impacted greatly, because of which the cost of transportation of final goods to the clients became a tougher and a expensive task.
- Enhanced hygienic procedures, directly impacted the production efficiency at the manufacturing units.
- There were major supply chain disruptions as much from the material came of overseas, which now was not available in the required quantities, and thus impacted the production and costing of the goods.

However Spring Hill Community Hospital is still dissatisfied with the new price quoted, and wished to continue working on their previous contract made.

PROBLEM 2

Now a Negotiation meeting has been set Dr. Robert Barnett and Manager of the Medical Company Ms. Lily Thomas.

For the purpose of clarity;
Spring Hill Community Hospital will be Requesting Party whereas;
Prime Solutions Pvt. Ltd will be Responding Party.



1ST VINC'22

PROBLEM 3



PROBLEM 3

Background

1) There are various kinds of Khimese historical records dating back 2000 years where the South Khima Sea is known as All Rising Sea and the Island Reefs shows the sun and Rock Peaks in historical documents of the Han Dynasty as well as in documents of later dynasties. Ancient name referring to today's seesow island as Kam-Zho Island and inhabited Island in Khima's Sea Padikkal are clearly recorded. During the Ming and Qing Dynasty between 14th and 20th century dozens of Islands of South Khima Sea including those in Lim-Cha are recorded. Many of these names have been widely adopted and are used by international sailors even until this day. Khima was the first military to exercise its jurisdiction in South Khima Sea for over 1200 years.

2) Furthermore, successive Khimese governments have exercised jurisdiction over South Khima Sea. This includes Islands and waters around South Khima Sea. The Sovereignty was established through administrative establishment naval petrol resources development and management. The fact that only Khimese lived on Naniang Islands was recorded clearly in a book called the Khima sea pilot published by the Empire's navy in 1858.

3) Berman sent military vessels to South Khima Sea for survey. The government of Guandong province protested to the Berman alleging a breach of Khimese sovereignty. Berman had to stop the survey and withdrew the team. In 1958 the Khimese government issued a declaration on the territorial water applicable to all Khimese territory including Visma and Lim-Cha and other islands in south Khima sea. Until 1970s it was widely recognized by the international community that islands in the south Khima sea belong to Khima.

4) In 1776 thirteen colonies of Great Empire severed their political connections and proclaimed independence on democratic principles such as liberty and equality.

PROBLEM 3

Ever since its establishment of democracy, United Provinces had become a beacon to the world for a better way of life. In World War 1 and World War 2, United Provinces fought against dictatorial and fascist government to establish democratically elected institutions and helped in de-colonisation of the third world countries.

5) United Provinces have been waging wars against authoritative regimes and toppling communist regimes and securing peace and democracy for the citizens of various countries. United Provinces hold a torch for protection of human rights and safeguarding liberty of the people. The policy of United Provinces is to protect its democratic allies whenever there is an eminent threat to their sovereignty and liberty.

6) In September 2001, the United Provinces was attacked by an extremist ideology which resulted in over 3400+ deaths of civilian population as they were targeted for their freedom. The unprovoked attack led to United Provinces invasion of Jafganistan where it stayed for 20 years to ensure peace and stability in the region with extremist ideology. The United Provinces could have left a year or 2 later after it first invaded, but it didn't due to their commitment to protect individual liberty and basic human right to the citizens of Jafganistan. This war cost over 2 trillion dollars and countless lives of the soldiers but United Provinces stood firm as the torch bearer of the democracy.

UNCLOS

7) United Nations Convention on the law of the sea also called the Law of the sea convention is an international agreement that established a legal framework for all marine and maritime activities. It has more than 168 parties including all the countries who are party to dispute of South Khima Sea, but excluding United Provinces. As per article 298 of UNCLOS, Khima signed a declaration in 2006 that it would exclude disputes on maritime delimitation from compulsory arbitration. Along with Khima over 30 more countries issued this declaration.

PROBLEM 3

THE DISPUTE

8) The San Island is claimed by Bhilippines and Khima on April 8, 2012. A Bhilippine navy vessel spotted 8 Khimese military vessels anchored in the water of the island. In response to this the Bhilippine government requested the Khimese government to vacate the San Island territorial waters but Khima refused to do so as they claimed that San Island is within their territory. Further they demanded Bhilippian authorities to vacate the island within 7 days or be subjected to trespass on Khimese territory.

9) Due to Bhilippines being a weak nation as compared to Khima's military, they turned to United Provinces for assistance. In response to which United Provinces condemned Khima's action in San Island but failed to provide any materialistic help to Bhilippines. Disappointed by United Provinces, Bhilippines realized that it had no alternative but to start negotiations with Khima. The result of the negotiations led Khima to take control over the San Island with the promise that Khima won't militarize the island, coupled with billions of dollars of investment in Bhilippines.

10) Further Khima and Bhilippine signed an agreement that if any future disputes arise, it was to be dealt with bi-lateral negotiation only. The Bhilippian people saw this deal as their government selling them out to Khima, resulting in the overthrowing of the government. The new government filed a case in PCA (Permanent Court of Arbitration) which ruled that Khima has no sovereignty in South Khima Sea. This decision was rejected by Khimese government.

11) The unacceptability of PCA's decision by Khima infuriated the international community and made Khima the recipient of condemnation from around the world. Their rejection to accept the decision was seen as violation of international law by many countries.

PROBLEM 3

United Provinces condemned Khima's action as well and committed to open Indo Pacific Sea Route and help the parties being oppressed by Khima, to retain their sovereignty.

12) The South Khima Sea is a region of tremendous economic and geo strategic importance. One Third of the world's maritime shipping passes through it, valuing over 3 trillion U.P. Dollars in trade each year. Huge oil and natural gas reserves are believed to lie beneath its sea bed. It also contains lucrative fisheries which are crucial for the food security of millions in South East Asia. Hence all the neighbouring countries such as Vietnam, Philippines, Malaysia claims a portion of South Khima Sea to be their territory as per 200 nautical mile rule stated within UNCLOS.

13) Owing to the importance of South Khima Sea and it being one of the world's busiest water ways, it is vital for the United Provinces for their passage to remain open and not fall under the communist regime of Khima.

Hence United Provinces with its allies such as GE, Japan, Australia, India etc. conducts freedom of navigation exercised in south Khima Sea which is targeted to challenge Khimese navy's supremacy in the area.

14) On 16th Jan, 2021 US Arleigh Burke- Class Destroyer was conducting a military exercise between Hainan, Khima and Anna Islands, on its way to Vietnam where it encountered Khimese navy patrol Boats. Khimese Navy gave a warning to the US Destroyer to vacate the territorial waters of Khima but the Destroyer ignored the warning, Khimese navy again reattempted to encourage the Destroyer to vacate the territorial waters but they were ignored as well.

15) After 2 hours of continuance warning of the Khimese navy in the region, the Destroyer didn't left and maintained its course towards Vietnam.

PROBLEM 3

Soon the Patrol Boats were joined by three Khimese destroyers which gave a final warning to UP destroyers to surrender and prepare to be boarded or else brace for impact. Seeing 3 Khimese destroyers on the horizon the UPS destroyers thought it would be best to surrender in order to not escalate the matter to a full blown war.

16) The Khimese navy arrested the Provincial sailors under the charge of trespass in Khimese territory without valid passport and visa and they were tried as foreigners but not enemy aliens. United Provinces demanded that Khima release its sailors as well as the UPS Destroyer to the custody of United Provinces government but Khima stood firm on its decision to try UP military personnel in Khimese domestic court, as they were found within Khimese territory, hence under Khimese jurisdiction.

17) Khima believed that trying UP sailors and convicting them would send a message to the United Provinces as well as its allies to respect Khimese sovereignty in the South Khima Sea as well as deter other nations from conducting military exercises near their coastline. Khima viewed this action as an act of self Defence and against the abusive powers of the west. Whereas United Provinces and its allies viewed the arrest of UP sailors as a breach of Geneva Convention as well as hindrance to freedom of navigation in South Khima Sea.

18) Through mutual agreement both the countries have agreed to negotiate this matter by holding talks, in order to de-escalate the tensions.

DRAFTERS OF THE NEGOTIATION PROBLEMS

• Problem 1

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• Problem 2

Problem 2 has been drafted by
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• Problem 3

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Please note that any attempt to contact the drafters of the negotiation problem, in relation to the problem of this competition, would lead to immediate disqualification.