

The Rules of the Arbitration Centre IT&L

Part I.

Basic Provisions:

Sec. 1

(1) The Arbitration Centre IT&L (hereinafter referred to as “Centre”) is not a permanent independent arbitration court pursuant to the provision of Sec.13 of the Act No.216 of 1994, Coll., relating to the Arbitration Proceedings and Enforcement of Arbitral Awards.

(2) Centre

- issues The Rules of the Arbitration Centre which contains provisions on arbitration proceeding,

- administrate register of independent arbitrators,

- provides administration support to registered arbitrators who solve property disputes under the provisions on arbitration proceedings (hereinafter referred to as “Case”),

- appoints particular registered arbitrator for a particular case.

(3) A registered arbitrator shall decide dispute if his jurisdiction in the given litigation is based on:

a) an international treaty (Sec. 47 of the Act No. 216 of 1994, Coll.)

b) a valid arbitration agreement entered into by the parties (Sec. 2 and 3 of the Act. 216 of 1994, Coll)

c) written declarations of the parties in arbitration proceedings commenced, showing beyond doubt their intention to submit to the jurisdiction of the arbitrator appointed by the Centre.

(4) A party which starts defending its case on the merits without taking an objection to the jurisdiction of the arbitrator shall not be free to raise thereafter a plea of lack of jurisdiction (Sec.15 paragraph 2 of the Act No. 216 of 1994, Coll). A plea raised at a later stage shall be taken into consideration only if the matter is not arbitrable due to its nature.

(5) The arbitrator decides in one instance. The possibility of reviewing the arbitral awards the case may be, is set down in sec.27 of the Act No.216 of 1994, Coll.

Sec. 2

The Centre, besides determining disputes in arbitration proceedings, serves the disputing parties with the resolution of disputes outside the arbitration proceedings if they are interested in (Part V.).

Part II.

Board of the Centre, Arbitrators and Secretary

Sec. 3

Board of the Centre

(1) The Board of the Centre shall exercise the powers conferred thereon by the Rules and all other matters being within the powers of the Centre in accordance with the Statutes of the Centre that are not expressly entrusted to the President (Vice-Presidents) of the Centre, the arbitrators and / or the Secretary.

(2) Unless the members of the Board participate in decision taking by the Board under Secs.23 and 24 hereof in the same matter, they shall be free, except the Secretary, to exercise the functions of arbitrators or the presiding arbitrator, as the case may.

Sec. 4

Arbitrators

(1) Disputes shall be decided by arbitrators. When exercising their functions, arbitrators shall be independent never having the character of representatives of the parties.

(2) A case shall be decided by one single arbitrator if the value of the claim at the time of filing the statement of claim does not exceed 1, 000. 000,- CZK (Czech crowns) and the parties to the dispute have not expressly agreed in the arbitration agreement that the case shall be decided by an arbitration tribunal consisting of three arbitrators. In the other cases, the dispute shall be decided by an arbitration tribunal consisting of three arbitrators or by a single arbitrator, provided the parties have agreed so. Constitution of an arbitration tribunal or appointment of one single arbitrator shall be performed in accordance with Rules (Sec. 22 hereof).

(3) Unless anything else results from the sense of the individual provisions hereof, all what is said of arbitrators and arbitral tribunal shall apply equally to one single arbitrator.

Sec. 5

Secretary

(1) The secretary shall organize the work connected with the functions of the Centre and exercise all other functions reserved to him under the Rules, in particular he shall take care of the due conduct of arbitration proceedings in time, of due transcription of all decisions of the Centre and of archivation of all writings of the Centre; he shall sign clauses confirming that the decisions are final and in force, and with consent of the board shall publish leading decisions in appropriate form. He shall have the right to participate in all hearings before the arbitrators.

(2) The activities of the Secretary may be attended to by his (her) deputy, if any.

Part III.

Proceedings

1. General Provisions

Sec. 6

Place of Hearing

(1) Regularly, hearings in pending disputes shall be held in the seat of the Centre in Brno. Upon suggestion of the Secretary or on the initiative of the arbitral tribunal or under an agreement of the parties to the dispute, the hearings may be held at other places within the Czech Republic or abroad.

(2) The arbitral tribunal shall give a notice to the board of hearings to be held abroad. If such hearings are to be held abroad upon the initiative of arbitrators, the parties have to agree thereto.

Sec. 7

Production of Documents

(1) All documents relating to the commencement and conduct of arbitration proceedings shall be produced in such number of copies that all parties and all members of the arbitral tribunal as well as the secretariat obtain one copy thereof.

(2) Save for written evidence, communications shall be produced in English language or in the language of the contract, or in the language used in the correspondence between the parties, as the case may be. If the Centre think it fit, or upon request of a party the Centre may direct a party having produced the document to have it translated into English or may arrange for such a translation at the costs of such party.

Sec. 8

Language of the proceedings

(1) Oral hearings shall be held, and decisions shall be made, in English language; upon request of a party, the hearings and decisions will be translated into another language. Upon such request by a party, the Centre will arrange for an interpreter, or for the translation of the decisions or other writings, as the case may be.

(2) If necessary, the arbitral tribunal may, provided both parties agree, hold hearings directly in another language, and, as the case may be, pronounce the decision.

Sec. 9

Basis of Decisions

(1) The Centre shall decide disputes in accordance with the rules of the applicable material law, guiding themselves, within the scope thereof, by the contract concluded between the parties and having regard to the custom of trade.

(2) A dispute may be decided also *ex aequo et bono*, however, such decision shall be admissible only if the parties expressly confer this power on the arbitrators. (Sec. 25 paragraph 3 of the Act No. 216 of 1994, Coll).

Sec. 10

Service

(1) Documents in a litigation shall be sent out to the parties by the secretary to the last address indicated by that party or to its appointed counsel.

(2) Statements of claim, defences, summonses, arbitral awards and rulings (orders) shall be sent out by registered mail with notice of receipts summons may be sent by telefax, too.

(3) Other documents may be sent by registered or ordinary mail, by telefax or by means of the Internet. Any notice may be also given by cable.

(4) All documents referred to in the preceding paragraphs may be also served personally upon the party, against receipt.

(5) All service upon the Centre shall be deemed valid if made in accordance with paragraphs (1) to (4) hereof, even if the addressee refuses to accept the document or if, in spite of a notice of the post office, fails to take delivery thereof. However, a service shall be deemed valid, if made in accordance with rules of procedure prevailing in the country where documents are to be served.

(6) If a party changes address after the commencement of the proceedings without informing thereof the Centre, the service shall be valid, if made in one of the above manners under paragraphs (2) and (3) to the last known address of said party or, as the case may be, the telefax number or the Internet address.

(7) If service cannot be carried out at the last known address of a party who has neither a counsel nor a representative for service, the president (the vice-president) of the Centre may appoint a curator for such party for the purpose of service of documents.

(8) The power to issue letters rogatory for foreign courts or other authorities, requesting them to serve documents or to assist the Centre in another way, shall be vested in the president or the vice-presidents of the Centre, as the case may be.

Sec. 11

Stay of Proceedings

If good cause is shown, proceedings may be stayed upon request of a party or upon initiative of the arbitral tribunal, for a definite period of time. A ruling on stay shall be taken by the presiding arbitrator or until the constitution of the arbitral tribunal, the president (the

vice-president) of the Centre. If no extension of the stay is granted within one month following the expiration of the original period, either upon request of a party or on the initiative of the arbitral tribunal, the proceedings shall continue. If no extension of the stay is granted within 15 (fifteen) days following the expiration of the original period of stay of the proceedings, either upon request of a party or on the initiative of the arbitral tribunal, the proceedings shall continue.

Sec. 12

Restitution

If, for serious reasons, a party is prevented to participate in the proceedings or in any portion thereof, or if it is prevented to take certain steps necessary to defend its right, until the pronouncement of the arbitral award or, if such award is not pronounced, until its being made, the arbitral tribunal, or in case such tribunal has not yet been constituted, the president (the vice-president) of the Centre shall, upon application of such party, take reasonable measures enabling the party to do subsequently what it missed.

Sec. 13

Conservative and Interlocutory Measures

(1) After the statement of the claim has been filed, but before the constitution of the arbitral tribunal, the president of the Centre may, in urgent cases, acting upon application of one party or both of them, take measures to conserve evidence. For this purpose, he may appoint one or more expert witnesses or take other appropriate steps.

(2) Before the commencement of arbitration proceedings or during same, any party may apply to the respective authority for an interlocutory measure. A notice of such application shall be given by the applicant to the Centre.

Sec. 14

Third Party

(1) Apart from the parties (the plaintiff and the defendant), whoever shows a juridical interest in the outcome of the proceedings may take part therein as third party. No other person shall be admitted to participate in the proceedings.

(2) In arbitration proceedings, a third party shall have the same rights and duties as a party. However, he may act only on his own behalf. If his acts are inconsistent with the acts of the party on the side of which he acts, the tribunal shall evaluate same, taking all circumstances of the case in due consideration. Facts, disclosed by a third party may be taken in consideration by the arbitral tribunal even if inconsistent with facts alleged by the party.

Sec. 15

Application of the provisions of the Act No. 216 of 1994, Coll.

Procedural matters, not expressly regulated herein, shall be governed by the provisions of the Act No. 216 of 1994, Coll., relating to the Arbitration Proceedings and Enforcement of Arbitral Awards.

Sec. 16

Scope of Application of Provisions Governing Proceedings

Unless a contrary intention results from these Rules, provisions applicable hereunder to proceedings before an arbitral tribunal (or one single arbitrator) shall apply mutatis mutandis to steps taken by the board, the president, the vice-president or the secretary.

2. Commencement of Proceedings

Sec. 17

Statement of Claim

(1) Arbitration proceedings shall be commenced upon a statement of claim being filed with the Centre. A pre-requisite for a case to be heard shall be the prepayment of the arbitration fee and of lump sum to cover the administrative costs of the Centre.

(2) Unless a contrary regulation results from an international treaty, binding on the Czech Republic, the day when the statement of claim is filed with the Centre shall be deemed to be the day of the action having been filed.

Sec. 18

Contents of the Statement of Claim

(1) The statement of claim shall contain:

- a) names of the parties;
- b) relief claimed by the plaintiff,
- c) signature by the plaintiff or his authorised representative,
- d) addresses of the parties or their representatives, if any,
- e) in respect of domestic subjects: bodies corporate - identifying number of organisation and natural persons - native number,
- f) statement of facts and legal circumstances on which the plaintiff relies with his claims, and reference to evidence by which he intends to prove the facts and circumstances,
- g) indication of the value of the claim put forth.

(2) In addition, the statement of claim should contain:

- a) telephone, telefax and the Internet connection, if any, of the parties to the dispute and their authorized representatives,
- b) reference to an agreement constituting the jurisdiction of the Centre, unless the jurisdiction is based on the international treaty binding upon the parties,
- c) document showing that the arbitral fees have been paid, provided that the payment has been in fact effected,
- d) full name of the arbitrator (the alternate arbitrator) being appointed by the plaintiff, or the authorization of the President of the Centre (the Vice-President of the Centre) to appoint him, or, as the case may be, a request that the arbitrator be appointed on his behalf by the President (the Vice- President) of the Centre, provided case shall be decided an arbitral tribunal consisting of three arbitrators,
- e) full name of the arbitrator proposed by the plaintiff to act as one single arbitrator.

Sec. 19

Value of the Claim

- (1) In his statement of claim, the plaintiff shall indicate the value of the claim even if the relief sought or a part thereof has not a pecuniary character.
- (2) Particularly, the value of the claim shall be indicated:
 - a) by the amount claimed, if the relief sought is a sum of money;
 - b) by the value of property, if the relief sought is the surrender of such property;
 - c) by the value of the interest at the time of filing the statement of claim, in application for declaratory judgments or judgments modifying an existing legal relation;
 - d) on ground of available information on the material interest of the plaintiff, if the relief sought is performance or forbearance on the part of the defendant.
- (3) If more reliefs are sought in one action, the value of the claim shall be then the sum of all reliefs.
- (4) If the plaintiff fails to indicate the value of the claim, or if he indicates same inaccurate, the Centre acting in its discretion or on application by the defendant, may determine the value of the claim on basis of available data.

Sec. 20

Removal of Defects in the Statement of Claim

(1) If the secretary finds out that the statement of claim does not meet the requirements of Sec. 18 paragraphs (1) hereof, he shall invite the plaintiff to remove the ascertained defects within the term fixed by the secretary. Until the removal of the mentioned defects, the statement of claim shall not be tried.

(2) Non - removal of defects of the statement of claim following the invitation by the secretary in accordance with paragraph (1) hereof shall be ground of the proceedings to be discontinued.

3. Preparation of Trial

Sec. 21

Statement of Defence

(1) If the secretary is satisfied that the action can be referred to arbitration hereunder, he shall give a notice thereof to the defendant, sending him a copy of the statement of claim with the exhibits attached thereto, as well as the list of arbitrators and the Rules of this Centre.

(2) At the same time, the secretary shall invite the defendant to file, within 15 (fifteen) days in domestic disputes, and within 30 (thirty) days in international disputes following the service of the statement of claim, his written statement of defence in answer to the statement of claim, supported by the relevant evidence.

(3) Within the same term, the defendant shall indicate full name of the arbitrator (the alternate arbitrator, as the case may be, too) whom he has chosen, or authorize or, as the case may be, request the President (the Vice - President) of the Centre to appoint him, provided the case shall be decided by an arbitral tribunal consisting of three arbitrators. If the case shall be decided by one single arbitrator, the defendant shall express his viewpoint within the same term, to the proposal of the plaintiff in respect of one single arbitrator.

Sec. 22

Constitution of the Arbitral Tribunal

or Election (Appointment) of One Single Arbitrator

(1) Arbitrators, appointed by the parties or by the president (the vice-president) of the Centre under Secs. 18 and 21 hereof, shall elect the presiding arbitrator from the list of arbitrators.

(2) If the parties fail to appoint an arbitrator, or if the arbitrators appointed fail to elect the presiding arbitrator within ten (10) days following the notice of appointment, the arbitrator or the presiding arbitrator, as the case may be, shall be appointed by the president (the vice-president) of the Centre.

(3) If more plaintiffs or more defendants are involved on each side in the dispute, each side shall appoint one arbitrator irrespective of the number of plaintiffs or defendants involved. If no agreement among the plaintiffs or defendants can be reached within the term fixed by the secretary, the arbitrator shall be appointed by the president (the vice-president) of the Centre.

(4) A single arbitrator shall be elected in mutual agreement of the parties. If there is no agreement within the term fixed by the secretary, the single arbitrator shall be appointed by the President (the Vice -President) of the Centre.

(5) Until the constitution of the arbitral tribunal (the election or appointment of one single arbitrator) the president (the vice-president) of the Centre shall be free to take all steps in the proceedings, unless these are entrusted to the secretary.

Sec. 23

Challenge of Arbitrator, Expert-Witness and Interpreter

(1) Each party shall have the right to challenge an arbitrator, a presiding arbitrator or a single arbitrator, as the case may be, if in its opinion they are biased, more particularly if it may be presumed that they are personally interested, whether directly or indirectly, in the outcome of the litigation. In addition, an arbitrator, a presiding arbitrator or a single arbitrator, as the case may be, may declare that they resign from their office. The challenge shall be taken prior to the commencement of the oral hearing. If it is taken at a later time, a decision on it shall be made only if the cause leading to such late challenge is held to be sufficiently serious.

(2) A decision on challenge of an arbitrator shall be taken by the remaining arbitrators of the tribunal. If they are unable to agree, or if the challenge is against two arbitrators, the decision thereon shall be taken by the board. The board shall also decide on a challenge of one single arbitrator.

(3) If a challenge is sustained, the new arbitrator, unless an alternate arbitrator replaces the challenged one, the new presiding arbitrator or the new single arbitrator, as the case may be, shall be elected or appointed in accordance with the Rules.

(4) The same shall apply in case an arbitrator, a presiding arbitrator, a single arbitrator or a new arbitrator are unable to take part in the proceedings.

(5) If they think it fit, the arbitral tribunal may, upon request of a party, hear anew the evidence and arguments already heard during preceding hearings held in the matter prior to the replacement.

(6) The same reasons as set forth in paragraph (1) of the present Section may be relied upon when challenging an expert-witness or an interpreter. In this case, the decision on the challenge shall be taken by the arbitral tribunal.

Sec. 24

Decision on Jurisdictional Issues

(1) The issue of jurisdiction of the Centre shall be decided

a) in domestic disputes, by the arbitral tribunal (by one single arbitrator)

b) in international disputes, by the board of the Centre.

(2) The arbitrators or, as the case may be, the board of the Centre in accordance with paragraph 1 hereof, shall terminate the proceedings by an order of discontinuance if they conclude that there is no jurisdiction of the Centre to try and to decide the case. If they conclude that the Centre has the appropriate jurisdiction, they shall dismiss the objection raised, by means of an order as well.

(3) The objection to the jurisdiction of the Centre raised in international disputes upon which a decision shall be taken by the board of the Centre on the basis of the file presented by the arbitrators, if already appointed, otherwise by the secretary, together with a brief report, is subject to payment of a fee. If the fee is not paid even within an additional term fixed by the secretary, the issue of jurisdiction shall be tried like a doubt of the secretary of the jurisdiction of the Centre.

Sec. 25

Preparation of the Trial by the Arbitral Tribunal

The arbitral tribunal shall check the state of preparation of the trial and, if they think it necessary, shall take additional measures in this respect, more particularly they may ask the parties to file written briefs, evidence and other documents and shall fix reasonable terms therefor.

Sec. 26

Summons to Hearings

(1) The Centre shall give a notice of the time and place of the hearing to the parties by means of summonses. The summonses shall be sent out in such a manner that each party has 15 (fifteen) days in domestic disputes and 30 (thirty) days in international disputes at disposal for preparing its case and its travel to the place of the hearing.

(2) If both parties agree, the term may be shorter.

4. Conduct of Hearings

Sec. 27

Hearings

(1) The case shall not be heard in public. Persons not participating in the proceedings may be present if the tribunal and the parties agree.

(2) Parties may participate in an oral hearing either directly or through duly authorized counsel, appointed in their absolute discretion, even through foreign citizens.

(3) If a party fails to attend a hearing without giving a prior notification of serious reasons therefor, provided that party has been duly notified of the time and the place of the hearing, the absence of the party shall not be an obstacle to the trial of the case.

(4) Each party shall be free to declare that it agrees to the hearing being conducted in its absence.

(5) Upon application of a party, or on the initiative of the arbitral tribunal, the hearing may be adjourned, if necessary.

(6) An application to change the date of a hearing shall be filed by the party sufficiently in advance so that the other party and the members of the arbitral tribunal may be duly informed. The decision on the application shall be taken by the arbitrators order (ruling).

Sec. 28

Simplified Procedures

(Proceedings in case of decision taking on hand of written documents only

or without giving reasons for the arbitral award)

(1) The parties may agree that the arbitral tribunal shall take decision in the litigation only on hand of written evidence produced, without holding a hearing. However, the arbitral tribunal shall be entitled to summon the parties to a hearing, if the written documents adduced by the parties prove to be insufficient for a decision being taken on the merits of the case.

(2) Until the proceedings are declared to be closed, the parties are free to agree in writing that there is no need for reasons to be given for the arbitral award (Sec. 25 paragraph 1 of the Act No. 216 of 1994, Coll.). Such an agreement may be concluded in the form of concurring oral declarations by the parties to that effect inserted into the minutes of the hearing, having taken place before the arbitral tribunal (before the single arbitrator), too.

Sec. 29

Counter-Claim (Statement of Counter-Claim)

(1) Until the termination of the trial in respect of the claim put forth by the statement of claim, the defendant shall be free to lodge a counter - claim. If, however, the defendant causes undue delays when lodging his counter-claim at a later time without showing good cause, he may be held liable to pay the extra costs incurred in this way by the Centre as well the extra expenditure of the other party connected therewith.

(2) The same requirements governing a statement of claim shall apply to a counter-claim (Sec.18 hereof).

(3) Provisions, governing the counter-claim (statement of counter-claim) shall be applied, mutatis mutandis to the defence of set-off raised by the Defendants, provided such defence is based on legal relations other than the main claim of the Plaintiffs.

Sec. 30

Attempt of Settlement

Having in view the circumstances of the case, the arbitral tribunal may, at any stage of the proceedings, invite the parties to conclude a settlement, making proposals, recommendations and suggestions which, in their opinion, are likely to facilitate a settlement.

Sec. 31

Minutes of Hearing

(1) At each hearing minutes of the proceedings in Czech (or in Slovak) or, upon agreement of the parties to the dispute in another language, shall be taken. The minutes shall contain the following particulars:

- a) indication of the Centre;
- b) reference number of the case;
- c) place and date of the hearing;
- d) names of the parties and their counsels;
- e) indication of the presence of the parties;
- f) names of arbitrators, witnesses, expert-witnesses, interpreters and other participants in the hearing;
- g) concise but precise description of the proceedings during the hearing;
- h) motions and applications by the parties and contents of their other important declarations;
- i) reasons for adjournment of the hearing or termination of the proceedings;
- j) signatures of the arbitrators.

(2) The parties shall have the right to get acquainted with the contents of the minutes and to co-sign same. Upon application of a party, the arbitrators may rule a modification or amendment of the minutes.

(3) A copy of the minutes shall be handed over or sent to the parties with translation, if any.

5. Rules of Evidence

Sec. 32

Evidence

(1) The parties shall prove the facts, relied upon by them as basis for their claims or objections. The arbitral tribunal may request the parties to produce supplementary evidence. In addition, they may appoint expert-witnesses in their own discretion or they may request third parties to produce evidence.

(2) Any party may produce written evidence in original or copy, to be authenticated by itself.

The arbitral tribunal shall be free to request the original document or a translation thereof into another language, if necessary in the interest of the decision of the case.

(3) Evidence shall be heard in the manner fixed by the arbitral tribunal. The arbitral tribunal may rule that evidence will be heard by one member of the tribunal. The same rules of evidence apply to proceedings before the board when deciding upon issues entrusted to it by the Rules.

Sec. 33

Assessment of Evidence

The arbitral tribunal and the board shall be free to assess the evidence in their discretion.

6. Termination of Proceedings

Sec. 34

Form of Decision

The arbitral proceedings shall be terminated either by an arbitral award, or by a ruling (an order) of discontinuance.

Sec. 35

Arbitral Award

(1) Upon being satisfied that all circumstances of the case have been sufficiently clarified, the arbitral tribunal shall declare the trial of the issues to be closed and shall proceed to rendering the arbitral award. An award shall be made in cases, where the decision is on the merits or where it imposes a duty to bear the costs of the case including those where, upon application of the parties, the award shall incorporate the terms of a settlement concluded by themselves or where it results from declarations of a party that it waives its claim without applying expressly for discontinuance of the proceedings.

(2) If the operative part of an award imposes a duty to be performed, the arbitrators shall, at the same time, set a term for such a performance.

(3) If only a portion of the case is sufficiently clarified, the arbitral tribunal may declare that portion of the proceedings as closed, and make a partial award; the proceedings in the remaining portions shall continue and a decision on them shall be taken thereafter.

(4) If both, the claim itself and the quantum of monies claimed are in dispute, the arbitral tribunal may hear and decide first on the justification of the claim by means of an interim award, and continue thereafter, if necessary, hearing the argument as to the quantum of monies and to decide on that issue.

(5) The provisions governing the arbitral award shall apply equally to partial and/or interim awards.

Sec. 36

Contents of the Arbitral Award

(1) An arbitral award shall contain, inter alia, the following particulars:

(a) name of the Centre;

(b) place and date of the award;

(c) full names of the arbitrators or the single arbitrator, as the case may be;

(d) names of the parties and other participants in the litigation;

(e) subject-matter of the dispute and a short statement of facts;

(f) decision on the reliefs claimed, the fees and the costs of the proceedings;

(g) reasons for the decision (except in cases in which the parties have agreed, in accordance with Sec. 28 paragraph 2 hereof, that giving reasons for the arbitral award is not necessary);

(h) signatures of at least two arbitrators, if the arbitral award shall be rendered by an arbitral tribunal, or signature of the single arbitrator

(2) If an arbitrator is unable to sign the award, the president (the vice-president) of the Centre shall confirm the fact through his signature, disclosing the reasons.

(3) The arbitral award shall be co-signed by the president (the vice-president) and the secretary of the Centre; their signatures shall ipso facto verify the signatures of the arbitrators, too.

Sec. 37

Voting on the Arbitral Award

(1) The arbitral tribunal shall adopt an arbitral award by means of voting in chambers, by the majority of votes.

(2) If more than two opinions as to the sums to be awarded or dismissed by the arbitral tribunal are presented, the vote cast for the highest sum shall be added to the vote cast for the immediately lower sum.

Sec. 38

Pronouncement of the Arbitral Award

(1) Upon termination of the proceedings, the arbitral award shall be pronounced orally to the parties or, if these are absent, a written award shall be served on them.

(2) In justified cases, the arbitral tribunal shall have the right to rule that the award will be served on the parties only in writing, without oral pronouncement.

(3) Until the pronouncement of the award, or mailing of same in writing, if the award is not pronounced, the arbitral tribunal shall be free to summon parties to a new hearing, if such hearing is necessary to clarify the facts of the case or to establish the point of view of the parties.

Sec. 39

Amendment and Correction of the Arbitral Award

(1) Upon application of a party, to be filed not later than thirty (30) days following the service of the arbitral award, the arbitral tribunal may render an amending award, if it appears that the original arbitral award fails to deal with all claims put forward by the parties. An amending award shall not be taken, unless the parties are summoned to a new hearing.

(2) Typing or numerical errors and other obvious discrepancies appearing in the award, shall be corrected at any time by the arbitral tribunal upon request of any party or on their proper initiative. Such correction shall be adopted, signed and served on the parties in the same way as an arbitral award.

(3) An amending award or a ruling (an order) of correction in respect of the arbitral award shall become an integral part of the original, amended or corrected award. The parties shall not be bound to pay any costs connected with the amendment or correction of such arbitral award.

Sec. 40

Implementation of the Arbitral Award

(1) The arbitral award shall be final and binding, unless the parties have agreed, in the arbitration agreement (arbitration clause), upon the possibility of having it reviewed by other arbitrators.

(2) The parties shall implement all obligations imposed on them in the arbitral award within the terms fixed therein. On failure, the arbitral award shall be subject to enforcement in accordance with the law of the country where enforcement is sought.

Sec. 41

Discontinuance of Proceedings without Award

(1) If not terminated by means of an arbitral award (Sec. 35 hereof), the proceedings shall be terminated by a ruling (an order) of discontinuance.

(2) A ruling (an order) of discontinuance shall be taken inter alia:

a) if the statement of claim has been withdrawn by the plaintiff;

b) if the parties conclude a settlement confirmed by the arbitral tribunal without incorporating same into an arbitral award under Sec. 35 paragraph (1) hereof.

(3) The ruling (the order) of discontinuance shall be governed by the provisions of Secs. 35 through 39 hereof. Until the constitution of the arbitral tribunal, the ruling (the order) of discontinuance shall be made by the president (the vice -president) of the Centre.

7. Costs of Proceedings

Sec. 42

Costs of Arbitration Proceedings

Principles governing the costs of arbitration and expert proceedings attached hereto shall be an integral part of these Rules.

Part IV.

Conciliatory Proceedings

Sec. 43

(1) Upon application, the Centre may, within its jurisdiction (Sec. 1 hereof), conduct voluntary conciliation proceedings on claims put forward, irrespective of the existence of an arbitration agreement in such a case.

(2) Conciliation may be carried out only with the consent of the other party. Proceedings in this case shall take place before a conciliatory committee, composed of the secretary, who shall be in chair, and two other members, each party appointing one of them.

(3) The parties shall present their arguments during a meeting convoked by the secretary for the purpose of carrying out the conciliation. The meeting should result in a draft settlement which the parties shall be free to accept or reject.

(4) The draft settlement recommended by the conciliatory committee to the parties upon termination of the meeting shall not prejudice the parties in the dispute, if any. In addition, no statement made by them during the conciliatory proceedings can prejudice their respective rights.

(5) The fee for conciliation shall amount to one half the fee and lump sum to cover the administrative costs, to be paid in respect of arbitral proceedings. The fee and the lump sum fee shall be paid in advance, each party advancing one half (1/2) thereof. As far as costs for translation and interpretations are concerned, the respective provisions of the Rules relating to these services in arbitration proceedings shall apply accordingly.

Part V.

Alternative Dispute Resolution

Sec. 44

(1) The objective of the alternative dispute resolution is the preventive removal of the object of the dispute in cooperation of the Centre with the disputing parties outside the arbitration proceedings.

(2) The alternative dispute resolution may have the form of mediation or expert proceedings.

Sec. 45

Mediation

The mediation shall be governed by the Principles of the Centre on resolution of disputes by way of mediation that are being issued by the Board of the Centre.

Part VI.

Entry into Force

Sec. 46

The present Rules shall enter into force on June 1, 2008.