

Pursuant to Section 13(2) of Act No. 216/1994 Coll., on Arbitration and the Enforcement of Arbitral Awards, as amended, and Section 28 of Act No. 229/1992 Coll., on Commodity Exchanges, as amended, the International Arbitration Court of the Czech Commodity Exchange issues these:

Arbitration Rules of the International Arbitration Court of the Czech Commodity Exchange

Part One Basic Provisions

Article 1

- 1)** The International Arbitration Court of the Czech Commodity Exchange (the “Arbitration Court”) is an independent permanent arbitral institution that resolves any and all property disputes by means of independent arbitrators. The arbitrators resolve disputes in accordance with the applicable rules of law governing arbitration. The Arbitration Court also acts as an independent authority for settling disputes outside arbitration (alternative dispute resolution). The corresponding provisions regulating the specific types of alternative dispute resolution are incorporated in separate rules of the Arbitration Court.
- 2)** The Arbitration Court hears and resolves any and all disputes that can be the subject of an arbitration agreement (arbitrable disputes) under Act No. 216/1994 Coll. If the law prohibits the transfer of jurisdiction to hear and resolve any particular dispute to arbitrators, the dispute cannot be submitted to the Arbitration Court for resolution.
- 3)** The Arbitration Court resolves the disputes specified in the preceding paragraphs if its jurisdiction to hear and resolve the case with respect to the given dispute is based on:
 - a) An international treaty;
 - b) An arbitration agreement concluded by the parties that meets the requirements of the law; or
 - c) Expressions of parties made in pending arbitral proceedings that indicate the parties’ unambiguous will to submit to the jurisdiction of the Arbitration Court.
- 4)** The President of the Arbitration Court may decide that any individual statement of claim will not be admitted for hearing and resolution by the Arbitration Court if the President concludes that the contents of the arbitration agreement or any agreement of the parties on the conduct of the proceedings or the nature of the claims raised in the statement of claim, do not comply with the applicable rules of law, these Rules or with the principles underlying the functioning of the Arbitration Court. The claimant will be notified of the decision by the Arbitration Court no later than within 10 days from the commencement of the proceedings. The arbitration terminates on the day that this decision is delivered. The President of the Arbitration Court may also decide to refer the assessment of doubt pursuant to the first sentence of this paragraph to the Presidium of the Arbitration Court.

- 5) The lack of jurisdiction of the Arbitration Court cannot be pleaded by a party who participated in the hearing of the merits of the dispute without raising the lack of jurisdiction of the Arbitration Court.¹ An objection in this respect raised after the party's first procedural step concerning the merits shall be disregarded. In such circumstances, the arbitrators shall merely decide that such an objection was not raised in time. This does not apply to an objection that the subject matter cannot be the subject of an arbitration agreement according to the applicable rules of law; such objection may be raised at any time during the proceedings and the arbitrators are obliged to address it.
- 6) Where these Rules are silent, the proceedings before the Arbitration Court shall be governed by the provisions of Act No. 216/1994 Coll., in the wording applicable to the particular dispute. This shall not apply if the parties have agreed on a place of arbitration abroad. In such a case, the references in these Rules to the corresponding rules of Czech binding rules of law shall not apply if and to the extent the rules are contrary to the applicable *lex arbitri* in the place of arbitration.
- 7) The parties may in compliance with Section 19(1) of Act No. 216/1994 Coll. conclude an agreement on the conduct of the proceedings that is binding on the arbitrators. The arbitrators shall not proceed in accordance with the parties' agreement if the agreement impairs the equality of the parties in the proceedings, or if the agreement would restrict the right to a fair trial, or if the agreement were incompatible with the fundamental principles underlying these Rules; all without prejudice to Article 1(4) of these Rules.
- 8) Any references to the Rules shall mean references to these Arbitration Rules of the International Arbitration Court of the Czech Commodity Exchange. Proceedings before the Arbitration Court shall be governed by the Rules valid and effective as of the day on which the arbitral proceedings were commenced, unless the parties explicitly agree on the application of the Rules as valid and effective as of the day on which the arbitration agreement was concluded.
- 9) References to Act No. 216/1994 Coll. shall mean reference to the Act of the Czech Republic No. 216/1994 Coll., on Arbitration and the Enforcement of Arbitral Awards, in the wording applicable to the particular arbitral proceedings. If Act No. 216/1994 Coll. is amended or any new law on arbitration is promulgated in the meantime, such references shall mean references to the closest analogical norm. This also applies to any references contained in these Rules to any other laws.
- 10) For the purposes of the Rules, reference to an arbitral tribunal also includes, depending on the nature of the particular provision, a reference to a sole arbitrator if the dispute is or should be heard and resolved by a sole arbitrator whether or not the particular provision explicitly states so.

¹ Section 15(2) of Act No. 216/1994 Coll.

11) The Rules exist in both a Czech language version and in an English language version. Only these versions are binding and they are equally applicable. Only the Czech or the English version may be invoked by the parties during the course of particular proceedings. If the parties to a dispute plead the incompatibility of the two language versions and claim the existence of an impact thereof on the case at hand, the arbitral tribunal shall decide which version shall apply for the purposes of the particular proceedings. The arbitral tribunal may request an opinion of the Presidium. The arbitral tribunal shall always report any such situation to the Presidium so that the latter may adopt general measures, primarily adjustments to one of the language versions. The Presidium may make such changes at any time, even on its own motion or on any third party proposal. Any potential language versions of the Rules other than the Czech and the English versions are only indicative. If the parties or any other persons involved in the proceedings use any other language version, it is their own responsibility to check it against the Czech and/or the English version.

Article 2

The decision of the Arbitration Court cannot be appealed. The parties may, however, agree on a review of the arbitral award by other arbitrators.² The review proceedings including the filing of the motion for review shall be governed by the Rules analogously.

Article 3

- 1)** If an arbitral award is set aside by a state court in connection with a motion filed by any of the parties for reasons other than the lack of jurisdiction of the Arbitration Court, the arbitration shall continue upon request of a party and in accordance with the Rules.
- 2)** Unless the parties agree otherwise, the originally appointed arbitrators shall rehear the case; this shall not apply if an arbitrator was not appointed in accordance with the arbitration agreement or in any other way sanctioned by the law, or was not eligible to serve as arbitrator. Such an arbitrator is disqualified from the rehearing and resolution of the case. The appointment of a new arbitrator shall be governed by the rules on ordinary appointment of arbitrators according to which the original arbitrators, who rendered the arbitral award that was set aside, were appointed.

Part Two

Presidium of the Arbitration Court, Arbitrators and Secretary General

Article 4 **Presidium of the Arbitration Court**

- 1)** The Presidium of the Arbitration Court exercises the powers and carries out the tasks entrusted to the Presidium by these Rules along with any and all other tasks that fall within the competence of the Arbitration Court according to the Statute of the Arbitration

² Section 27 of Act No. 216/1994 Coll.

Court, unless they are reserved by the Statute or any regulation issued by the Arbitration Court for the President of the Arbitration Court, the arbitrators or the Secretary General of the Arbitration Court.

- 2) Throughout the term of his or her office, no member of the Presidium may be appointed by the President of the Arbitration Court, in accordance with these Rules, as a sole arbitrator, arbitrator (member of the arbitral tribunal) or presiding arbitrator in any dispute submitted to arbitration at the Arbitration Court.
- 3) A member of the Presidium may act as a sole arbitrator, arbitrator (member of the arbitral tribunal) or presiding arbitrator in any particular dispute submitted to arbitration at the Arbitration Court if appointed by a party or elected by arbitrators appointed by the parties unless he or she participated in the same case, in a decision of the Presidium on any challenge raised against an arbitrator(s) or in a decision of the Presidium regarding an objection that the Arbitration Court does not have jurisdiction.
- 4) A member of the Presidium is barred from participating in any decisions of the Presidium in matters concerning arbitral proceedings held before the Arbitration Court in which he or she is involved as a party or a counsel of any party or as arbitrator (member of the arbitral tribunal), presiding arbitrator or sole arbitrator.
- 5) Where these Rules refer to and entrust certain powers to the President of the Arbitration Court, such rules are also applicable to the Vice-President(s) of the Arbitration Court, who acts on behalf of the President in his or her absence or unavailability.
- 6) The President of the Arbitration Court may decide in any particular case that decisions in any matter that fall within his or her competence shall be transferred to the Presidium of the Arbitration Court. The President may also refer the matter to the Presidium for just its consideration and so that it can establish a position on it. This position is not binding on the President of the Arbitration Court.
- 7) If the Presidium of the Arbitration Court hears and/or resolves any issue concerning any particular proceedings at the Arbitration Court, the duty of confidentiality in terms of Section 6 of Act No. 216/1994 Coll. shall apply by analogy, unless the respective Member of the Presidium of the Arbitration Court was released from the duty in compliance with said act.

Article 5 **Arbitrators**

- 1) Disputes are resolved by arbitrators. When acting in their capacity as arbitrators, arbitrators are impartial, independent and do not act as counsel for any party. By accepting the appointment, the arbitrator undertakes to carry out his or her responsibilities and fulfil his or her duties in accordance with these Rules.

- 2) Together with the acceptance of the appointment, each arbitrator is obliged to sign a declaration of independence and impartiality and disclose any and all circumstances that could give rise to legitimate doubt as to the arbitrator's independence and impartiality and which could lead to the disqualification of the arbitrator. This declaration is part of the case file and is accessible to the parties. Furthermore, each arbitrator shall promptly inform the parties and the Secretariat of the Arbitration Court in writing of any and all of the above-mentioned circumstances that have occurred or that the arbitrator has become aware of during the arbitral proceedings.
- 3) Before the arbitrator accepts his/her appointment, he or she shall consider whether he or she has sufficient capacity to act as arbitrator in the particular dispute so that the proceedings are conducted as effectively as possible and are not subject to delays. If this obligation is breached, the Presidium of the Arbitration Court is entitled to adopt relevant measures pursuant to Article 8 of the Rules.
- 4) Disputes shall be resolved by arbitrators who are registered on the list of arbitrators administered by the Arbitration Court on the day the proceedings are commenced. On the request of a party to a particular dispute, the Presidium may approve a person who is not registered on the list of arbitrators, as arbitrator for the given dispute. The person is subject to any and all of the obligations stipulated herein and is bound by these Rules as if he or she were registered on the list of arbitrators.
- 5) Disputes shall be resolved by a sole arbitrator or by an arbitral tribunal consisting of 3 members. Unless the parties agree otherwise, the arbitral tribunal shall be constituted or the sole arbitrator shall be appointed according to these Rules. Unless the parties agree on the number of arbitrators in their arbitration agreement, the decision will be made by the Secretary General of the Arbitration Court, who shall base his or her decision on the complexity of the case, the value of the dispute, and other circumstances that could influence the number of arbitrators. If deemed appropriate by the Secretary General, the Secretary General may provide the parties with an opportunity to comment on the number of arbitrators. The decision of the Secretary General on the number of arbitrators is final and cannot be challenged by the parties. The Secretary General may in any particular case and at his or her discretion submit the file to the President of the Arbitration Court so that the latter may make the decision.

Article 6

Constitution of Arbitral Forum Called Upon to Hear and Resolve the Case

- 1) If the arbitration agreement stipulates that the dispute shall be resolved by an arbitral tribunal consisting of 3 members and unless the parties agreed on a different procedure, the arbitrators shall be appointed by the parties in compliance with Articles 24 and 31 of the Rules. If the parties fail to appoint the arbitrator(s) within the stipulated time limit, the arbitrator(s) shall be appointed by the President of the Arbitration Court.
- 2) If there are two or more claimants or respondents in any particular dispute, one arbitrator shall be appointed jointly by all claimants, and one arbitrator shall be appointed jointly by

all respondents. If the claimants or respondents, respectively, fail to agree on the appointment of an arbitrator within the set time limit, the arbitrator shall be appointed by the President of the Arbitration Court.

- 3) If the arbitration agreement stipulates that the dispute shall be resolved by a sole arbitrator and unless the parties agreed on a different procedure, the Secretary General of the Arbitration Court will request the parties to appoint the sole arbitrator within a time limit of no less than 14 days from the service of the relevant request. If the parties fail to agree on the sole arbitrator within the set time limit, the sole arbitrator shall be appointed by the President of the Arbitration Court.
- 4) If the Secretary General or the President of the Arbitration Court decides pursuant to Article 5(5) of the Rules that the dispute shall be resolved by an arbitral tribunal consisting of 3 members, the Secretary General or the President of the Arbitration Court shall at the same time request each party to appoint one arbitrator and set a time limit for the appointment of no less than 14 days from the service of the relevant request. If the parties fail to appoint the arbitrator(s) within the set time limit, the arbitrator(s) shall be appointed by the President of the Arbitration Court.
- 5) If the Secretary General or the President of the Arbitration Court decides pursuant to Article 5(5) of the Rules that the dispute shall be resolved by a sole arbitrator, the Secretary General or the President of the Arbitration Court shall at the same time request the parties to appoint the sole arbitrator and set a time limit for the appointment of no less than 14 days from the service of the relevant request. If the parties fail to agree on the sole arbitrator within the set time limit, the sole arbitrator shall be appointed by the President of the Arbitration Court.
- 6) The arbitrators appointed by the parties or by the President of the Arbitration Court shall choose the presiding arbitrator from the list of arbitrators of the Arbitration Court. If the arbitrators fail to choose the presiding arbitrator within 14 days from the day on which the last arbitrator accepts his or her appointment, the presiding arbitrator shall be appointed by the President of the Arbitration Court.
- 7) If the mandate of an arbitrator terminates during the proceedings, the party who had the right to appoint the arbitrator is entitled to appoint a new arbitrator. This also applies if the arbitrator whose mandate terminated was originally appointed by the President of the Arbitration Court. The party will be provided with a time limit to make the new appointment of no less than 14 days from the service of the relevant request. If the party fails to do so, the new arbitrator will be appointed by the President of the Arbitration Court. Replacement of an arbitrator appointed by a party during the course of the proceedings does not constitute grounds for replacing the presiding arbitrator.
- 8) If the mandate of the presiding arbitrator terminates, the arbitrators appointed by the parties choose a new presiding arbitrator from the list of arbitrators of the Arbitration Court within a time limit of no less than 14 days from the day when the last arbitrator appointed by the parties was informed by the Arbitration Court about the termination of

the mandate of the presiding arbitrator. If the arbitrators do not agree on the new presiding arbitrator within the said time limit, the presiding arbitrator shall be appointed by the President of the Arbitration Court.

- 9) The newly appointed arbitrator always joins the proceedings at the stage at which the arbitrator accepted his or her office. If the arbitral tribunal deems such procedure necessary or if any party requests it, the arbitral tribunal may, after the new arbitrator is appointed in terms of paragraphs (7) or (8), rehear the case, even to the extent to which it had already been heard before the replacement of the arbitrator.

Article 7

Challenge of Arbitrator / Disqualification of Arbitrator

- 1) Each party may challenge an arbitrator, the presiding arbitrator or the sole arbitrator if his or her relation to the case, the parties or their counsels gives rise to legitimate doubts as to the arbitrator's independence and impartiality, or if the arbitrator does not meet the (qualification or personal) criteria agreed by the parties in their arbitration agreement. A party may challenge the arbitrator whom the party appointed or jointly appointed if the party learned or could have learned of the grounds for the challenge only after the arbitrator was appointed.
- 2) The challenge must precisely state the grounds on which the challenge is based and the grounds must be substantiated by evidence. The challenge of an arbitrator may be raised within 30 days after the respective party was notified by the secretariat of the Arbitration Court of the appointment of the arbitrator or, within 30 days after the grounds for the challenge became known or could have become known to the party, if that occurred after the party was notified of the appointment. Any later challenge shall be disregarded unless the delay was caused by circumstances substantiated by unambiguous evidence produced by the party that justify a special approach.
- 3) If the challenged arbitrator, having been informed of the challenge, considers the challenge groundless and does not resign from his or her office, the Presidium of the Arbitration Court is authorised to decide on the challenge. The Presidium of the Arbitration Court assesses the admissibility of the challenge in terms of paragraphs (1) and (2), and if the Presidium concludes that the challenge was made properly and in time, the Presidium decides on the merits of the challenge. The Presidium of the Arbitration Court provides the challenged arbitrator, the remaining members of the arbitral tribunal and the other party or parties with an opportunity to comment on the challenge before any decision is made thereon. Any and all of the above-mentioned statements will be communicated to all parties and arbitrators. The Presidium of the Arbitration Court may decide that the parties shall not have access to a statement and/or a part thereof provided by any arbitrator if it contains inside information regarding the actions of the arbitral tribunal relating to the proceedings and the factual and legal assessment of the case.
- 4) Until the challenge is resolved, the hearing of the case is suspended.

- 5)** If the Presidium of the Arbitration Court decides to disqualify an arbitrator, the appointment of a new arbitrator is subject to the analogous application of Article 6 paragraphs (7) through (9) of the Rules.

Article 8

Termination of Mandate of Arbitrator

- 1)** The mandate of arbitrator terminates in the following cases:
- a) arbitrator becomes ineligible for the discharge of his or her mandate;³
 - b) arbitrator resigns from his mandate;⁴
 - c) arbitrator is successfully challenged pursuant to Article 7 of the Rules; or
 - d) arbitrator is removed from his or her office by the Presidium of the Arbitration Court.
- 2)** The Presidium of the Arbitration Court can remove an arbitrator from his or her office upon a party's challenge or on its own motion.
- 3)** Each party may request that an arbitrator be removed from office if he or she is prevented from properly performing his or her duties more than temporarily, as a result of obstacles on his or her part or if the arbitrator otherwise neglects or breaches his or her duties, including causing unreasonable delays in the proceedings and/or any other manifest breaches of procedure, primarily as concerns the equal treatment of the parties and breaches of the parties' right to a full hearing of their case.
- 4)** If the removal of an arbitrator from the office is requested for non-performance and/or for breaches of the arbitrator's duties, the party's request to remove the arbitrator from office must be preceded by the party's objections raised directly in the arbitral proceedings. Only if the arbitrator (or arbitral tribunal) fails to remedy the misconduct within a reasonable period of time, may the party request the removal of the arbitrator from office. If this condition is not met, the Presidium of the Arbitration Court shall not deal with the request and it will be communicated to the arbitrator/arbitral tribunal for resolution as the party's procedural objection. Only if the misconduct is subsequently still not remedied, is the party entitled to repeat the request to remove the arbitrator from office.
- 5)** If the Presidium of the Arbitration Court becomes aware during the exercise of its powers that an arbitrator is prevented from properly performing his or her duties by obstacles on his or her part and it is obvious that these obstacles are not just temporary or that the arbitrator neglects or breaches his or her duties, the Presidium may also remove the arbitrator from office on its own motion. If the Presidium of the Arbitration Court intends to remove the arbitrator from office for neglecting and/or breaching his or her duties, the Presidium must first notify the parties and the other arbitrators of its findings together with a request for remedy. Only if no remedy is implemented at the request of the

³ Section 4 of Act No. 216/1994 Coll.

⁴ Section 5(3) of Act No. 216/1994 Coll.

Presidium of the Arbitration Court, shall the Presidium decide on the removal of the arbitrator from his or her office.

- 6) The Presidium of the Arbitration Court shall make a decision on removing the arbitrator from his or her office after the parties and all arbitrators were granted an opportunity to provide comments. All of the above-mentioned comments will be communicated to all parties and arbitrators. The Presidium of the Arbitration Court may decide that the parties shall not have access to a statement and/or any part thereof provided by any arbitrator containing internal information regarding the actions of the arbitral tribunal which relates to the proceedings and the factual and legal assessment of the case.
- 7) If the Presidium of the Arbitration Court decides to remove the arbitrator from office, the appointment of a new arbitrator shall be analogically governed by Article 6 paragraphs (7) through (9) of the Rules.
- 8) If the discovered obstacles that prevent the arbitrator from performing his or her duties and/or the arbitrator's misconduct do not justify the removal of the arbitrator from his or her office, but at the same time, the Presidium of the Arbitration Court concludes that ensuring the proper conduct of the arbitral proceedings requires the adoption of other measures, the Presidium is entitled to adopt such measures.

Article 9 **Secretary General**

- 1) The Secretary General manages the agenda relating to the functioning of the Arbitration Court and performs other activities stipulated by these Rules; primarily overseeing proper conduct of arbitral proceedings, proper execution of all decisions of the Arbitration Court, the archiving of the entire documentation of the Arbitration Court, administering the case files in compliance with the applicable laws and any internal regulations of the Arbitration Court, signing and attaching the clauses of legal force of the arbitral awards rendered in arbitral proceedings at the Arbitration Court, and with the consent of the Presidium of the Arbitration Court, ensures the appropriate publication of decisions having cardinal importance. The Secretary General manages the functioning of the Secretariat of the Arbitration Court.
- 2) In order to exercise his or her powers under paragraph (1), the Secretary General is entitled to inspect and audit all files and may also attend all oral hearings before arbitrators. The Secretary General has the duty to keep confidential all information acquired in course of his or her office. If such information relates to any particular arbitral proceedings, the duty of confidentiality in terms of Section 6 of Act No. 216/1994 Coll. applies by analogy, unless the Secretary General was released from this duty.
- 3) The Secretary General may not act as arbitrator in any proceedings at the Arbitration Court throughout the term of his or her office.

- 4) If a Deputy Secretary General is appointed by the Exchange Chamber in compliance with Act No. 229/1992 Coll., he or she is subject to the analogous application of this Article 9 of the Rules.

Part Three **Arbitral Proceedings**

I. General Provisions

Article 10 **Place of Arbitration and Place of Oral Hearing**

- 1) The parties are free to agree on the place of arbitration in their arbitration agreement. If the parties agree that the place of arbitration is abroad, the arbitrators are required to take into account the *lex fori arbitri*. Mandatory provisions of the *lex fori arbitri* shall prevail over the Rules. In the absence of parties' agreement, the place of arbitration shall be Prague, Czech Republic.
- 2.) Oral hearings shall be regularly held at the seat (registered office) of the Arbitration Court. The Arbitration Court has its seat (registered office) in Prague. The parties may agree that any oral hearings and/or other procedural acts may be carried out at any other place in the Czech Republic or abroad. In such case and unless the Arbitration Court decides otherwise, the parties shall equally share the costs incurred in connection with the oral hearing being held outside the seat (registered office) of the Arbitration Court.
- 3.) The arbitrators are free to meet for deliberations, examine evidence and/or perform any other procedural acts in a place different from the place of arbitration if the arbitrators deem it appropriate or necessary without prejudice to the determination of the place of arbitration.

Article 11 **Procedure**

- 1) The arbitrators conduct the arbitral proceedings in such manner as they consider appropriate provided that the parties are treated equally and that each party is given an equal opportunity to exercise its rights, in order to establish the facts of the case necessary for the resolution of the dispute without any unnecessary formalities. The arbitrators' decisions on the conduct of the proceedings shall be made in compliance with Act No. 216/1994 Coll., the parties' agreement and these Rules.
- 2) The arbitrators shall ensure that the arbitral proceedings are conducted in compliance with the principles of procedural economy and maximum efficiency.
- 3) The arbitrators may analogously take into account any appropriate instruments in terms of Act No. 99/1963 Coll., the Code of Civil Procedure, as amended, where the arbitrators consider it appropriate; however, the arbitrators do not directly apply said Act.

- 4) The arbitrators are entitled to rule that the parties' pleadings, production of evidence and evidentiary proposals are admissible only up to a certain stage of the proceedings. However, the arbitrators must make sure that such limitation does not violate the right to a fair trial and the principle of equality of the parties, and that the parties have sufficient opportunity to present their arguments and provide relevant evidence to prove their case.
- 5) In order to proceed efficiently in the arbitral proceedings, the arbitrators may, at their discretion, adopt any procedural measures that they deem appropriate, primarily in the form of procedural orders or other procedural measures and instructions, unless the procedural steps chosen by the arbitrators were contrary to the parties' agreement on the conduct of the proceedings.⁵ The parties are obliged to act in compliance with any procedural orders made by the arbitrators and are bound by the obligations imposed therein.
- 6) The parties may challenge the procedural decisions of the arbitrators if the arbitrators breach the applicable procedural rules as defined above in these Rules. A party is obliged to make the respective objection promptly and immediately after the party knew or ought to have known/objectively could have known, of the grounds for the objection. The arbitrators may disregard objections raised belatedly, unless the party pleads and substantiates the existence of grounds that prevented the party from making a timely objection to the conduct of the proceedings by the arbitrators that justify a special consideration. If a party fails to make a qualified objection to the procedure, the presumption is that the party has no such objections.

Article 12 **Applicable Law**

- 1) The arbitrators resolve each dispute in compliance with the law (legal system) agreed upon by the parties. Unless the parties explicitly agreed otherwise, an agreement on the application of the law of a particular state means a direct application of the substantive law of that state excluding any conflict-of-laws rules thereof. If the parties failed to determine the applicable law, the arbitrators apply the legal system/laws determined in compliance with the conflict-of-laws rules of private international law of the place of arbitration.
- 2) The arbitrators' factual and legal assessment of the case shall be based on the terms of the parties' contract. The arbitrators shall also give regard to all relevant trade usages. The dispute may be resolved according to the rules of equity only if the parties explicitly authorized the arbitrators to do so.⁶
- 3) When applying the applicable law, the arbitrators shall comply with the principle of *iura novit curia*. The arbitrators shall take into account all legally significant provisions of the

⁵ Section 19(1) of Act No. 216/1994 Coll.

⁶ Section 25(3) of Act No. 216/1994 Coll.

applicable law, their doctrinal interpretation and any relevant case law, whether or not explicitly invoked by any of the parties.

- 4) The arbitrators are not obliged to advise the parties of any specific legal rules that the arbitrators intend to apply in their factual and legal assessment of the case or provide the parties with the opportunity to comment on application of such rules unless the applicable law requires them to do so.

Article 13 **Language of Proceedings**

- 1) The parties may agree on the language of the proceedings in their arbitration agreement. In the absence of the parties' agreement, the language of the proceedings shall be determined by the arbitrators with due regard for all circumstances of the dispute, including the language of the contract or agreement, or the language in which the parties communicated.
- 2) Any decisions shall be made and oral hearings shall be held in the language of the proceedings.
- 3) The submissions of the parties shall be submitted in the language in which the proceedings are conducted. The arbitrators are entitled to disregard any submission of the parties which despite the arbitrators' request is not submitted in the language of the proceedings.
- 4) Documentary evidence shall be produced in the original language and the arbitrators are entitled to take them as evidence and otherwise take them into account in this original language. If any documentary evidence is produced in a language different from the language of the proceedings, a translation of the document to the language of the proceedings must be submitted if explicitly requested by the party that did not produce the document or if the arbitrators deem it appropriate and make the corresponding decision.
- 5) The arbitrators are entitled to deny the party's request for the submission of a translation of any documentary evidence to the language of the proceedings pursuant to paragraph (4) if such request is evidently unjustified and the proceedings indicate that the party requesting the translation worked with the documents in their original language within the framework of the parties' legal relationship.
- 6) Slovak language shall be deemed equal to the Czech language for the purposes of regulating the language of the proceedings.
- 7) Regardless of the language of the proceedings, any communication between the parties and the secretariat of the Arbitration Court shall always be conducted in Czech or in English, save for any pleadings on the merits, unless the Secretary General of the Arbitration Court determines in any particular case that the communication may be

conducted in a different language. If the statement of claim commencing the proceedings is submitted in a language other than Czech or English, the claimant shall also always submit, together with the statement of claim, at least a summary thereof in Czech or in English, as well as a Czech or English translation of the arbitration agreement and any agreement of the parties on the conduct of the proceedings. A party that intends to file a statement of claim may also have a prior discussion with the Secretary General of the Arbitration Court regarding the possibility of filing the summary or the translation of the arbitration agreement and any agreement of the parties on the conduct of the proceedings in a different language.

Article 14

Filing of Submission and other Documents by Parties

- 1)** All submissions must be filed in a number of copies required to provide all parties, all arbitrators and the secretariat of the Arbitration Court with one copy each. Unless it is clear in advance whether the case ought to be heard by an arbitral tribunal or a sole arbitrator, any and all written materials shall be submitted in the number of copies corresponding to proceedings conducted by a three-member arbitral tribunal until the decision on the number of members of the arbitral forum is made. This shall not apply if a party delivered a document from the party's data box to the data box of the Arbitration Court,⁷ or via a public data network to the electronic address of the Arbitration Court with an electronic signature based on a qualified certificate issued by an accredited provider of certification services in the Czech Republic.
- 2)** The arbitrators shall inform the parties of the Arbitration Court's electronic address enabling delivery of documents pursuant to paragraph (1).
- 3)** The arbitrators may, at their discretion, determine that the parties shall send any and all of their submissions, including all documentary evidence and/or any and all other communication concerning particular proceedings in such a manner that allows for proof of delivery directly to the other party or, as applicable, through the party's counsel, if the party has any. The sender is in such case obliged to prove upon request to that the document or the communication sent as indicated above was properly delivered.
- 4)** Any documents intended for the arbitral tribunal or the sole arbitrator shall always be sent by the parties exclusively through the Arbitration Court, unless the Secretary General of the Arbitration Court and the arbitral tribunal (sole arbitrator) agree otherwise for the particular proceedings. The arbitral tribunal (sole arbitrator) is not obliged to take into account or otherwise consider any written documents or any other communications not sent in accordance with the preceding sentence.

Article 15

Service of Documents on Parties

⁷ Section 18a of Act No. 300/2008 Coll., on Electronic Acts and Authorized Conversion of Documents.

- 1) The Arbitration Court shall send all documents concerning the proceedings to the respective addresses specified by the parties or delivered to the data box, provided the given party has enabled such service.⁸ If a party has not specified any address and delivery to a data box is not possible, documents addressed to this party shall be sent to an address known to the Arbitration Court. If a party appointed a counsel, any written documents shall be sent to the counsel, to the address of his or her registered office, or shall be delivered to his or her data box, unless the counsel provides a different delivery address.
- 2) Documents may be delivered in place of the addressee, to persons authorized by the addressee or other persons specified for such purposes in any generally binding legal act. Delivery of documents to such persons has the same effect as delivery to the addressee.
- 3) If any documents are to be received on the basis of an authorization, the party is obliged to submit the authorization granted to the person who received the document on behalf of the addressee, if the arbitrators request it. Similarly, a party is obliged to prove the status of the person who received the document on its behalf if such person's authorization to receive documents is based on the law.
- 4) Statements of claim, statements of defence, other submissions of the parties, summons to an oral hearing, arbitral awards and procedural orders shall be served on the addressee personally (personal service) with confirmation of receipt, or to the addressee's data box. Other documents are sent by registered or regular mail, or by means of the public data network to the electronic address of the addressee, or by other electronic means, or are delivered to the addressee's data box.
- 5) Any of the documents set out in the preceding paragraphs may also be served in person with confirmation of receipt or in any other manner that provides a clear proof of receipt.
- 6) A document that has been sent to a data box is deemed delivered at the time at which the person who has access to the document based on the scope of his/her authorisation logs into the data box. If the authorised person does not log into the data box within 10 days from the day the document has been delivered to the data box, the document shall be deemed to have been delivered on the last day of this time limit.
- 7) Unless a document was sent to the addressee's data box, all methods of service by the Arbitration Court shall be valid if performed as described above, even if the addressee refused to accept the written document or has failed to collect it despite a notice of the postal services operator. A written document that the addressee refused to accept delivery is deemed to have been served on the day of the refusal. A written document designated for personal service that was not collected by the addressee within 10 days from the notice of the postal services operator shall be deemed to have been served on the last day of this time limit. Other written documents that are not collected by the addressee within 5 days from the notice of the postal services operator shall be deemed to have been

⁸ Section 18a(1) of Act No. 300/2008 Coll.

delivered on the last day of this time limit. If any documents are served abroad, it is sufficient to serve such documents in compliance with the laws of the state in which service is performed.

- 8) If any documents are served by fiction of service in terms of paragraph (7) and the parties missed the stipulated time limit, the parties may request that such default be excused, provided that the parties present evidence, that they had no opportunity to get acquainted with the respective document for reasons that justify a special approach.
- 9) If a party has changed its address after the commencement of the arbitral proceedings without notifying the Arbitration Court, any service of documents is deemed valid if the written documents are sent to the party's last known address.
- 10) If a document could not be served on a party at the party's last known address using the procedure pursuant to paragraphs (1) to (9), not even through the party's counsel or a person authorised by the party to receive written documents, the Secretary General of the Arbitration Court may appoint a person authorised to receive written documents for this party, i.e. an agent for service. The day of service on this authorised person shall be deemed to be the day of service on the addressee for whom the authorised person was appointed, without prejudice to the possibility of applying the procedure pursuant to Section 20(2) of Act No. 216/1994 Coll.
- 11) Service performed with the use of other adequate services, such as private courier services, etc. is deemed equal to service through the post office or any holder of a postal privilege (postal license).

Article 16 **Time Limits**

- 1) Any and all time limits fixed by the arbitrators in the course of the arbitral proceedings constitute the latest moment for performance of the respective procedural obligation and/or delivery of the respective submission to the Arbitration Court or, as applicable, to the addressee of the particular procedural act.
- 2) The date of delivery of any statement means the date of delivery of its written version; this shall not apply to submissions made by data box or by electronic means with a certified signature. The day of dispatch of the respective submission shall in such case mean the day of delivery thereof.
- 3) If the last day of the time limit falls on a Saturday, Sunday or a bank holiday in the Czech Republic or in the place of arbitration, then the last day of the time limit is the following business day.

Article 17 **Stay of Proceedings**

- 1) The proceedings may be stayed for a definite period of time for serious reasons at the request of a party or upon the arbitrators' own motion. The proceedings may only be stayed upon a motion of the claimant once the arbitration fee has been paid. The procedural order on the stay of proceedings is issued by the arbitrators or, before the arbitrators are appointed, by the President of the Arbitration Court. The proceedings continue after the period for which the proceedings were stayed expires, without the need to issue any decision in respect thereof.
- 2) The arbitrators may refuse a repeated stay of proceedings and continue the hearing of the case or adopt any other measures in connection with the procedural motions of the parties, which the parties must have an opportunity to make, especially if the stay of proceedings clearly fails to accomplish its purpose and is only used to postpone the decision on the merits, when circumstances of the parties' conduct in the proceedings indicate that the parties no longer want a decision and do not intend to continue the hearing of the dispute. The same applies if, in the arbitrators' opinion, the purpose of any particular arbitral proceedings was otherwise jeopardised.

Article 18 **Restitution**

If any party could for compelling reasons, not take part in the proceedings until the termination thereof, in whole or in part or failed without any fault on their part to take an action necessary to exercise the party's right, the arbitrators or if the arbitrators have not yet been appointed, the President of the Arbitration Court, shall adopt reasonable measures upon the motion of that party to allow the party to perform subsequently what it failed to perform in due time.

Article 19 **Interim and Conservatory Measures**

- 1) After the statement of claim is filed, but before the arbitrators are appointed, the President of the Arbitration Court may in urgent cases and at the request of a party, secure evidence in a manner that corresponds to the nature of the evidence and adopt any other appropriate measures for the said purpose.
- 2) If it transpires in the course of the arbitral proceedings that the enforcement of the arbitral award could be jeopardised, any party may apply for an interim measure with the competent state court. The application, as well as the decision of the state court must be communicated to the Arbitration Court by the party applying for the interim measure.
- 3) The above shall not exclude the possibility of the President of the Arbitration Court under Section 20(2) of Act No. 216/1994 Coll., i.e. to request, a state court to perform any procedural acts that cannot be performed in the proceedings at the Arbitration Court. The President may do so upon request of a party or the arbitrators. The respective act performed by the state court may be attended by the arbitral tribunal, any authorised member of the arbitral tribunal or the sole arbitrator, as well as the parties if the nature of

the act permits it and unless such attendance is in conflict with the rules applicable to court procedure in matters under Section 20(2) of Act No. 216/1994 Coll. or the procedural measures taken by the state court in such a case.

Article 20 **Intervening Parties**

- 1)** Apart from the parties (the claimant and the respondent), the category of persons involved in the arbitral proceedings may also include any persons who prove their legal interest in the result thereof. Arbitrators decide whether to admit an intervening party. Before they make a decision on whether to admit the intervening party, the arbitrators may request comments of the parties. They are, however, not bound by these comments.
- 2)** The intervenor has the same rights and obligations in the proceedings as a party, except for the right to appoint an arbitrator.
- 3)** The issue of admitting intervenors (other persons) to join the proceedings may always be resolved according to the law of the place of arbitration if the arbitration is held outside the territory of the Czech Republic.

Article 21 **Admitting Non-Party to Proceedings (*Amicus Curiae*)**

- 1)** The arbitrators are entitled to apply the *Amicus Curiae* instrument in the proceedings and allow a third party to join the proceedings as an *Amicus Curiae*, unless it was explicitly prohibited by the *lex arbitri* or contrary to any procedural principles. The decision to allow such procedure and to admit the person to the proceedings is reserved for the arbitrators. Before making the decision, the arbitrators may request comments of the parties. They are, however, not bound by these comments. If such a third party is admitted to the proceedings, the arbitrators shall adopt appropriate measures to make sure that the third party maintains the confidentiality of the proceedings.
- 2)** An *Amicus Curiae* has a status analogous to the parties, except that he or she does not need to identify with any party's motions on the merits, as opposed to an intervenor. An *Amicus Curiae* primarily comments on the parties' submissions on the merits, as well as any procedural issues. The third party's motions are not the subject of decisions on the merits; the arbitrators may merely take them into account. In the case of any doubts, an *Amicus Curiae* is deemed to defend an independent opinion primarily aimed at or motivated by professional (expert) purposes, interests in the enforcement of principles of just and equitable decision-making, etc., regardless of any party's procedural status and motions on the merits.
- 3)** The motion in terms of paragraph (1) may be filed by the parties, as well as the person who wishes to act as an *Amicus Curiae*. The motion must be properly reasoned and must primarily describe the interest of the proposed person in the outcome of the dispute and a specification of the facts that the person acting in the position of this third party intends to

submit if allowed to join the proceedings. The arbitrators shall assess whether such facts have not yet been adduced by the parties in the proceedings and can contribute to the clarification of the impacts and consequences of a decision on the merits.

- 4) The arbitrators are entitled to determine the conditions under which a person may act as *Amicus Curiae*, i.e. *inter alia*, the length, number of the submissions and time limits for the presentation of the submissions to be filed by that person. The arbitrators may also decide on the extent of the third party's participation in any oral hearings, including the right of that person to present verbal statements during the hearing. Any and all such decisions, as well as the decision to admit the proposed person as an *Amicus Curiae* are final and cannot be challenged.
- 5) The arbitrators may also decide in justified cases that *Amicus Curiae* is only allowed in respect of a part of the proceedings or, conversely, disqualify the third party from the participation in any particular part of the proceedings.
- 6) The person acting as an *Amicus Curiae* is obliged to inform the arbitrators of any and all connections that he or she has with the parties or their counsels, and to provide any relevant information regarding any contacts concerning the drafting and contents of any submissions presented by the *Amicus Curiae* and the financing of the drafting thereof, especially if it could affect the assessment of the third party's interest in joining the proceedings and the third party's independence from the parties and the subject matter of the proceedings.

Article 22 Consolidation

- 1) If there are two or more proceedings conducted before the Arbitration Court between the same parties, the arbitrators may make a decision upon their own motion or upon the motion of any party to consolidate the cases.
- 2) Before making the decision on consolidation, the arbitrators request parties' comments. They are, however, not bound by these comments. When making the decision on consolidation, the arbitrators shall take into account all relevant circumstances, primarily the stage of the individual arbitral proceedings, the suitability of the consolidation, the efficiency of the proceedings, etc.
- 3) The consolidation of proceedings can be permitted if following requirements are met:
 - a) There are connections between the merits of the proceedings;
 - b) The arbitrators called upon to hear the disputes are identical;
 - c) The language and place of arbitration are identical;

- d) There is mutual compatibility of other aspects of the arbitration agreements on which the jurisdiction of the Arbitration Court to hear the cases proposed for consolidation is based, especially concerning the conduct of the proceedings agreed on by the parties.⁹
- 4) The arbitrators may also decide to consolidate cases if the requirements in terms of paragraph (3)(c) and (d) are not fulfilled, but the parties make an agreement in respect thereof that determines which of the original agreements of the parties in this regard ought to be decisive for the consolidated proceedings or on the basis of which original agreement of the parties the consolidated proceedings ought to be conducted.

II. Commencement of Arbitral Proceedings

Article 23 Filing of Statement of Claim

Arbitral proceedings are commenced as soon as the statement of claim is delivered to the Arbitration Court unless any international agreement binding on the Czech Republic indicates otherwise. Initiated proceedings shall not proceed and the case shall not be heard until the arbitration fee as determined by the secretariat of the Arbitration Court is paid in compliance with the Rules on Costs.

Article 24 Content of Statement of Claim

- 1) The statement of claim must contain at least the following information:
 - a) Identification of the parties to the dispute, namely:
 - The company name or name of a legal person, address of the registered office and identification number thereof (or any other analogous identifier if assigned in the place where the legal person is established, which unambiguously identifies the given legal person);
 - The name and surname of a natural person – entrepreneur and as applicable, his or her date of birth or birth registration number, name under which the person is conducting its activities, address of his or her place of business, residence and identification number (or any other analogous identifier if assigned in the place where the natural person has his or her habitual residence or place of business, as applicable, which unambiguously identifies the given natural person – entrepreneur); or
 - The name and surname of a natural person other than an entrepreneur and as applicable, his or her date of birth or birth registration number and address of his or her place of residence and/or also the address of his or her habitual residence;
 - b) Address or any other contact details for service of documents if the claimant ought to be served other than to the address of his or her registered office, place of business or place of residence;

⁹ Section 19(1) of Act No. 216/1994 Coll.

- c) Identification and contact details of any counsel who was authorised to represent the claimant in the proceedings; the relevant power of attorney shall be attached;
- d) Specification of the relief sought;
- e) Specification of the factual and legal circumstances on the basis of which the claimant makes his or her claims, and a reference to the evidence that the claimant invokes to prove his or her allegations; if possible, the claimant is obliged to submit such evidence together with the statement of claim;
- f) Grounds of jurisdiction of the Arbitration Court;
- g) Reasons for the proposed language of the proceedings, unless it is provided for in the arbitration agreement or any other agreement of the parties;
- h) Reference to an agreement of the parties on the conduct of the proceedings, if any;¹⁰
- i) Name and surname of the arbitrator appointed by the claimant or a request that the arbitrator be appointed by the President of the Arbitration Court; and
- j) Specification of the value of the dispute.

2) The statement of claim must be signed by an authorised person.

Article 25 **Value of Dispute**

- 1)** The claimant is obliged to specify in the statement of claim the value of the dispute. This also applies if the asserted claim or any part thereof is of a non-pecuniary nature.
- 2)** The value of the dispute is determined especially:
 - a) By the claimed amount, if the claimant demands pecuniary performance;
 - b) By the value of the claimed property, if the claimant demands the release of property;
 - c) By the value of the subject of legal relationships at the moment of the filing of the statement of claim, if the claimant demands the determination of the (non-)existence of a legal relationship or right, or if the claimant demands substitution for an expression of will of the parties; or
 - d) On the basis of available data regarding the claimant's material interests (impact of the subject of the proceedings on the claimant's property), where the value of the claim cannot be determined on the basis of the above criteria.
- 3)** If the statement of claim contains several claims (reliefs), the value of each claim must be calculated separately, and the value of the dispute shall be determined as the total sum of the value of all asserted claims. This shall not apply in the case of separable unrelated parts of a relief, which require a separate hearing. In such case, the value of the dispute shall be determined for each such separate claim individually, and the total arbitration fee payable by the claimant shall be calculated as the total amount of the fees for arbitration assessed in relation to the individual separate claims.

¹⁰ Section 19(1) of Act No. 216/1994 Coll.

- 4) If the claimant failed to determine the value of the dispute or if the value of the dispute provided by the claimant is inconsistent with the data contained in the statement of claim, and if the claimant fails to determine the value of the dispute in compliance with paragraphs (2) and (3) within a time limit set for this purpose by the Secretary General of the Arbitration Court, the Secretary General of the Arbitration Court shall determine the value of the dispute himself or herself on the basis of any available information.
- 5) If it transpires anytime during the proceedings that the value of the dispute was not calculated correctly, the arbitrators shall inform the parties of the reasons for this conclusion and enable the parties to comment on the said circumstances within a reasonable time limit. The arbitrators are subsequently entitled to decide on an adjustment of the value of the dispute, and if the latter exceeds the originally determined value, the arbitrators may order the claimant to pay the corresponding additional arbitration fee. The arbitrators are entitled to decide that the case shall not be heard or that only selected procedural acts shall be performed until the additional arbitration fee is paid.

Article 26

Payment of Arbitration Fee

- 1) After the statement of claim is delivered, the Secretary General of the Arbitration Court will request the claimant to pay the arbitration fee determined in compliance with the Rules on Costs within a time limit of no less than 14 days from the delivery of said request.
- 2) The case shall not be heard and the files shall not be handed over to the arbitrators until the arbitration fee is paid in full (in the amount as determined by the Secretary General of the Arbitration Court). If the arbitration fee is not paid within an additional grace period fixed by the Secretary General of the Arbitration Court and the claimant fails to specify the reasons for the default preventing the claimant from paying the arbitration or as applicable, the claimant fails to request an extension of the time limit for payment of the fee, the President of the Arbitration Court issues a decision terminating the proceedings.
- 3) If the subject of proceedings and/or the value of the subject of proceedings are adjusted during the proceedings according to Article 25(5) of the Rules, the arbitrators apply paragraph (2) by analogy. The decision to terminate the proceedings is then made by the arbitrators.

Article 27

Defects of Statement of Claim

- 1) If the Secretary General of the Arbitration Court discovers that the statement of claim does not comply with the requirements set forth in Article 24(1) of the Rules, the Secretary General will request the claimant to remedy any discovered defects within a time limit fixed by the Secretary General.

- 2) The case shall not be heard and the files shall not be handed over to the arbitrators until the said defects are remedied. This shall not apply if the nature of the notified defects does not prevent the hearing of the case and the arbitrators start hearing the case.
- 3) The claimant not remedying the defects of the statement of claim that prevent the continuing of the proceedings, after repeated requests of the Secretary General of the Arbitration Court, without communicating the reasons preventing the remedying of the defects, is a reason to terminate the proceedings. In such case, the decision to terminate the proceedings is made by the President of the Arbitration Court.

Article 28 **Withdrawal of Statement of Claim**

- 1) The claimant may withdraw the statement of claim or any part thereof before the arbitral proceedings are closed. If the statement of claim is withdrawn, the arbitrators (or the President of the Arbitration Court if the claimant withdraws the statement of claim before the files are handed over to the arbitrators) shall terminate the arbitral proceedings or any part thereof that corresponds to the scope of the withdrawn statement of claim.
- 2) If the statement of claim or any part thereof is withdrawn after the files are handed over to the arbitrators, the arbitrators are obliged to request the statement of the other party. If the other party opposes the withdrawal of the statement of claim for important reasons, the arbitrators shall decide that the withdrawal is without effect. The arbitrators continue the proceedings, unless the case was already resolved.

Article 29 **Handover of Files**

- 1) The Secretary General of the Arbitration Court will hand over the files to the arbitrators only after the following conditions are fulfilled:
 - a) Any defects in the statement of claim have been remedied in compliance with Article 27 of the Rules;
 - b) The value of the dispute was determined according to Article 25 of the Rules and the arbitration fee was paid in full according to Article 26 of the Rules; and
 - c) The constitution of the forum for the hearing and resolution of the dispute was concluded (all arbitrators were duly appointed).
- 2) Until the files are handed over to the arbitrators, any and all tasks in the proceedings shall be carried out by the President, the Presidium and the Secretary General of the Arbitration Court in compliance with their powers stipulated by these Rules, the Statute of the Arbitration Court and other applicable rules of law.

Article 30 **Counterclaim**

- 1) The respondent may file a counterclaim until the hearing of the dispute is closed. However, if the respondent delays the arbitral proceedings by groundlessly delaying the filing of a counterclaim , the respondent may be ordered to reimburse any increased costs incurred by the Arbitration Court as a result thereof and reimburse any increased expenses of the other party associated therewith.
- 2) The counterclaim shall be heard if only if the arbitration fee is paid in full.
- 3) The arbitrators may decide that the counterclaim will not be admitted and refer the respondent to separate proceedings if the conditions for a joint hearing of the cases are not met, especially if the respondent has asserted claims from an unrelated contractual relationship between the parties and/or if the hearing of the claimant's claim has already reached a stage at which any simultaneous hearing of the counterclaim would be contrary to the principles of procedural economy and efficiency of proceedings and would groundlessly delay the proceedings.
- 4) The proceedings regarding the counterclaim shall be mutatis mutandis governed by the provisions of these Rules regulating the statement of claim.
- 5) The provisions regulating counterclaims shall apply mutatis mutandis if the respondent raises a set-off defence.

III. Preparation for Hearing of Dispute

Article 31 Answer to Statement of Claim

- 1) If the Secretary General of the Arbitration Court concludes that all conditions for the proceedings to continue were met, he or she notifies the respondent that the statement of claim was filed and serves the respondent with a copy of the statement of claim, including all attachments (documentary evidence provided by the claimant). Simultaneously, the Secretary General of the Arbitration Court shall serve the respondent with a copy of the Rules of the Arbitration Court applicable to the given proceedings and the list of arbitrators, or will enable the respondent to get acquainted with these documents in any other appropriate manner (for instance, by reference to the relevant website of the Arbitration Court).
- 2) The Secretary General shall not dispatch the statement of claim to the respondent before the defects thereof are remedied pursuant to Article 27 of the Rules, unless the Secretary General concludes in terms of the second sentence of Article 27(2) of the Rules that the defects discovered in the statement of claim do not prevent the hearing of the case. The statement of claim shall further be communicated to the respondent only after the full payment of the arbitration fee pursuant to Article 26 of the Rules.
- 3) The Secretary General shall request the respondent to submit his or her answer to the statement of claim and specify any evidence to prove the respondent's allegations within

14 days from the delivery of the request. The respondent is also obliged to appoint an arbitrator or, as applicable, provide his or her statement to the claimant's motion to appoint a sole arbitrator, or request that the arbitrator be appointed by the President of the Arbitration Court, all within the same time limit. The time limit for filing the answer to the statement of claim may be extended at the respondent's request. Except for any cases that justify a special approach, the time limit for the appointment of the arbitrator shall not be extended, and if the respondent fails to appoint the arbitrator, the last sentence of Article 6(1) of the Rules shall apply. No extension of the time limit for filing the answer to the statement of claim shall prevent the handover of the files to the arbitrators after the arbitrators are appointed and the requirements under Article 29 of the Rules are met. The Secretary General of the Arbitration Court may, at his or her own discretion, fix a longer time limit for filing the answer to the statement of claim and the specification of evidence pursuant to the first sentence of this paragraph, if the Secretary General concludes that such approach is necessary with regard to, inter alia, the nature and subject of the dispute, the registered office (place of residence) of the parties or any other relevant circumstances of the dispute.

Article 32 **Decision on Jurisdiction**

- 1)** Objection to the jurisdiction of the Arbitration Court must be raised within the time limit under Article 1(5) of the Rules. The arbitrators shall decide on their own jurisdiction. Before they make their decision, the arbitrators are entitled to request comments from the Presidium of the Arbitration Court. To this end, the arbitrators shall submit the file to the Presidium with a brief report.
- 2)** The arbitrators shall terminate the proceedings with an order if they decline jurisdiction. If the arbitrators conclude that the Arbitration Court has jurisdiction, they shall dismiss the objection to jurisdiction by a procedural order. The arbitrators may also terminate the proceedings in part, i.e. in relation to a particular part of the statement of claim. The arbitrators then allow the claimant to state whether he or she has wants part of the claim in which the arbitrators conclude that they have jurisdiction, to be resolved.
- 3)** The proceedings are suspended until the objection to jurisdiction of the Arbitration Court is resolved. Before they hear the jurisdictional objection, the arbitrators are, however, obliged to adopt all measures necessary to preserve the parties' rights and any already achieved outcomes of the proceedings. This is without prejudice to Section 20(2) of Act No. 216/1994 Coll., if the arbitrators conclude that they are not competent to adopt the necessary measures.
- 4)** Any party may request the Presidium of the Arbitration Court to review the decision of the arbitrators pursuant to paragraph (2) within 10 days from the delivery thereof. The arbitrators shall in such case submit the file to the Presidium with a brief report.
- 5)** The Presidium of the Arbitration Court sets aside the decision of the arbitrators on termination of the arbitral proceedings if the Presidium concludes that the Arbitration

Court has jurisdiction. The arbitrators are bound by the decision of the Presidium and continue the proceedings. Similarly, the Presidium sets aside the decision of the arbitrators whereby the objection of the lack of jurisdiction of the Arbitration Court was dismissed if the Presidium concludes that the Arbitration Court does not have jurisdiction. In this case, the Presidium shall simultaneously terminate the proceedings. The Presidium may, depending on the circumstances, hold an oral hearing before its decision. The Presidium of the Arbitration Court appoints one to three members of the Presidium, who shall attend the hearing on behalf of the Presidium; at least one of the members must be the President or Vice-President of the Arbitration Court.

- 6) The Presidium shall uphold the decision of the arbitrators on the objection to jurisdiction of the Arbitration Court, unless the conditions for setting the decision aside are met.

Article 33 **Preparation for Hearing of Dispute by Arbitrators**

- 1) The arbitrators shall examine the state of the preparations for the hearing of the dispute and, if deemed necessary or appropriate, adopt additional measures necessary to prepare for hearing of the dispute. In particular, the arbitrators shall request written statements of the parties, evidence and other supplementary documents, and fix reasonable time limits for the said purpose.
- 2) The arbitrators may decide to compile a checklist of issues in dispute, as well as other issues, if any, to be resolved, which the arbitrators will address during the proceedings and which the parties should be prepared to address during the hearing of the case.

Article 34 **Settlement**

- 1) Depending on the circumstances of the case, the arbitrators shall at each stage of the proceedings guide the parties to an amicable settlement of the dispute and provide the parties with procedural support and space necessary for negotiating a potential amicable resolution of the dispute. Depending on the circumstances of the case and especially upon the motion of the parties, the arbitrators are free to make proposals, recommendations and suggestion that, in their opinion, may contribute to an amicable resolution of the case from the procedural perspective, as well as drawing attention to and recommending possible procedures under Meditation rules and under other procedures of the Arbitration Court for alternative dispute resolution.
- 2) Proposals, recommendations and motions pursuant to paragraph (1) cannot be deemed to constitute prejudice on the part of the arbitrators as to the merits or to substantiate objections to the impartiality or independence of arbitrators and do not constitute grounds for disqualification of the arbitrators.
- 3) If the parties reach a settlement after the file was handed over to the arbitrators in compliance with Article 29 of the Rules, the settlement may be recorded in the form of an

award made on the basis of the parties' agreement if the parties make the corresponding request and the arbitrators find the submitted settlement legally valid.

Article 35 **Security for Costs**

- 1)** The arbitrators may on their own motion or at the request of the respondent order the claimant to provide security for costs, if the arbitrators conclude that the recoverability of the respondent's potential claim for the reimbursement of the costs of proceedings could, with a sufficient degree of likelihood, be jeopardised.
- 2)** The arbitrators shall impose the obligation to pay the security for costs with due regard to all circumstances of the case. The arbitrators shall primarily make sure that the imposed obligation does not deny the claimant access to arbitration or, as applicable, his or her right to a fair trial, but shall simultaneously make sure that the respondent is not exposed to the necessity to defend himself or herself against a clearly groundless statement of claim, while facing an actual threat of being unable to recover the costs of proceedings in the case of the respondent's success in the dispute.
- 3)** Any party may request the Presidium of the Arbitration Court to review the arbitrators' decision pursuant to paragraph (2) within 10 days from the delivery thereof. The arbitrators shall in such case submit the file to the Presidium of the Arbitration Court with a brief report.
- 4)** The Presidium of the Arbitration Court issues a resolution whereby the arbitrators' decision will either be set aside or upheld. This decision is final and binding for both the parties and the arbitrators.
- 5)** The security for costs of proceedings shall be paid by the claimant within a fixed time limit of no less than 14 days. The case will not be heard until the security for costs is paid in full. If the security for costs is not paid within an additional period fixed by the arbitrators and the claimant fails to specify the reasons for the default or the claimant fails to request an extension of the time limit for payment, the arbitrators shall terminate the proceedings.

Article 36 **Summons to Oral Hearing**

If any oral hearing is held during the proceedings, the Arbitration Court informs the parties of the time and place thereof by sufficient advance notice (summons) sent to the parties so that each party has a time period of no less than 15 days to prepare for the hearing

IV. Hearing of Dispute

Article 37

Oral Hearing

- 1)** Unless the parties agree that the proceedings should be conducted only on the basis of the submitted written materials, the arbitrators shall summon an oral hearing not opened to the public. With the consent of the parties, the arbitral tribunal may permit that hearings be attended by persons other than the persons involved in the proceedings. The parties' consent is not required if any oral hearing is to be attended by an interpreter. In such case, the arbitrators are obliged to take all necessary steps to maintain the confidentiality of the arbitral proceedings. The attendance of the Secretary General of the Arbitration Court at any oral hearings is not subject to the arbitrators' or the parties' consent.
- 2)** Oral hearings shall be attended by the parties personally or by their duly authorized counsels, appointed by the parties at their discretion.
- 3)** If a party fails to appear despite proper prior notice of the time and place of the oral hearing, the absence of the party does not prevent the hearing of the dispute. Each party may agree that an oral hearing be held in the party's absence.
- 4)** If necessary, an oral hearing may be adjourned upon a request of a party or on the arbitrators' own motion.
- 5)** A motion to change the date of (adjourn) an oral hearing must be delivered no later than 3 days before the date of the oral hearing and must be properly reasoned. The arbitrators issue an order regarding the request.
- 6)** If it becomes necessary in the course of the proceedings to appoint an interpreter, the arbitrators are not bound to select an interpreter from a list of court-appointed registered interpreters administered under the binding legal regulations applicable in litigation. The arbitrators are in such case obliged to make sure that the selected individual appointed to interpret in the arbitral proceedings meets the necessary qualification criteria and, at the same time, guarantees an impartial and independent interpretation. The parties must always be allowed to comment on the person appointed as interpreter and challenge the interpreter. The above also analogously applies if the interpretation or translations are secured by a party. The party is in such case obliged to submit evidence attesting to the qualification and personal eligibility of the chosen individual.
- 7)** If a party remains entirely passive throughout the preparation for the hearing of the dispute and fails to make any submissions or any other procedural motions, the arbitrators may decide, with the consent of the other party that no oral hearing will be held, and that proceedings will be conducted in writing. The arbitrators shall in such case explicitly warn the passive party of the consequences of the party's failure to respond to the arbitrators' request by submitting that the party insists on a hearing in the party's presence.
- 8)** Oral hearings may also be held via videoconference. Videoconference may also be used for the participation of one party or another person involved in the proceedings only.

Videoconferencing may also be used to examine witnesses, expert witnesses or any other persons, or for interpretation purposes, etc. Participation by a teleconference may be permitted in exceptional cases. Participation via such means of remote transmission is deemed to constitute personal attendance at an oral hearing. Decisions regarding the use of such means shall be reserved for the arbitrators, who may request a comment from the parties, and if necessary, the Secretary General of the Arbitration Court.

Article 38 **Minutes of Oral Hearing**

- 1)** Oral hearing shall be recorded in the minutes prepared in the language of the proceedings which must contain at least the following information:
 - a) Identification of the Arbitration Court;
 - b) Number (Case No.) of the dispute;
 - c) Place and date of the oral hearing;
 - d) Identification of the parties and, if applicable, their counsels;
 - e) Information about the attendance of the parties and, if applicable, their counsels;
 - f) Information about the arbitrators, witnesses, expert witnesses, interpreters and other individuals attending the oral hearing;
 - g) Description of the course of the oral hearing;
 - h) Reproduction of the motions and oral statements made by the parties, as well as any other important declarations;
 - i) Precise records of all decisions adopted during the oral hearing, including the reasoning therefor, at least in summarized form; and
 - j) Signatures of all attendees.
- 2)** The parties are always provided with sufficient opportunity to get acquainted with the minutes of the oral hearing. The minutes may be amended or supplemented at the request of a party and on the basis of the arbitrators' decision. The arbitrators are obliged to enable the parties to make any relevant requests.
- 3)** The parties shall receive a copy of the minutes after the end of oral hearing.

Article 39 **Summary Proceedings**

- 1)** The parties may agree in writing that the proceedings will be conducted without a hearing, being held in writing only. However, the arbitrators may summon an oral hearing if the submitted written documents prove insufficient for the arbitrators' decision.
- 2)** The arbitrators may, on their own motion, request the parties to express an opinion within a time limit of no less than 10 days from the delivery of the request, as to whether the parties agree to conducting the proceedings in writing only without a hearing being held. If a party fails to make a submission in response to the request within the stipulated time limit, the arbitrators may conclude that the party agrees with the resolution of the dispute

without a hearing being held, but only if the parties are explicitly warned of this consequence in the request.

- 3) Before the proceedings are closed, the parties may agree that the arbitral award does not have to contain reasoning.

Article 40 **Expedited Proceedings**

- 1) Expedited proceedings mean arbitral proceedings in which the arbitral award or the order terminating the proceedings is made:
 - a) No later than 2 months from the handover of the files to the arbitrators pursuant to Article 29 of the Rules. Such proceedings may be held only if the parties explicitly agree to such procedure; the relevant request may be made by any of the parties.
 - b) No later than 4 months from the handover of the files to the arbitrators pursuant to Article 29 of the Rules. The motion to hold such expedited proceedings may be made by any of the parties, whether or not the parties had expressly agreed to this possibility.
- 2) The time limits set in paragraph (1) may be changed at any time during the proceedings by agreement of the parties, or upon the motion of the arbitrators and with the parties' consent.
- 3) The time limits stipulated in these Rules shall be shortened to one-third in the case of proceedings pursuant to paragraph (1)(a); this shall not apply to the time limit for filing the answer to the statement of claim, which shall be shortened to 10 days from the delivery of the relevant request. Any and all time limits shall be shortened to one-half in the case of the proceedings pursuant to paragraph (1)(b); this shall not apply to the time limit for filing the answer to the statement of claim, which shall be shortened to 10 days from the delivery of the relevant request, and to the time limit for requesting an adjournment (change of date) of any scheduled oral hearing, which shall remain the same. The time limit for the service of any specific written document by fiction of service in terms of Article 15 paragraphs (6) and (7) of the Rules shall be shortened to one-half in both cases.
- 4) If the party that requested the expedited procedure fails to meet his or her procedural duties, whether within the time limits stipulated by the Rules or fixed individually by the arbitrators, and in consequence of the party's default it becomes necessary to extend the said time limit, this extension shall not be factored in the time limit for making a decision pursuant to paragraph (1).
- 5) Following periods are not included within the time limits set in paragraph (1):
 - a) During the procedure pursuant to Section 20(2) of Act No. 216/1994 Coll.;

- b) Time period when objection claiming lack of jurisdiction of the Arbitration Court is heard;
- c) Time period when the challenge against an arbitrator, expert witness or interpreter is heard.

V. Taking of Evidence

Article 41 Evidence – General Provisions

- 1)** The parties are obliged to prove the circumstances on which they base their claims or objections, as well as any other allegations. Without prejudice to the parties' burden of proof, the arbitrators are obliged to proceed actively when establishing the circumstances of the case that the arbitrators deem relevant for the factual and legal assessment.
- 2)** The arbitrators make decisions whether to admit individual pieces of evidence proposed by the parties at their own discretion. A decision not to admit any particular piece of evidence proposed by a party must be reasoned and the arbitrators are also obliged to provide reasoning for not admitting the evidence in their arbitral award.
- 3)** To this end, the arbitrators are primarily entitled to **(i)** request the parties to produce documentary evidence in their possession or procure the release of the relevant documents by third parties, **(ii)** request a party to secure the attendance of individuals whose examination is deemed necessary by the party for establishing the facts of the case, **(iii)** procure an expert witness for the purpose of drafting an expert opinion (report) in order to answer questions to which special expertise is needed or request the parties to procure any relevant expert opinion (report) or any other expert statement, **(iv)** order an inspection on site, as well as **(v)** adopt any other procedural measures that the arbitrators deem appropriate.
- 4)** If any person refuses to release any document or item that the person has in their possession and the arbitrators deem the document or item crucial for establishing the facts of the case, or if any individual refuses to attend a hearing before the Arbitration Court for examination, the arbitrators may proceed pursuant to Section 20(2) of Act No. 216/1994 Coll. Application of the procedure under Section 20(2) of Act No. 216/1994 Coll. is at the arbitrators' procedural discretion.
- 5)** If the arbitrators consider such procedure appropriate, they may adequately advise the parties **(i)** of the evidence that may be appropriate in order to prove the allegations made by the parties in view of the established facts of the case, **(ii)** of the appropriate procedural approach to be adopted by the parties and by the arbitrators, whereby the factual and legal arguments of the parties would be established, and **(iii)** of the arbitrators' preliminary opinion regarding the allocation of the burden of proof between the parties.

- 6) Articulating their preliminary opinion regarding the taking of evidence pursuant to paragraph (5) does not and cannot be deemed to constitute prejudice on the part of the arbitrators as to the decision on the merits or to substantiate objections as to the impartiality and independence of arbitrators constituting any form of ground for disqualification of the arbitrators.
- 7) The procedure under paragraph (5) does not substitute for instructions in terms of Section 118a of Act No. 99/1963 Coll., should the arbitrators be obliged to provide such instructions to the parties.
- 8) The determination of further progress and the scope of the taking of evidence by the arbitrators is based especially on (i) the claims made by the parties, (ii) the checklist of facts that are disputed and undisputed between the parties, and (iii) the legal basis of the claims made by the parties. The arbitrators may request the parties to make a statement in order to clarify these issues.
- 9) If any particular piece of evidence proposed by the parties cannot be examined, especially in view of the private-law status of arbitrators and arbitration, and the parties themselves fail to propose the procedure under Section 20(2) of Act No. 216/1994 Coll., the party that proposed the evidence is deemed to have withdrawn the proposal to take the particular piece of evidence. This does not preclude the arbitrators from proceeding pursuant to paragraph (4) should they consider the taking of the particular evidence as necessary.
- 10) In the case of the procedure pursuant to Section 20(2) of Act No. 216/1994 Coll., the arbitral proceedings are suspended from the filing of the request for such procedure at the competent state court to the moment at which the Arbitration Court is informed of the outcome of the request or, as applicable, at which the arbitrators may declare the contents of the court's decision regarding the request. This also applies to the time limits for expedited proceedings.

Article 42 **Documentary Evidence**

- 1) The arbitrators conduct the proceedings in such manner as to prevent the generation of any unnecessary written materials, which also applies to potential requests to the parties to produce specific documents and/or substantiate particular circumstances.
- 2) Any party has the right to petition the arbitrators at any time during the proceedings and demand that the arbitrators request the other party to produce documents in the latter's possession, provided that the said documents are relevant for the factual and legal assessment of the case and are not publicly available. Before the arbitrators make a decision on any such request, the party who is requested to produce the documents will be provided with an opportunity to comment.

- 3) A party may produce documentary evidence in original or in copies or, as applicable, in electronic form; the presumption is that the copies and electronic form corresponds to the original wording. The arbitrators may, at the request of the other party or on their own motion, order the party that invokes any particular document to produce the original version thereof. Unless a party contests the authenticity or completeness of the documents produced by other parties in a copy or electronic form, and unless the arbitrators proceed in accordance with preceding sentence, the irrebuttable presumption is that such documents are authentic and any decisions or conclusions based on the assessment thereof are deemed decisions and conclusions that have been made on the basis of the original version of such documents.
- 4) The parties shall treat as confidential any document produced by any party during the proceedings that is not publicly available. Any and all produced documents will be used exclusively in connection with the respective arbitral proceedings at the Arbitration Court, unless the publication of any particular document or its disclosure to any other person is required by any applicable rules of law. Even in such case, however, the document may be made public or disclosed to any other person, only to the extent required by binding general rules of law. The Arbitration Court is not liable for any adverse effects that the publication or disclosure of any document pursuant to applicable laws could have for a party or any other person.
- 5) A file from a different case handled by the Arbitration Court may also be taken as evidence in the proceedings, at the request of any party, but only with the consent of all parties to the proceedings in which the file ought to be used as evidence, and all parties to the proceedings from which the file originates. However, the arbitrators are not bound by any assessment, procedural measure or decision adopted by the arbitrators in such other proceedings.

Article 43

Examination of Witnesses and other Persons

- 1) The parties may, in order to substantiate their allegations, propose examination of a party or of a witness at any time during the proceedings. The respective motion must be accompanied with a specification of the facts alleged by the party that ought to be proven by the examination. The arbitrators are entitled to request comments of the other party to the proposed examination.
- 2) The arbitrators may limit the number of persons whose examination may be proposed by a party if the arbitrators believe that the motions to hear such individuals constitute an obstruction and abuse of the party's right to produce evidence.
- 3) If deemed appropriate or necessary by the arbitrators, they may request the parties to produce a written sworn statement of the person whose examination is proposed. The written sworn statement may serve, inter alia, as the basis for the arbitrators' decision that the proposed examination is unnecessary. This conclusion made by the arbitrators does not prevent the sworn statement from being assessed and taken as documentary evidence.

- 4) An oral hearing may be preceded by the drafting of a list of issues that the examination will focus on. The arbitrators may decide, inter alia, that the examination will only concern the facts mentioned in the sworn statement submitted pursuant to paragraph (3).
- 5) The examination is managed and guided by the arbitrators, who afford both parties adequate opportunity to ask questions. The arbitrators are especially entitled to disallow any questions unrelated to the case at hand or any duplicate questions or questions exceeding the fixed subject of the examination.
- 6) The arbitrators are also entitled to stipulate other restrictions concerning the examination, especially as regards the time scope thereof. If the parties conduct the examination contrary to the rules stipulated by the arbitrators and fail to remedy this, despite an explicit warning from the arbitrators, the arbitrators are entitled to terminate the examination at any moment.

Article 44 **Expert Examination**

- 1) If in the course of the proceedings the need for the assessment of certain issues that require special expertise arises, the arbitrators may appoint an expert witness at the request of a party or on their own motion. If the arbitrators appoint an expert witness on their own motion, they request comments of the parties.
- 2) The arbitrators shall in such case provide the parties with an opportunity to comment, especially with respect to the following circumstances:
 - a) The parties' proposals regarding who should act as the expert witness; the arbitrators may prepare a checklist of criteria/requirements concerning, for instance, the qualification, availability of the expert witness, the costs of drafting the opinion (report), etc., which the expert witness should fulfil and which should serve as the basis for the parties' proposals; and
 - b) Terms of reference for the expert witness.
- 3) The arbitrators are not bound by the parties' proposals regarding any expert witnesses, and the ultimate choice of the expert witness is reserved for the arbitrators. The arbitrators may request proposals regarding who should act as expert witness from neutral third parties, such as any relevant professional organizations, chambers of commerce et al.
- 4) If it becomes necessary to appoint an expert witness in the proceedings, Article 37(6) of the Rules applies by analogy. The arbitrators and the parties may choose any person, whether or not listed in the register of expert witnesses in terms of the law applicable to litigation. However, the chosen expert witness, expert institute or any other professional institution (a scientific or scientific and pedagogical institution, specialized entity, etc.)

must meet sufficient requirements concerning qualification, independence and impartiality.

- 5) The parties are obliged to provide the expert witness with necessary assistance, enable the expert witness to access the object of examination, and to hand over all background materials and information that the expert witness requests in order to perform his or her task. If a party fails to meet this obligation, despite an additional request, the arbitrators may, at their own discretion, take into account the party's default in the factual and legal assessment of the case.
- 6) The parties are obliged to pay, at the request of the arbitrators, an advance on the costs connected with the procurement of the expert opinion (report); the costs shall be shared equally by the parties. If any of the parties fails to pay his or her share of the advance on the costs of the expert examination, the costs must be paid by the other party.
- 7) The arbitrators are obliged to guide and control the work of the appointed expert witness and adopt measures necessary to make sure that the expert examination is conducted in compliance with the approved schedule. The arbitrators are obliged to inform the parties of any communication between the arbitrators and the appointed expert witness.
- 8) If deemed necessary by the arbitrators or requested by the parties, the arbitrators shall secure the attendance of the expert witness at the oral hearing for the purposes of his or her examination. The arbitrators may also conduct the examination of the expert witnesses and organize their examination in the form of a confrontation of expert witnesses.
- 9) The above procedure shall not prevent the parties from producing as documentary evidence expert opinions (reports), expert statements prepared by persons with special expertise and skills chosen by the parties. The parties are free to choose any person with special expertise and skills, but the arbitrators are entitled to reject any expert opinion (report)/expert statement, if the person with the special expertise and skills fails to meet elementary qualification criteria and/or guarantees of impartiality and independence.
- 10) A party is obliged to secure attendance of the person with special expertise and skills chosen by the party at the oral hearing for the purposes of his or her examination if the arbitrators decide so or if the other party insists that the hearing of the expert witness is necessary.
- 11) As an alternative to the appointment of an expert witness by the arbitrators, the parties may agree (i) on the appointment of a joint expert witness, (ii) that each party shall procure under agreed conditions their own expert report regarding a particular issue in dispute that shall be submitted to the arbitrators. In such case, the arbitrators shall not appoint any expert witness and will accept the parties' agreement. This is without prejudice to the possibility of a subsequent appointment of an expert witness by the arbitrators if, according to the arbitrators' assessment, the expert reports submitted by the parties are not acceptable (cannot stand) or if such appointment is necessary in order to

assess the expert reports submitted by the parties. The expert examination by the experts appointed by the parties shall be analogically governed by paragraphs (1) to (10).

- 12) If two or more expert reports are produced during the proceedings, the arbitrators are entitled to invite all expert witnesses to consultations/ conference, which would result in an overview of (i) the facts on which the expert witnesses have agreed, (ii) the facts where the conclusions reached by the expert witnesses differ, and (iii) the reasons for the differing opinions of the expert witnesses.
- 13) Based on the statement of the expert witnesses submitted in compliance with paragraph (12), the arbitrators may decide that a hearing of the expert witnesses is necessary, and in such case the parties are obliged to make sure that the expert witnesses attend the hearing.
- 14) In justified cases, primarily if the assessment concerns highly specialized and complicated questions of fact, the arbitral tribunal may appoint a consultant for the arbitral tribunal, who has no relation to the parties and does not have the status of an expert witness in terms of the preceding paragraphs of this Article 44 of the Rules. The expert consultant has an exclusively advisory status, for instance, as concerns the formulation of questions for the parties, witnesses or expert witnesses, alternative proposals regarding the person of the expert witness, and the direction concerning further progress of the proceedings in order to prove the facts of the case. Before appointing the expert consultant, the arbitrators request the parties' comments; the parties may only object to the appointment of the expert consultant as concerns his or her qualification, independence or impartiality. As concerns his or her independence and impartiality, the expert consultant must meet requirements analogous to the independence and impartiality of arbitrators and must be bound by a duty of confidentiality with respect to all circumstances related to the dispute disclosed to him or her. Upon the arbitrators' decision, the expert consultant may get acquainted with a selected part of the files, attend oral hearings, or participate in other procedural acts and deliberations of the arbitral tribunal, save for the part in which the arbitrators adopt specific procedural decisions or decisions on the merits. The costs connected with the appointment of the expert consultant shall not be borne by the parties, unless the expert consultant was appointed upon the motion of a party (or parties).

Article 45 **Taking and Evaluation of Evidence**

- 1) Evidence is taken in such manner as determined by the arbitrators. The arbitral tribunal may render a resolution whereby the taking of evidence or any part thereof is entrusted to the presiding arbitrator and/or any individual arbitrator(s).
- 2) The arbitrators assess the evidence at their own discretion.
- 3) If a party in the proceedings acts contrary to the arbitrators' instructions without providing justification for doing so, and such obstructions frustrate the proper establishment of the facts of the case relevant for a decision on the merits, the arbitral

tribunal may take into account this fact in the factual and legal assessment of the case and in its decision on the costs of proceedings.

VI. Termination of Proceedings

Article 46 Form of Decision

The arbitral proceedings end on the day on which the arbitral award becomes final or on which the resolution terminating the proceedings is served on the parties.

Article 47 Closing of Proceedings

- 1)** If the arbitrators conclude that all circumstances connected with the dispute have been sufficiently clarified, the arbitrators issue a resolution whereby the taking of evidence and the proceedings are closed.
- 2)** Before an arbitral award or an order terminating the proceedings is issued, the arbitrators may issue an order whereby the taking of evidence and the proceedings is reopened and, if necessary in order to clarify the facts or the allegations of the parties, hold a new oral hearing.

Article 48 Rendering of the Arbitral Award

- 1)** An arbitral award is rendered if a decision is to be made on the merits or if an obligation is to be imposed to reimburse the costs of proceedings, including the recording of parties' settlement in form of an award. An arbitral award based on the parties' settlement may be rendered only if the settlement does not breach the applicable laws.
- 2)** If an arbitral award imposes an obligation to provide performance, the dispositive part of the arbitral award shall also include the time limit for performance stipulated by the arbitrators.
- 3)** If the subject matter of the dispute discussed in the proceedings has not been sufficiently clarified in its entirety, the arbitrators may declare the proceedings closed only with respect to the part that has been sufficiently clarified and render a partial arbitral award, whereby the proceedings shall continue, and a decision with respect to the remaining parts of the subject matter of the dispute shall be made at a later stage.
- 4)** If any claim is contested both as concerns its grounds (legal title) and as concerns the amount thereof, the arbitrators may first hear and make a decision regarding the legal title of the claim in form of an interim arbitral award, and only then, if necessary, continue the proceedings and make a decision with respect to the amount of the claim. A partial award may also be rendered at the arbitrators' discretion with respect to any partial factual or

legal issues, the clarification and ascertainment of which in this form is useful for further proceedings.

- 5) An arbitral award is rendered on the day when the arbitral award is formally pronounced. If any arbitral award is not formally pronounced, it is rendered on the day when the written copy of the arbitral award is dispatched to the parties.
- 6) The provisions on arbitral awards also apply to partial and interim arbitral awards.

Article 49 **Contents of Arbitral Award**

- 1) Every arbitral award contains especially the following information:
 - a) Identification of the Arbitration Court;
 - b) Place and date of rendering of the arbitral award;
 - c) Names and surnames of the arbitrators or the sole arbitrator;
 - d) Identification of the parties, their counsels and other persons involved in the proceedings, if any;
 - e) Description of the subject matter of the dispute;
 - f) Description of the course of the proceedings, including the parties' statements and evidence produced during the proceedings;
 - g) Description of the procedure adopted in the proceedings;
 - h) Dispositive part whereby the asserted claims and the costs of the dispute are resolved;
 - i) Reasoning of the decision, unless the parties agreed that the award need not contain any reasoning;
 - j) Signatures of the majority of arbitrators or signature of the sole arbitrator; and
 - k) If the award is not unanimous, a statement to that extent.
- 2) If any of the arbitrators is unable or refuses to sign the arbitral award, the President of the Arbitration Court shall make note of this in the arbitral award and confirm it with his or her signature.
- 3) The arbitral award is co-signed by the President and the Secretary General of the Arbitration Court, whereby they also authenticate the signatures of the arbitrators.

Article 50 **Voting on Arbitral Award**

- 1) The rendering of an arbitral award requires a majority of votes of the arbitral tribunal. Unless the resolution on the arbitral award is unanimous and if requested by any of the arbitrators, a confidential record of the voting signed by all members of the arbitral tribunal shall be made. The voting record may be disclosed, in justified cases, only to the Presidium of the Arbitration Court. The voting record may also be disclosed to a third

party if such disclosure is ordered by a public authority in compliance with any applicable rules of law.

- 2) In case a majority decision with respect to an arbitral award cannot be reached, the opinion of the presiding arbitrator shall be deciding.

Article 51

Scrutiny of Arbitral Award by Arbitration Court

- 1) Before any arbitral award is signed, a draft thereof shall be submitted to the secretariat of the Arbitration Court and inspected by the President of the Arbitration Court. Based on the inspection, the President of the Arbitration Court may return the draft arbitral award to the arbitrators and propose adjustments to the form of the award, and may also draw the arbitrators' attention to any material aspects of the merits, namely any inconsistency, incomprehensibility of the arbitral award, as well as any doubts regarding the procedure, etc., without prejudice to the arbitrators' right to freely conduct the proceedings and assess the case.
- 2) If deemed appropriate, the President of the Arbitration Court shall submit the draft arbitral award to the Presidium of the Arbitration Court for debate; in such case, the authority to make proposals to and advise the arbitrators in terms of paragraph (1) transfers to the Presidium of the Arbitration Court.
- 3) If the draft arbitral award is returned to the arbitrators with proposals and advice, it is then resubmitted for inspection to the President of the Arbitration Court, whether or not the original draft was debated by the Presidium of the Arbitration Court. This shall not exclude the right of the President of the Arbitration Court to submit, at his or her discretion, the resubmitted draft arbitral award to the Presidium for debate, regardless of which body of the Arbitration Court assessed the original draft.
- 4) No arbitral award shall be rendered by the arbitrators until the proposals and advice given to the arbitrators according to this Article are properly dealt with and until the President or the Presidium of the Arbitration Court give their consent with the form of the arbitral award.
- 5) The consent of the President of the Arbitration Court is granted implicitly if the President signs the arbitral award. The Presidium of the Arbitration Court shall inspect the draft arbitral award in compliance with the rules for decision making of the Presidium contained in the Statute of the Arbitration Court. The consent granted by the Presidium of the Arbitration Court simultaneously implies authorization for the President of the Arbitration Court to sign the arbitral award.

Article 52

Pronouncement of Arbitral Award

- 1) After the order closing the proceedings is rendered, the arbitrators shall pronounce the arbitral award, i.e. pronounce the dispositive part thereof. If one or more parties attend the pronouncement of the arbitral award, a brief account of the reasons shall also be provided.
- 2) The arbitrators may also decide that the parties will be served with a written copy of the arbitral award without the award being pronounced.

Article 53 **Supplementation and Correction of Arbitral Award**

- 1) The arbitral tribunal may make a supplementing award at the request of a party filed within 30 days from the service of the arbitral award on that party, if it transpires that the award has not covered all of the parties' claims. If the supplementation of the arbitral award requires any additional hearing and/or taking of evidence, the arbitrators are entitled to open the proceedings and evidence taking and adopt all other measures necessary in order to supplement the arbitral award.
- 2) The arbitrators shall correct at any time any clerical and typographical errors or any errors in computation and other manifest errors in the arbitral award at the request of any party or on their own motion. Such correction must be decided by the arbitrators, signed and served in the same manner as an arbitral award.
- 3) The supplementing award or the correction order regarding an arbitral award forms an integral part of the supplemented or corrected award. The Arbitration Court shall be liable for any and all costs connected with the supplementation or correction of the arbitral award.

Article 54 **Performance of Arbitral Award**

- 1) The parties are obliged to perform all obligations imposed by the arbitral award within the time limits stipulated therein. As soon as the time limits expire, the arbitral award becomes enforceable in compliance with the applicable laws of the *lex arbitri*.
- 2) If the arbitral award imposes no obligation to perform, it is enforceable as soon as it becomes final.
- 3) A final arbitral award that contains a ruling on an expression of will, replaces the party's declaration in this respect.

Article 55 **Termination of Proceedings without Rendering of Arbitral Award**

- 1) If no arbitral award is made in the dispute, the proceedings are terminated by an order terminating the proceedings.

- 2) The order terminating the proceedings is rendered especially if:
 - a) The Arbitration Court lacks jurisdiction;
 - b) The arbitration fee was not paid in compliance with the Rules on Costs;
 - c) The security on costs was not paid pursuant to Article 35 of the Rules;
 - d) The defects in the statement of claim were not remedied pursuant to Article 27 of the Rules;
 - e) The statement of claim was withdrawn by the claimant and the respondent does not insist on the hearing of the dispute;
 - f) The grounds for the stay of the proceedings expire and the parties fail to respond (participate in the proceedings), despite the arbitrators' requests/procedural measures aimed at reopening of the hearing of the case or, as applicable, if the parties explicitly refuse continuation of the case. In such case, the arbitrators are entitled to presume that the parties no longer wish to have the case heard;
 - g) At any time during the proceedings, the claimant ceases to respond to requests, procedural measures and other acts of the arbitrators and makes no substantive and/or procedural motions. In such case, the arbitrators are also entitled to presume that the claimant no longer wishes to have the case heard.
 - 3) The procedure pursuant to paragraph (2)(f) and (g) entails the arbitrators' obligation to explicitly make the parties aware of the possibility of terminating the proceedings.
 - 4) The rendering of the order terminating the proceedings shall be appropriately governed by Articles 49 to 53 of the Rules. If the files were not submitted to the arbitrators pursuant to Article 29 of the Rules, the resolution terminating the proceedings shall be rendered by the President of the Arbitration Court upon the proposal of the Secretary General. In such case, the Secretary General's signature is not required.

Part Four **Costs of Proceedings**

Article 56

- 1) Comprehensive rules on the costs of arbitration at the Arbitration Court are contained in a separate regulation of the Arbitration Court approved by the Presidium of the Arbitration Court, namely the Rules on Costs of Arbitration. The Rules on Costs of Arbitration are not part of these Rules, despite the fact that the procedure according to these Rules may be contingent upon the fulfilment of obligations under the Rules on Costs of Arbitration. The Arbitration Court is free to change the Rules on Costs of Arbitration at any time. The Secretary General of the Arbitration Court shall adopt any and all measures to make sure that the parties have an opportunity to get acquainted at any time with the Rules on Costs of Arbitration or, as applicable, that this document is publicly available.
- 2) The Rules on Costs of Arbitration shall be published in the same manner as the Rules.

- 3) Until the issue of the Rules on Costs of Arbitration, all questions in connection with the arbitration fee shall be governed by the current regulations of the Arbitration Court.

Part Five

Article 57

Effective Date

- 1) These Rules of the International Arbitration Court of the Czech Commodity Exchange were approved by the General Meeting of the Czech Moravian Commodity Exchange in Kladno on [...]. [...] is the day on which the Decision of the Czech Ministry of Industry and Trade of [...], Ref. No. [...], became final, and [...] is the date when the Decision of the Czech Ministry of Agriculture of [...], Ref. No. [...], became final, whereby the permission of the state was granted to amend the Rules of the International Arbitration Court of the Czech Commodity Exchange. These Rules were published in the Business Journal on [...] and will take effect from the first day of the month following this publication. With effect from the date as stipulated by the previous sentence, these Rules replace the Rules of the International Arbitration Court of the Czech Commodity Exchange effective from [...].
- 2) Any arbitral proceedings commenced before [the effective date of these Rules] shall be completed according to the previous rules, unless the parties make a written agreement that the proceedings shall be finished according to these Rules.