

## SCC Rules for Expedited Arbitrations 1999

### **Initiation of Proceedings**

#### Article 1

##### Request for Arbitration

Arbitration is initiated by the Claimant filing with the SCC Institute a Request for Arbitration which shall include:

- a) a statement of the names, addresses, telephone and facsimile numbers and e-mail addresses of the parties and their counsel;
- b) a summary of the dispute;
- c) a preliminary statement of the relief sought by the Claimant; and
- d) a copy of the arbitration agreement or clause under which the dispute is to be settled.

#### Article 2

##### Registration Fee

At the same time as the Request for Arbitration is filed, the Claimant shall pay a Registration Fee. The amount of the fee is fixed in accordance with the SCC Institute's Regulations for Arbitration Costs for Expedited Arbitrations in force on the date of the Request for Arbitration.

If the required Registration Fee is not paid when filing the Request for Arbitration, the SCC Institute will fix a period of time within which the Claimant must pay such fee.

#### Article 3

##### Dismissal

If it is clear that the SCC Institute lacks jurisdiction over the dispute or if the Registration Fee has not been paid in due time, the Claimant's Request for Arbitration shall be dismissed.

#### Article 4

##### Date of Commencement of the Arbitration

The arbitration shall be deemed to have been commenced on the date on which the Request for Arbitration was received by the SCC Institute.

#### Article 5

##### Procedures of the SCC Institute

The SCC Institute shall maintain the confidentiality of the arbitration and shall deal with the arbitration in an impartial, practical and expeditious manner.

#### Article 6

##### The Respondent's Reply

The Request for Arbitration shall be communicated by the SCC Institute to the Respondent. The Respondent shall be asked to submit a Reply to the SCC Institute. The Reply shall be submitted within the period of time determined by the SCC Institute and shall include comments regarding the Request for Arbitration by the Claimant.

If the Respondent wishes to raise any objection concerning the validity or applicability of the arbitration agreement, such objection shall be made in the Reply together with the grounds

therefore.

If the Respondent wishes to file a counterclaim or a set-off claim, a statement to that effect should be made in the Reply and should include the nature of the claim and a preliminary statement of the relief sought. The grounds for any counterclaim and set-off claim must be based on the arbitration agreement.

The SCC Institute shall communicate the Respondent's Reply to the Claimant. The Claimant shall be given an opportunity to comment on any objections and pleas advanced by the Respondent.

Failure by the Respondent to submit a Reply shall not prevent the arbitration from proceeding pursuant to these Rules.

#### Article 7

##### Amplification and Periods of Time

The SCC Institute may request a party to expound upon any written comments to the SCC Institute. If the Claimant fails to comply with such a request, the SCC Institute may decide to dismiss the case. If the Respondent fails to comply with a request to expound upon a counterclaim, the counterclaim may be dismissed by the SCC Institute. Failure by the Respondent otherwise to comply with a request to expound upon a written statement shall not prevent the arbitral proceedings from continuing.

If the SCC Institute has requested a party to perform any act within a specific period of time, such period of time may be extended by the SCC Institute.

#### Article 8

##### Notice

Any notice or other communication from the SCC Institute shall be delivered to the last known address of the addressee.

Any notice or other communication shall be delivered by courier or registered mail, facsimile transmission, e-mail or by any other means of communication that provides a record of the sending thereof.

A notice or communication sent in accordance paragraph two shall be deemed to have been received, by the addressee, at the latest on the date it would normally have been received given the chosen means of communication.

#### Article 9

##### Appointment of Arbitrator and Place of Arbitration

When the exchange of written submissions pursuant to Articles 1-7 has been concluded, the SCC Institute shall:

- a) appoint an Arbitrator, if not agreed upon by the parties;
- b) decide the Place of Arbitration, if not agreed upon by the parties; and
- c) fix the Advance on Costs pursuant to Article 10.

Article 10  
Advance on Costs

The Advance on Costs shall be equivalent to the estimated amount of the Arbitration Costs pursuant to Article 34.

Each party shall contribute half of the Advance on Costs. The SCC Institute may fix separate amounts for counterclaims and set-off claims. After notification by the Arbitrator, the SCC Institute may, in the course of the proceedings, decide that additional amounts are to be paid.

If a party fails to make a required payment, the SCC Institute shall afford the other party an opportunity to do so within a specified period of time. If the required payment is not made, the case shall be dismissed either wholly or partly to such extent as is attributable to the missing payment.

The SCC Institute may during or after the proceedings draw on the Advance on Costs to cover the fee of the Arbitrator and other arbitration costs.

The SCC Institute may decide that the Advance on Costs may partly consist of a bank guarantee or other form of security.

Article 11  
Referral of a Case to the Arbitrator

When the Arbitrator has been appointed and the Advance on Costs has been paid, the SCC Institute shall refer the case to the Arbitrator.

**The Arbitrator**

Article 12  
Appointment of the Arbitrator

The arbitral tribunal shall consist of a sole Arbitrator who shall be appointed by the SCC Institute, unless otherwise agreed by the parties.

If the Arbitrator dies, resigns or is removed, the SCC Institute shall appoint another Arbitrator.

If the parties are of different nationalities the SCC Institute shall appoint an Arbitrator of a nationality other than of the parties, unless the parties have agreed differently or if otherwise deemed appropriate by the SCC Institute.

Article 13  
Impartiality and Independence and Duty of the Arbitrator to Disclose

The Arbitrator must be impartial and independent.

A person asked to accept an appointment as Arbitrator must disclose any circumstances likely to give rise to justifiable doubts as to his impartiality and independence. If he is nevertheless appointed, he shall immediately, in a written statement, make the same disclosure to the parties.

An Arbitrator who becomes aware of any circumstances which may disqualify him, must immediately, in writing, inform the parties thereof.

#### Article 14 Challenge of Arbitrator

Where a party wishes to challenge the Arbitrator that party shall send a written statement to the SCC Institute, setting forth the reasons for the challenge.

Notification of a challenge must be made within 15 days as from the date on which the allegedly disqualifying circumstance became known to the party. Failure by a party to notify the SCC Institute of a challenge within the stipulated period of time will be considered a waiver of the right to initiate such a challenge.

The SCC Institute shall provide the parties and the Arbitrator an opportunity to comment on the challenge.

The SCC Institute shall make the final decision on the challenge. If the SCC Institute finds an Arbitrator disqualified, it shall remove the Arbitrator.

#### Article 15 Removal of Arbitrator

Where the Arbitrator is prevented from de facto fulfilling his duties or fails to perform his functions in an adequate manner, the SCC Institute shall remove the Arbitrator.

Before removing the Arbitrator, the SCC Institute shall solicit the views of the parties and the Arbitrator.

### **The Proceedings before the Arbitrator**

#### Article 16 Procedures of the Arbitrator

The manner of conducting the proceedings is to be determined by the Arbitrator in compliance with the conditions set down in the arbitration agreement and these Rules, with due account taken to the wishes of the parties.

The Arbitrator shall maintain the confidentiality of the arbitration and conduct each case in an impartial, practical and expeditious manner, giving each party sufficient opportunity to present its case. The parties must seek to limit the scope of the case.

The Arbitrator may, after consultation with the parties, decide to conduct hearings at a location other than the Place of Arbitration.

The Arbitrator shall prepare and distribute to the parties a time schedule for the proceedings.

The following shall apply to the proceedings, unless the Arbitrator, for special reasons, decides otherwise.

- a) In addition to the Statement of Claim and the Statement of Defence, the parties each may only submit one written statement, including statements of evidence.
- b) The statements must be brief.
- c) The time limits within which the documents shall be submitted may not exceed ten working days.

The Arbitrator may order a party to finally state his claims for relief and the facts relied on as grounds thereof, and the evidence on which the party relies. At the expiration of the time period for such statement, the party may not amend his claim for relief nor adduce additional facts or evidence, unless the Arbitrator, for special reasons, so permits.

Article 8 shall apply with respect to communication from the Arbitrator.

#### Article 17 Statement of Claim and Defence

The Claimant shall, within the period of time determined by the Arbitrator, submit a Statement of Claim which, unless previously provided in the case, shall include:

- a) the specific relief sought;
- b) the material facts and circumstances on which the Claimant relies; and
- c) a preliminary statement of the evidence on which the Claimant intends to rely.

The Respondent shall, within the period of time determined by the Arbitrator, submit a Statement of Defence, which, unless previously provided in the case, shall include:

- a) a statement as to whether and to what extent the Respondent accepts or denies the relief sought by the Claimant;
- b) the material facts and circumstances on which the Respondent relies;
- c) any counterclaim or set-off claim and the grounds on which it is based;
- d) a preliminary statement of the evidence on which the Respondent intends to rely.

The Arbitrator may determine that the parties are to submit additional written statements.

#### Article 18 Amendments to Claim or Defence

A party may amend his claim or defence in the course of the proceedings if his case, as amended, is still comprised by the arbitration agreement, unless the Arbitrator considers it inappropriate having regard to the point of time at which the amendments is requested, the prejudice that may be caused to the other party or other circumstances.

The provisions of Article 6 shall not preclude the preceding paragraph from being applied with respect to the right of a party to introduce a counterclaim or a set-off claim.

#### Article 19 Language

Unless the parties have agreed in the arbitration agreement on the language or languages to be used in the proceedings, the Arbitrator shall, after consultation with the parties, make such decision.

Article 20  
Applicable Law

The Arbitrator shall decide the merits of the dispute on the basis of the law or rules of law agreed by the parties. In the absence of such an agreement, the Arbitrator shall apply the law or rules of law which the Arbitrator considers to be most appropriate.

Any designation made by the parties of the law of a given state shall be construed as directly referring to the substantive law of that state and not to its conflict of law rules.

The Arbitrator shall decide the dispute *ex aequo et bono* or as amiable compositeur only if the parties have expressly authorized the Arbitrator to do so.

Article 21  
Oral Hearing

An oral hearing shall be arranged only if requested by either party and if the Arbitrator deems it necessary. If a hearing is held, the Arbitrator, taking into account the wishes of the parties, shall determine the time for the hearing, its duration and how it is to be organised, including the manner in which evidence is to be presented.

Article 22  
Evidence

At the request of the Arbitrator, the parties shall state the evidence on which they intend to rely, specifying what they intend to prove with each item of evidence, and present the documentary evidence on which they rely.

The Arbitrator may refuse to accept evidence submitted to him if he considers such evidence to be irrelevant, non-essential or if proof can be established by other means which the Arbitrator considers more convenient or less expensive.

Article 23  
Expert

Unless otherwise agreed by the parties, the Arbitrator may appoint one or more experts to report to the Arbitrator on a specific issue.

At the request of a party, the parties shall be given the opportunity to put questions to any such expert.

Article 24  
Failure of a Party to Appear

If any of the parties, without showing valid cause, fails to appear at a hearing or otherwise fails to comply with an order of the Arbitrator, such failure shall not prevent the Arbitrator from proceeding with the case nor from rendering an award.

## Article 25

### Failure to Object to Procedural Irregularities

A party, who during the proceedings fails to object within a reasonable time to any deviation from provisions of the arbitration agreement, these Rules or other rules applicable to the proceedings, shall be deemed to have waived his right to invoke such irregularity.

## Article 26

### Interim Measures

Unless the parties have agreed otherwise, the Arbitrator may, during the course of the proceedings and at the request of a party, order a specific performance by the opposing party for the purpose of securing the claim which is to be tried by the Arbitrator. The Arbitrator may order the requesting party to provide reasonable security for damage which may be inflicted on the opposing party as a result of the specific performance in question.

A request addressed by a party to a judicial authority for interim measures shall not be deemed to be incompatible with the arbitration agreement or these Rules.

## **The Award**

## Article 27

### Award

The Award shall be deemed to have been rendered at the Place of Arbitration. The Award shall be signed by the Arbitrator. It shall state the date on which it was rendered. In addition to information about the parties and the Arbitrator, it shall contain an order or declaration.

The Award shall also in brief include the relief claimed by the parties together with supporting statements. A party may request a reasoned Award no later than at the closing statement.

If a settlement is reached, the Arbitrator may, at the request of the parties, record the settlement in the form of an Award.

The Arbitration Costs, in accordance with Article 34, and its apportionment between the parties shall be fixed in the Award or other order by which the arbitral proceedings are terminated. An Award may be rendered solely for costs.

The Arbitrator shall immediately send the Award to the parties.

## Article 28

### Time for Rendering an Award

An Award shall be rendered not later than three months as from the date when the case was referred to the Arbitrator. The SCC Institute may extend the period of time for rendering an Award.

## Article 29

### Separate Award

At the request of a party, a separate issue or a part of the matter in dispute may be decided by a Separate Award.

Where a party has partially admitted a claim, a Separate Award, based on such admission may be rendered.

Article 30  
Right to an Award

If a party withdraws a claim the Arbitrator shall dismiss such part of the dispute, unless the other party requests the Arbitrator to rule on the claim.

If a party, who has not paid an Advance on Costs, requests the Arbitrator to rule on a withdrawn claim, the SCC Institute may, as a condition for such ruling, order the requesting party to pay an Advance on Costs.

Article 31  
Effect of an Award

When rendered an Award is final and binding for the parties.

Article 32  
Correction and Interpretation of an Award and Additional Award

Any obvious miscalculation or clerical error in an Award or Decision shall be corrected by the Arbitrator.

Within 30 days of receiving the Award, the Arbitrator shall, if a party so requests, decide a question which should have been decided in the Award but which was not decided therein.

Within 30 days of receiving the Award, the Arbitrator may, if a party so requests, provide an interpretation thereof in writing.

Before the Arbitrator takes any action in accordance with the second and third paragraphs, the views of the parties shall be solicited.

Article 33  
Filing of Awards

An Arbitrator shall, after the close of the proceedings, submit to the SCC Institute one copy of every Award and written order issued in the case, as well as of all the recorded minutes therein. The above-mentioned documents shall be kept on file by the SCC Institute.

**Costs**

Article 34  
Arbitration Costs

The Arbitration Costs consists of:

- a) the Arbitrator s Fee;
- b) the Administrative Fee to the SCC Institute;
- c) compensation due to the Arbitrator and the SCC Institute to cover their expenses during the proceedings; and
- d) the fees and expenses of any expert appointed by the Arbitrator pursuant to Article 23.

Amounts referred to in sections (a) through (c) above shall be finally fixed by the SCC Institute in accordance with the Regulations for Arbitration Costs for Expedited Arbitrations in force at the time of the commencement of the arbitration. The amounts in section (d) shall be finally fixed by the Arbitrator.



Article 35  
Payment of Arbitration Costs

The parties are jointly and severally liable for all payments of all costs mentioned in Article 34.

The Arbitrator decides on the apportionment of the Arbitration Costs as between the parties with regard to the outcome of the case and other circumstances.

Article 36  
Costs Incurred by a Party

Unless the parties have agreed otherwise, the Arbitrator may, at the request of a party, in an Award or other order by which the arbitral proceedings are terminated order the losing party to compensate the other party for legal representation and other expenses for presenting its case.

**Exclusion of Liability**

Article 37  
Exclusion of Liability

The SCC Institute is not liable to any party for any act or omission in connection with the arbitration unless such act or omission is shown to constitute willful misconduct or gross negligence by the SCC Institute. The Arbitrator is liable only if shown to have caused damage by willful misconduct or gross negligence.

**Effectiveness**

These Rules enter into force on 1 April 1999 and will replace the former Rules for Expedited Arbitrations. These Rules will be applied to any arbitration under the Expedited Rules commenced on or after this date, unless otherwise agreed by the parties.

## **Appendix – Regulations for Arbitration Costs for Expedited Arbitrations**

### **Registration Fee**

The Registration Fee in Article 2 of the Rules for Expedited Arbitrations (hereinafter referred to as “the Expedited Rules”) is EUR 500.

The Registration Fee is non-refundable and shall constitute a part of the Administrative Fee due to the SCC Institute under Section III, Article 2 below and shall be deducted from the Advance on Costs to be paid by the Claimant pursuant to Article 10 of the Expedited Rules.

### **Advance on Costs**

According to Article 9 of the Expedited Rules, the SCC Institute shall fix an amount which, together with the accrued interest, shall constitute an advance on the Arbitration Costs. The amount shall cover the estimated Arbitration Costs pursuant to Article 34 of the Expedited Rules and, if required, value added tax. Amounts referred to in the first paragraph, sections (i) through (iii), in Article 34 of the Expedited Rules are to be determined pursuant to these Regulations.

## **Arbitration Costs**

### **Article 1**

#### **Arbitrator's Fees**

Unless otherwise agreed by the parties, the SCC Institute shall decide the fee of the Arbitrator in accordance with the table below, based on the amount in dispute. If so required by law, value added tax shall be added to such fee.

For the purpose of calculating the amount in dispute, the value of any counterclaim or set-off claim is to be added to the amount of the claim with the exception of interest claims. Where the amount in dispute is not specified, the SCC Institute will fix the fee on the basis of an assessment of the size of the case. Each party must provide the SCC Institute with the information deemed necessary for such assessment.

If a case has required substantially more or less work than is considered normal, the SCC Institute may deviate from the amounts stated in the table.

### **Article 2**

#### **Administrative Fee of The SCC Institute**

The SCC Institute shall decide the Administrative Fee due to it. The decision is based on the amount in dispute in accordance with the table below. If so required by law, value added tax shall be added to the Administrative Fee.

For the purpose of calculating the amount in dispute, the value of any counterclaim or set-off claim is to be added to the amount of the claim, with the exemption of interest claims. Where the amount in dispute is not specified, the SCC Institute will fix the Administrative Fee on the basis of an assessment of the size of the case. Each party must provide the SCC Institute with the information deemed necessary to such assessment.

If a case has required substantially more or less work than is considered normal, the SCC Institute may deviate from the amounts stated in table.

### Article 3 Expenses

In addition to the fee to the Arbitrator and the Administrative Fee to the SCC Institute, the SCC Institute shall fix an amount to be provided by the parties, to cover reasonable expenses of the Arbitrator and the SCC Institute.

#### Effectiveness

These Regulations enter into force on 1 April 1999 and will replace the former Regulations. The Regulations will be applied to any arbitration commenced on this date or thereafter.

Amount in dispute (EUR)	Arbitrator's Fees (EUR)
up to 25 000	2 500
from 25 001 to 50 000	2 500 + 2% of the amount above 25 000
from 50 001 to 100 000	3 000 + 2% of the amount above 50 000
from 100 001 to 500 000	4 000 + 1% of the amount above 100 000
from 500 001 to 1 000 000	8 000 + 0,8% of the amount above 500 000
from 1 000 001 to 2 000 000	12 000 + 0,5% of the amount above 1 000 000
from 2 000 001 to 5 000 000	17 000 + 0,2% of the amount above 2 000 000
from 5 000 001 to 10 000 000	23 000 + 0,1% of the amount above 5 000 000
from 10 000 001 to 50 000 000	28 000 + 0,03% of the amount above 10 000 000
from 50 000 001 to 75 000 000	40 000 + 0,02% of the amount above 50 000 000
from 75 000 001	45 000 + 0,012% of the amount above 75 000 000

### Administrative Fee of the SCC Institute

Amount in dispute (EUR)	Administrative Fee of the SCC Institute (EUR)
to 25 000	500
from 25 001 to 50 000	500 + 3,2% of the amount above 25 000
from 50 001 to 100 000	1 300 + 1% of the amount above 50 000
from 100 001 to 500 000	1 800 + 0,5% of the amount above 100 000
from 500 001 to 1 000 000	3 800 + 0,5% of the amount above 500 000
from 1 000 001 to 2 000 000	6 300 + 0,2% of the amount above 1 000 000
from 2 000 001 to 5 000 000	8 300 + 0,1% of the amount above 2 000 000
from 5 000 001 to 10 000 000	11 300 + 0,06% of the amount above 5 000 000
from 10 000 001	14 300 + 0,01% of the amount above 10 000 000 Maximum 30 000





