

**ARBITRATION RULES OF THE INTERNATIONAL COURT OF ARBITRATION IN
AFFILIATION WITH THE CHAMBER OF COMMERCE AND INDUSTRY OF THE
KYRGYZ REPUBLIC**

Approved by

Resolution of the Supervisory Board

of the International Court of Arbitration

in affiliation with the Chamber of Commerce and Industry

of the Kyrgyz Republic

dated of February 8, 2007

Part I. General provisions

Article 1. Definitions

For the purpose of the present Rules:

“court of arbitration” (the panel of the court of arbitration) means one or three arbitrators, selected by the contending parties or appointed by the Chairman of the International Court of Arbitration in affiliation with the Chamber of Commerce and Industry of the Kyrgyz Republic ;

“list of arbitrators” – the list approved by the decision of the Supervisory Board of the International court of arbitration in affiliation with the Chamber of Commerce and Industry of the Kyrgyz Republic, containing full names of the arbitrators, and also detailed information about them;

“party” – claimant or defendant;

“claimant” means one or several claimants;

“defendant” means one or several defendants;

“award” means the decision of the International Court of Arbitration on taking measures to secure the claim, or any other decision of the International Court of Arbitration rendered in accordance with the present Rules.

Article 2. Competence of the International Court of Arbitration in affiliation with the Chamber of Commerce and Industry of the Kyrgyz Republic

2.1. The International Court of Arbitration in affiliation with the Chamber of Commerce and Industry of the Kyrgyz Republic (hereinafter referred to as ICA CCI) is a permanent organization functioning under the Law of the Kyrgyz Republic “On the Arbitration Courts in the Kyrgyz Republic”, other laws of the Kyrgyz Republic, its own Charter, Applicable Rules as well as by other local acts of the ICA CCI.

2.2. The aim of the ICA CCI is to render assistance to the legal entities and physical persons in the out-of-court settlement of disputes, arising between them, which are resulted from civil relationships, provided that there is an arbitration agreement (arbitration clause) granting ICA CCI the applicable competence.

2.3. Pursuant to the parties agreement, the following disputes may be referred to the ICA CCI: disputes arising from contractual and other civic-legal relationships in the course of foreign trade and other forms of international economic affairs, including investment disputes subordinated to the competent court, as well as disputes, in which one or both parties shall be citizens, excluding disputes:

- on claims against regulations and other actions (inactivity, refusal to undertake actions) of the law enforcement officer;
- on fact-finding having the juridical significance (juridical facts);
- on rehabilitation of the rights on the lost financial securities;
- on bankruptcy (insolvency);
- on compensation of a damage caused to life or health of the citizen;
- on protection of dignity, virtue and business reputation;
- arising from heritable legal relations;
- concerning the order and terms of getting married and termination of marriage;
- concerning personal and non-property relations arising in a family between the marital partners, between the parents and children, between other members of the family;
- arising in connection with adoption guardianship and tutelage, acceptance of children for upbringing;
- arising at the registration of civil status acts;
- disputes with regard to which the law sets impossible their transmission for consideration by the Court of Arbitration.

2.4. Civil relationships, disputes resulting from which may be passed for consideration by the ICA CCI, shall include: the relationships arising from purchase and sale (delivery) of goods, contracts of service and labor, exchange of goods and (or) services, transportation of goods and passengers, commercial representation and mediation, rent (leasing), scientific-technical exchange, exchange with other results of creative activities, construction of industrial and other objects, operations, insurance, other forms of business activities and other legal relationships.

2.5. The ICA CCI shall also accept to its consideration disputes subject to its consideration by virtue of the international treaties of the Kyrgyz Republic as well as of the Law “On foreign Investments in the Kyrgyz Republic”.

2.6. The international Court of Arbitration shall resolve disputes in accordance with standards of the substantive law, which the parties have defined in their agreement or in the arbitration agreement as applicable to the nature of the dispute. In the absence of the agreement on applicable law the Court of Arbitration shall independently define the rules of law, which should be applied to consideration of the dispute. The International court of Arbitration shall take decision on the merits of the dispute pursuant to the applicable law, and in part, which has been not regulated by the applicable law, according to business practice.

2.7. The order of dispute resolution by the court of arbitration shall be defined by the present Rules or other Rules of the ICA CCI. Before the appeal to the ICA CCI the parties shall have the right to agree that dispute will be considered at the ICA CCI pursuant to the UNCITRAL Rules.

Article 3. Agreement on transferring disputes for settlement to the Court of Arbitration

3.1. Agreement on the transfer of a dispute for settlement to the court of arbitration shall be an agreement by the parties to transfer to the arbitration court all or concrete disputes, which have arisen or may arise between the parties in connection with civil-legal relationships, irrespective of contractual character or lack thereof.

3.2. The arbitration agreement shall be declared legally effective irrespective of the validity of the contract, the part of which it will be.

3.3. The arbitration agreement may be made in the form of an arbitration clause in the contract, which shall be the constituent part of the contract, or may be in the form of a separate agreement.

3.4. The arbitration agreement shall be in writing. An agreement is considered to be in writing if it is considered in a document signed by the parties, or is made by exchange of letters, communications by telex, telegraph, fax or other means of telecommunication, including electronic ones, which provide fixation of such an agreement. The reference in a contract to a document, containing an agreement to transmit a dispute to consideration of the court of arbitration, will be considered an arbitration agreement provided that the contract is in writing and the reference is such as to give grounds to consider the agreement the part of the contract.

3.5. The conclusion by the parties of the arbitration agreement on transmission of a dispute for settlement to the ICA CCI means consent of the parties with the present Rules, its amendments and changes effective at the moment of filing of the claim.

Article 4. Principles of arbitration

4.1. Independence and impartiality of arbitrator

The arbitrators shall be independent and impartial in the performance of their duties. Representatives of the parties, included in the list of arbitrators of the court of arbitration, cannot be nominated by the parties as arbitrators, but shall have the right to act as representative of the parties in the arbitration case.

4.2. Legal equality of the parties

Dispute resolution in the ICA CCI shall be carried out on the basis of legal equality of the parties under the law and the ICA CCI. Each party shall have equal possibilities for protection of their rights in the ICA CCI. The parties shall have equal procedural rights.

4.3. Competitiveness of the parties

Each party shall be obliged to prove those circumstances, to which it refers as substantiation of its demands and objections.

4.4. Mandatory enforcement of the arbitration award

The arbitration award shall be binding for the parties, final and not subject for appeal.

Article 5. Persons participating in arbitration

5.1. The persons participating in the arbitration shall be the parties as well as third persons.

5.2. Persons in the arbitration shall be claimants and defendants.

5.3. Claimants may be individuals or legal entities, as well as having presented the claim on their own interests.

5.4. The defendants may be individuals or legal entities, as well as bodies of the state authorities and local self-administration, against whom a claim is made.

Article 6. Rights of the persons participating in arbitration

6.1. The persons participating in arbitration, shall have the right:

- to acquaint themselves with the materials of the case, to take notes from them, to make photocopies of them at their own expenses;
- to challenge the arbitrators, experts, translators;
- to present evidence and to participate in their examination;
- to question other persons participating in the arbitration, witnesses, experts and specialists;
- to petition the court, including for subpoena of additional evidence
- to give oral and written explanations to the court of arbitration;
- to advance arguments on all questions arising in the course of arbitration;
- to object to the petitions and arguments of other persons participating in the arbitration;
- to participate in pleas;
- to familiarize themselves with the minutes of the arbitration court session and to present written comments upon them.

Article 7. Inadmissibility of legal abuse in the court of arbitration

7.1. In the court of arbitration are not allowed the actions of the persons, participating in arbitration, made with intention:

- to cause harm to another person;
- to preclude from the quick and just resolution of a dispute on the merits;
- to temporize the duration of the arbitration.

Legal abuse in any other form shall be similarly disallowed.

7.2. Legal abuse by one of the parties shall cause the court of arbitration to fix the guilty party with additional expenses, suffered by the other party as a result of the abuse.

Article 8. Waiver of the right to refer to present Rules

Either of the parties, knowing any of the provisions or requirements of these Rules were not observed, and, nevertheless, continuing to participate in the arbitration, and not having immediately objected to the fact of such non-observance, shall be deemed to have waived its right to objection.

Article 9. A claim may be filed jointly by several claimants or defendants

A claim may be filed jointly by several claimants or against several defendants. Each claimant or defendant shall stand in the arbitration independently. The joint participants may delegate conduct of the case to one of the participants.

Part II. Structure and activities of the International Court of Arbitration

Article 10. Structure of the ICA CCI

10.1. Activities of the ICA CCI shall be organized by the Chairman, the Deputy Chairman and the Executive Secretary.

10.2. In order to resolve a specific dispute, the composition of the court of arbitration shall be formed from the list of arbitrators of the ICA CCI in the procedure established by the present Rules.

Article 11. The Chairman and the Deputy Chairman of the ICA CCI

11.1. The Chairman of the ICA CCI shall carry out the following functions:

- receives persons wishing to get information on the activities of the ICA CCI or to resolve a concrete dispute;
- determines the jurisdiction of the court with regard to a given case in the ICA CCI when the statement of claim is filed;
- appoints arbitrators in the cases, defined by the present Rules;

- render a determination about the return of the claim filed in violation of the requirements under Article 20 of these Rules, about the termination of the arbitration proceedings if the plaintiff recalls the claim before the formation of the arbitral tribunal, about the extension of the procedural deadlines and other determinations;

- carries out other functions relating to the activities of the ICA CCI, provided by the present Rules, Applicable rules and other local acts of the ICA CCI.

In case of absence of the Chairman of the ICA CCI or on his instructions, all above mentioned functions shall be carried out by the Deputy Chairman of the ICA CCI.

11.2. The Chairman of the ICA CCI, realizing his competency, defined by the present Rules and other Applicable rules of the ICA CCI, shall make decisions in the form of orders.

Article 12. The Executive Secretary of the ICA CCI

The Executive Secretary of the ICA CCI shall organize record keeping, bear responsibility for the activities of the Secretariat of the ICA CCI, inform the parties of the requirements of these Rules; familiarize the parties with a list of arbitrators, provide for selection of an arbitrator; provide adequate notice of the parties of the date, time and place of arbitration; provide all parties and arbitrators with all materials and documents in the course of the arbitration; take the minutes of court sessions; certify copies of documents submitted by the parties; certify copies of minutes of court sessions; perform other duties related to the preparation and provision of the arbitration proceedings.

Article 13. Arbitrators

13.1. An arbitrator of the ICA CCI shall be capable physical person, included in the list of arbitrators of the ICA CCI, having knowledge adequate to provide for qualified resolution of a dispute deemed to be within the jurisdiction of the ICA CCI.

13.2. The List of arbitrators shall be confirmed by the Supervisory Board of the ICA CCI.

13.3. The following persons can not be included in the List of arbitrators of the ICA CCI:

- a judge of a competent court of the Kyrgyz Republic;

- a state official of the Kyrgyz Republic;

- a person having previous conviction;

- a person, recognized as incapable or partially capable.

13.4. No-person can be deprived of his right to act as an arbitrator for the reason of his citizenship, unless otherwise agreed by the parties.

13.5 Powers of arbitrator shall be stopped:

- by application of the arbitrator;

- in case of systematic non-execution by arbitrator of his duties or in case of him disclosing the classified commercial information about disputes, processed by the ICA CCI;
- at appointment for a state service, including appointment or election to bench;
- in case of conviction;

In case violation of the Code of Ethics of the arbitrators of the ICA CCI or at undertaking of an act, incompatible with status of the arbitrator of the ICA CCI.

13.6. Termination of the powers of the arbitrator shall be made by the decision of the Supervisory Board.

Article 14. Confidentiality

The Chairman, the Deputy Chairman and the Executive Secretary as well as other workers and the arbitrators of the ICA CCI shall keep in secret information received by them in connection with arbitration case.

Article 15. Language of arbitration proceedings

15.1. The parties shall have the right at their own discretion to agree upon the language to be used in the proceedings.

15.2. If the parties have not agreed, or where it is impossible to conduct proceedings in the language chosen by the parties, the court of arbitration shall define a language to be used in the proceedings.

15.3. The agreement or decision on the language of the arbitration shall be diffused to any written announcement of the parties, evidence, order and court decision of the court of arbitration.

15.4. In case when the parties have agreed on the language in which the hearing will be conducted, the ICA CCI shall at their request provide the services of an interpreter at their own expenses.

15.5. The court of arbitration shall have the right to demand that any documentary evidence is accompanied by translation into the language, which the parties have agreed upon or which is determined by the court of arbitration.

Article 16. Place of arbitration

16.1. The place of hearings shall be the office of the ICA CCI in Bishkek, or any other place chosen by the parties and approved by the ICA CCI, taking into account the circumstances of the case, including the factor of convenience for the parties.

16.2. Despite of provisions set in item 16.1 of the present article, the arbitration court upon agreement of the Chairman of the ICA CCI shall have the right to meet any place, which it considers most eligible for conducting consultations between its members, hearing of the witnesses, experts, or for inspection of the goods, assets or documents.

Article 17. Notice

17.1. Any notice or communication which is required or may be required from the parties pursuant to these Rules, shall be presented in writing and delivered by a registered letter or by a courier service or by persons who are entrusted by the arbitration, or transmitted by fax, e-mail or other means of telecommunication that provide a record of delivery.

17.2. Notice shall be given to a citizen personally against a receipt on the document to be returned to the ICA CCI or on the second copy of the notice. Notice addressed to the organization shall be given to the appropriate officer who signs on the document to be returned to the ICA CCI or on the second copy of the notice.

17.3. If a person delivering the notice does not catch a citizen noticed or called with regard to case in his/her place of residence or work, the notice shall be given to his/her adult family members living together with him/her with their consent, and in their absence – to the housing organization, local government body at the residence of the addressee, or to the administration at the place of work. In these cases, a person receiving the notice shall state his/her full name, as well as relation to the addressee (spouse, father, mother, son, daughter, etc.) or position held on the document to be returned to the ICA CCI or on the second copy of the notice.

17.4. If the addressee refuses to accept a notice, a person delivering it shall make a corresponding note on the notice which is returned to the ICA CCI.

17.5. A note of the addressee's refusal to accept a notice shall be certified by the staff of the relevant housing organization, local government body at the residence of the addressee or by the administration at his/her place of work.

17.6. A person who refused to accept a notice shall be deemed notified of the time and place of the arbitration proceedings or specific legal proceedings.

17.7. In the absence of an official notice about the change of address sent to all parties, the ICA CCI and arbitrators, the last known home or business address of the party shall be considered the actual address of the party used to notify or transmit any messages during the arbitration proceedings.

17.8. Persons involved in the case must inform the court of arbitration about the change of their address during the proceedings. In the absence of such information, the notice shall be sent to the last known address and considered to have been delivered even the addressee no longer resides at that address.

17.9. When the actual whereabouts of the defendant is unknown, the court of arbitration shall consider the case on arrival of the notice at the court with the note certifying its receipt by the housing organization or local government body at the last known place of residence of the defendant or by the administration of the organization known as the last place of his/her work.

17.10. With the purpose to determine the commencement of arbitration, any notice or communication shall be deemed to have been sent on the day of its delivery or, in the case of electronic means of communication – on the day of its transmission.

17.11. With the purpose to determine the compliance with the terms, any notice or communication shall be deemed to have been sent, delivered or transmitted before the deadline date through the day of expiry.

Article 18. Periods

18.1. The periods, foreseen or established by the present Rules, start to be calculated since the day, following the date, when the notice or communication shall be deemed to have been delivered pursuant to the Rules. If the day, following such date, shall be a holiday or nonworking day in the country, where the notice or communication shall be deemed to have been delivered, the period starts to be calculated on the first following working day. Holidays or nonworking days shall be included up in calculation of periods. If the last day of the applicable period is a holiday or nonworking day in the country, where the notice or communication shall be deemed to have been delivered, the period lapses at the end of the first following working day.

18.2. The ICA CCI may at any time extend (even after period expiration) or reduce any periods established by the present Rules, with the purpose to provide conduct of the arbitration, including periods of presentation of any notices or communications between the parties.

18.3. At the same time, the court of arbitration shall make all efforts, so that the period of arbitration proceedings would not exceed three months from the moment of formation of the court of arbitration, and if at least one of the parties of a dispute is a foreign investor – six months.

Part III. Arbitration

Initiation of arbitration

Article 19. Filing of a claim

19.1. The arbitration proceedings shall be instituted by filing a statement of claim with the ICA CCI.

19.2. The statement of claim shall be deemed to have been filed on the day when it was submitted to the ICA CCI, and if it was sent by mail on the day of the date of delivery on the postal stamp.

Article 20. Content of the statement of claim

20.1. The statement of claim shall include:

- the date of application;

Full names of the parties, their mail addresses;

the value of the claim, if the claim is subject to valuation;

the demands of the claimant;

the circumstances and norms of the law, on which the demands of the claimant base, and indication of evidences corroborating these demands;

the justified calculation of the demands;

other information meaningful for exact consideration of a dispute;

list of documents, enclosed to the claim, and other evidences;

the claimant's signature (if the claimant is a legal entity, the signature of the person who has signed the claim, must be certified with the seal of the legal entity).

20.2. The following documents should be enclosed to the claim, confirming:

- presence of the arbitration agreement;
- sending of a copy of the claim and all enclosed documents to the defendant;
- payment of the registration fee;
- the letter of attorney confirming powers of the representative.

20.3. At submission of the claim and response on the claim the parties may make the reference to the documents or other evidences, which they would present later.

Article 21. Value of the Claim

21.1. The value of the Claim shall be defined:

- (a) in relation to claims for the recovery of money – by the amount claimed;
- (b) in relation to claims concerning the demand of assets – by the value of assets.

21.2. In case where the claim has non0property nature, the value of a claim shall be defined pursuant to the Regulations on arbitration fees and costs of the ICA CCI.

21.3. If the claim consists of several sub-claims, the value of the claim shall be defined as the total sum of all the sub-claims.

21.4 If the claimant has not defined or has incorrectly defined the value of the claim, the court of arbitration shall on its own initiative or at request of the defendant, define the value of the claim on the basis of available information.

Article 22. Rectification of the Statement of Claim

22.1. On finding that the statement of claim has been filed in violation of the requirements of Article 20 of the present Rules, the Executive Secretary of the ICA CCI shall invite the claimant to rectify the defects so found. The period to rectify the defects shall not exceed 15 days from the day of the receipt of such invitation.

22.2. Where despite the invitation to rectify the defect of the statement of claim, the claimant does not rectify them but insists on the case being examined, the ICA CCI shall return the statement of claim to the claimant without consideration.

Article 23. Arbitration expenses

23.1. When filing a statement of claim the claimant shall pay a registration fee. The claim shall be deemed not to be filed until the registration fee is paid.

23.2. The registration fee is not refundable.

23.3. The claimant shall ensure the advance payment of the arbitration in respect of each filed claim. The registration fee paid by the claimant at the time of filing the statement of claim shall be counted towards the sum of advance.

23.4 The arbitration proceedings in respect of any given claim are not to be initiated and the case is to remain without progress until the advance payment of the arbitration fee is effected.

23.5. The amount of the registration and arbitration fees, procedure for their payment and distribution as well as the procedure for covering other arbitration proceedings costs are established by the Regulation on Arbitration fees and costs of the ICA CCI.

Preparation of the arbitration

Article 24. Notification of the defendant and appointment of arbitrator by the defendant

24.1. Within three days from the date of filing of the statement of claim and payment of a registration fee the Executive Secretary of the ICA CCI shall notify the defendant of filing of the statement of claim and shall invite him within not more than 15 days after receiving of notice to file his written response supported by relevant evidence.

In the same period the defendant shall indicate full names of the arbitrator and substitute arbitrator chosen by him or request for nomination of an arbitrator and substitute arbitrator by the chairman of the ICA CCI.

Article 25. Formation of the panel of the court of arbitration

25.1. If the parties have failed to agree that the case shall be considered by a sole arbitrator, the court of arbitration shall be formed of three arbitrators. At the same time the substitute arbitrators shall be elected (appointed). The functions of the court of arbitration set by the present Rules rely to the sole arbitrator as well.

25.2. If the defendant fails to appoint an arbitrator and substitute arbitrator within the times envisaged in item 24.1 of the present Rules, the arbitrator and substitute arbitrator shall be appointed instead of him by the Chairman of the ICA CCI from the List of arbitrators.

25.3. The arbitrators selected by the parties or appointed by the Chairman of the ICA CCI shall elect the chairman of the court of arbitration from the List of arbitrators. Following the same procedure they may elect a substitute chairman of the arbitration court.

25.4. If the arbitrators fail to elect the Chairman (substitute Chairman) of the court within fifteen days from the date of the election or appointment of the second arbitrator, the chairman of the court and the substitute chairman of the court shall be appointed by the Chairman of the ICA CCI within five days after expiration of period, determined for election of the chairman (substitute chairman) of the court of arbitration.

25.5. Where there are two or more claimants or defendants, the claimants and the defendants shall appoint one arbitrator and one substitute arbitrator on each side. They may also conjointly request the Chairman of the ICA CCI for nomination of an arbitrator and substitute arbitrator on their behalf.

25.6. If the claimants and defendants have failed to come to an agreement within fifteen days, the arbitrator and substitute arbitrator shall be appointed by the Chairman of the ICA CCI from the List of arbitrators.

25.7. The term, indicated in the previous paragraph, shall be counted from the date, when the need was found to elect one arbitrator and one substitute arbitrator each from two or more claimants or defendants.

25.8. The appointment of the arbitrator and the substitute arbitrator by the Chairman of the ICA CCI, shall be made within five days, on expiration of the term, determined in the first paragraph of the present item, established for their election by the parties.

Article 26. Selection or appointment of the sole arbitrator

26.1. If as agreed by the parties, the case is to be considered by sole arbitrator, the sole arbitrator and substitute sole arbitrator shall be appointed by agreement of the parties. The parties may also request the Chairman of the ICA CCI to appoint a sole arbitrator and reserve sole arbitrator on their behalf. If not agreed between the parties within fifteen days, the sole arbitrator and substitute sole arbitrator shall be appointed by the Chairman of the ICA CCI from the List of arbitrators.

Article 27. Preparation of the Case for Arbitration

27.1. Within three days from the date of composition of the court of arbitration, the claimant shall pay the arbitration fee to the ICA CCI.

27.2. After depositing by the claimant of the arbitration fee the court of arbitration shall check up the preparation of the case for arbitration and, if it deems necessary, shall take additional measures to prepare the case, particularly by obtaining written explanations, evidences and other additional documents. If the additional measures are undertaken to prepare the case, then periods are determined within which additional measures shall be carried out.

27.3. The chairman of the court of arbitration may fulfill actions, connected with the preparation of the case for arbitration through the Executive Secretary of the ICA CCI. All documents, including any written notices, given by the parties, must be sent to the ICA CCI.

Article 28. Form of the arbitration proceedings

28.1. The arbitration shall be conducted in the form of oral hearings with participation of the parties' representatives.

28.2. Arbitration may be conducted on the basis of the written materials if the parties have agreed thereof in writing.

Article 29. Notification of the parties about the hearing

29.1. The parties shall be notified of the time and place of a hearing by written notices 10 days in advance of the hearing. Upon agreement of the parties this period may be reduced.

29.2. Should there be a need to conduct further hearings, their dates and periods shall be set by the court of arbitration.

Article 30. Challenge of arbitrator, expert and interpreter

30.1. Each party shall be entitled to challenge an arbitrator, the chairman of the court of arbitration or a sole arbitrator, if there are circumstances giving rise to justifiable doubts as to their impartiality or independence, particularly if it can be supposed that they are personally, directly or indirectly interested in the outcome of the case. The request of challenge may also be submitted in case when an arbitrator does not have the qualifications stipulated in the parties' agreement.

30.2. The party shall submit its written request of challenge containing the motives of thereof not later than 15 days after it has come to know that the court of arbitration has been formed, or after the party has found out about any circumstances, which may be a ground for the challenge. Such request submitted after said period shall be considered only if the reason for delay of the request of challenge is considered justified.

30.3. The question of challenge of an arbitrator shall be decided by the other members of the court of arbitration. If they fail to come to an agreement, or if two arbitrators or the sole arbitrator are challenged, the question of challenge shall be decided by the Chairman of the ICA CCI.

30.4. An arbitrator, the chairman of the court of arbitration or a sole arbitrator shall state their self-challenge on their own initiative at any stage of the arbitration in cases when:

- a) he is the relative of the party or of the party's representative;
- b) he personally, directly or indirectly is interested in the outcome of a dispute or if there are other circumstances giving rise to justifiable doubts as to his impartiality or independence;
- c) the requirements established in the item 13.3 of the present Rules are not observed;
- d) he has no qualification specified in the arbitration agreement.

30.5. The Chairman of the ICA CCI shall have the right on his own initiative to decide the question on challenge to any arbitrator, the chairman of the court of arbitration or any sole arbitrator if there are causes stipulated in the item 30.4 of the present Article.

30.6. Provisions of the item 30.4 of the present Article shall be also applicable to an arbitrator, the chairman of the court of arbitration and a sole arbitrator, elected or appointed as substitute ones.

30.7. For the same causes, stipulated in the item 30.4 of the present Article, the experts and interpreters participating in the arbitration may be challenged. In this case the question of challenge shall be decided by the court of arbitration.

Article 31. Termination of arbitrator powers at the stage of arbitration

31.1. If the arbitrator, the chairman of the court of arbitration, or a sole arbitrator is legally or physically incapable of performing his functions, or for other reasons do not perform these functions without unjustifiable delay, the powers of any of them can be terminated upon mutual agreement of the parties.

31.2. Powers of an arbitrator, the chairman of the court of arbitration, or a sole arbitrator shall be also terminated in case of their statement of self-challenge.

31.3. In case when there are causes stipulated in the item 31.1 of the present Article, and in case when the parties have failed to reach a relevant agreement, each of the parties shall be entitled to apply to the Chairman of the ICA CCI with the request to resolve the question of termination of the powers of the arbitrator, chairman of the court of arbitration, or a sole arbitrator.

Article 32. Substitutions in the court of arbitration

32.1. If the arbitrator, chairman of the court of arbitration or a sole arbitrator was challenged or is not able to participate in the consideration of the case for other reasons, his place shall be taken by the substitute arbitrator, substitute chairman of the court of arbitration or substitute sole arbitrator, respectively. If such substitution is impossible, a new arbitrator, chairman of the court of arbitration or sole arbitrator shall be elected or appointed in accordance with the Rules. If the arbitrator, the chairman of the court of arbitration or sole arbitrator was appointed by the Chairman of the ICA CCI, the latter shall also make new appointments.

32.2. If necessary and with regard to the views of the parties the court of arbitration may reexamine issues which have been already considered in the course of hearings preceding the substitution.

Arbitration proceedings

Article 33. Hearing procedure

33.1. A hearing is conducted to enable the parties to express their stands on the base of the presented evidences and to hold debates. The hearing of the case shall be conducted in private. With permission of the court of arbitration and with the consent of the parties persons not participating in the arbitration may be present at the hearing.

Article 34. Participation of the parties

34.1. The parties may present their cases in the ICA CCI and in the process of arbitration directly or through duly authorized representatives appointed by the parties at their discretion, including those appointed from among foreign citizens and organizations.

34.2. Failure to appear by a party who has been duly notified of the time and place of the hearing shall not prevent the case from being examined and the award from being made, unless the defaulting party has requested in writing to adjourn the proceedings for good reasons and these reasons are acknowledged by the court of arbitration as justified.

34.3. Either party may request the hearing of the case to be conducted in its absence.

Article 35. Submission of documents

35.1. All documents submitted by one of the parties to the ICA CCI, shall be submitted by the party in copies to other party.

35.2. The ICA CCI shall submit to the arbitrators the copies of the documents, presented by the parties.

Article 36. Protection measures

36.1. At the request of any party the court of arbitration may order that either party shall take measures of protection in respect of the subject of the dispute.

36.2. The decision on application of protection measures shall be executed in the manner, foreseen for execution of the arbitration award.

Article 37. Examination of the case on the basis of written materials

In case when the parties have agreed that the dispute is considered on the basis of written materials only without holding any hearing, the court of arbitration may direct that a hearing be conducted, if the materials presented proved insufficient for resolution of the dispute on the merits.

Article 38. Alteration or addition to claim demands or defense objections

38.1. Before the hearing or dispute arbitration on the basis of written materials is completed either party may alter or add to its claim demands or defense objections therein.

38.2. If the court of arbitration admits the delay caused by the party in alteration or addition to his claim or defense as unjustified, it may charge that party with additional costs of the court of arbitration and expenses of the other party resulting there from.

38.3. The court of arbitration may also consider inexpedient to allow such alteration of or addition to the claim or defense taking into account the delay caused, or to allow such alteration of or addition to the claim or defense.

38.4. At aggravation of the amount of the claims as a result of their change, the amount of the arbitration fee shall be counted afresh pursuant to the Regulations for arbitration fees and costs, and the additional demands, announced by the claimant, shall not be considered by the court of arbitration unless additional payment of the arbitration fee is paid.

Article 39. Counterclaim and set-off claim

39.1. The defendant shall be entitled within the period of time specified in item 24.1 of the present Rules, to make a counterclaim arising out of the same contract or to make counter demands arising out of the same contract for the purpose of set-off.

39.2. The counterclaim and the counter demand with the purpose of set-off shall meet the same requirements as the principal claim.

39.3. The arbitration fee, stated in the Regulations for arbitration fees and costs, shall be levied at applying of the counterclaim or the counter demand with the purpose of set-off.

Article 40. Evidence

40.1. The parties must prove the circumstances relied on by them in support of their demands or objections. The court of arbitration may require the parties to present other evidence as well. It also may, at its own discretion, direct that an expert examination be conducted and obtain evidence from third parties as well as summon and hear witnesses.

40.2. Either party may present written evidence in original or in the form of duly certified copies of original. The court of arbitration may require translation of such evidence into another language where it is necessary in the interests of the examination of the case.

40.3. Verification of evidence shall be effected as directed by the court of arbitration.

40.4. The arbitrators shall evaluate the evidence according to their inner convictions.

40.5. Failure by either party to present an adequate evidence does not prevent the court of arbitration from continuing the proceedings and making an award on the basis of the available evidence.

Article 41. Participation of the third parties

A third party may only join the arbitration proceedings with the consent of the parties in dispute. Invitation of any third party to the proceedings, apart from the consent of the parties of the dispute, requires the consent of the invited person. The request for invitation of any third party is allowed before the term of submitting explanations to the statement of claim has expired. The consent of the third party to the invitation shall be expressed in writing.

Article 42. Suspension of arbitration

42.1. Where necessary to conduct expertise the arbitration proceedings may be suspended. The suspension shall be directed by a ruling.

42.2. The suspension of the arbitration proceedings shall pause the period, during which the arbitration is to be conducted. After recommencement of the arbitration proceedings the flow of period shall be continued.

Article 43. Minutes of hearing

43.1. The hearing of the case shall be recorded in the minutes, which shall include the following:

- the name of the court of arbitration;
- the number of the case;
- the place and date of the hearing;
- the names of the parties in dispute;
- information as to participation of the parties' representatives in the hearing;

- the full names of the arbitrators, witnesses, experts, interpreters and other participants in the hearing;
- a short description of the course of the hearing;
- the parties' demands and an account of other important statements of the parties;
- the indication of reasons for adjournment of the hearing or for termination of the proceedings;
- the signatures of the arbitrators, certified by the seal of ICA CCI.

For the most full and correct reflection of the course of oral hearing in the minutes the court of arbitration makes audio record of arbitration which will be attached to the minutes.

43.2. The parties may get acquainted with the contents of the minutes. The court of arbitration may, at the request of any party, make a ruling to amend or supplement the record provided that the request is considered justified.

43.3. The parties have the right to receive a copy of the minute, having paid expenses for its manufacturing.

Termination of arbitration

Article 44. The arbitration award

44.1. The arbitration shall be completed by making of an arbitration award.

44.2. The court of arbitration shall have the right to make an interim award, as well as additional arbitration awards. The interim awards include awards on taking measures to secure for a claim. Additional arbitration awards concern to the decisions related to additional collecting from the debtor of the charges connected to forced execution of the arbitration award.

Article 45. Making of award

45.1. On finding that all facts related to the dispute have been clarified the court of arbitration shall declare the hearing of the case completed and shall proceed to making of the award.

45.2. The award shall be made at a closed session by the majority of votes of the court of arbitration.

Article 46. Announcement of the award

46.1. On making of the award the operative part of it shall be orally announced to the parties, and if the parties are absent, may be communicated to them in writing.

46.2. A motivated arbitration award shall be sent to the parties in writing within period, not exceeding 10 days. This period may be extended by the Chairman of the ICA CCI.

46.3. The court of arbitration may conduct additional proceedings if that is required for proper resolution of the dispute, unless the operative part of the award has been already announced to the parties.

Article 47. Content of the award

47.1. The award of the court of arbitration shall contain the following data:

- the name of the court of arbitration;
- the number of the case;
- the place and date of the delivery of the award;
- the full names of the arbitrators;
- the names of the parties in dispute and other participants of the arbitration;
- the subject-matter of the dispute and summary of the circumstances of the case;
- the short description of the claim, of response to it, of explanations and appeals of persons, participating in the arbitration;
- the reasons on which the decision is based, including circumstances of the case, established by the court of arbitration, the evidence, upon which the court of arbitration bases its award about these circumstances, the pros and contras, upon which the court of arbitration declines these or that evidence, and does not apply the laws and other normative acts, relied on by the parties, participating in the arbitration, as well as the laws and other normative legal acts, relied on by the court of arbitration while making the award;
- the conclusion on meeting or declaring the claim;
- the amounts of the arbitration costs and fees in the case, and their apportionment among the parties;
- the signatures of the arbitrators;
- the seal of the ICA CCI.

47.2. If one of the arbitrators is not able to sign the award, the Chairman of the ICA CCI shall verify this circumstances by his signature with indication of the reasons of arbitrator's signature absence.

Article 48. Correction, interpretation and additions to the award

48.1. Either party, having notified another party, may, within thirty days of receipt by it of the arbitration award, may request the court of arbitration to correct in the award any errors in computation, clerical or typographical errors or other errors of similar nature.

If the court of arbitration considers the request to be justified, it shall. Within thirty days of receipt of the request, make the relevant corrections.

The court of arbitration may make such corrections on its own initiative within thirty days counting from the date of sending the arbitration award to the parties.

48.2. Either party, having notified another party, may, within thirty days of receipt by it of the arbitration award, request the court of arbitration to give an interpretation of a specific point or part of the award.

If the court of arbitration considers the request to be justified, it shall, within thirty days of receipt of the request, give the required interpretation.

48.3. Either party, having notified another party, may, within thirty days of receipt by it of the arbitration award, request the court of arbitration make an additional award in respect of the claims which were duly filed in the course of the arbitration proceedings, but however, were not reflected in the award.

If the court of arbitration considers the request to be justified, it shall, within thirty days of receipt of the request, make the additional arbitration award.

48.4. The Chairman of the ICA CCI, if necessary, has the right to extend the periods mentioned in the paragraphs 2 of items 48.1, 48.2 and 48.3 of this Article.

48.5. Any ruling, concerning correction or interpretation of the award, as well as the additional award, shall be an integral part of the arbitration award.

Article 49. Amicable settlement

49.1. If during arbitration proceedings, the parties settle their dispute amicably, the proceedings shall be terminated. At the parties' request the court of arbitration may record this settlement in the form of an arbitration award on agreed terms.

49.2. To the arbitration award stipulated in the item 49.1 of the present Article the provisions of Article 47 of the present Rules shall be applied.

Article 50. Execution of the award

50.1. The award of the court of arbitration shall be executed by the parties voluntarily within the period specified in the arbitration award. If no period is indicated in the award, the latter shall be carried out immediately.

50.2. If the arbitration award is not executed voluntarily, it is subject to enforced execution on the basis of the writ of execution issued by the competent court on the order, established by the law.

Article 51. Termination of proceedings without making award

51.1. If no award is made in the case, the arbitration proceedings shall be terminated by a ruling on termination of arbitration.

51.2. A ruling to terminate the arbitration shall be issued:

- a) in case where the claimant withdraws his claim;
- b) in case where the parties agree on the termination of the arbitration;
- c) when the court of arbitration finds that the continuation of the proceedings has for some reasons become unnecessary or impossible, in particular, in the absence of pre-requisites

required for the case to be examined and solved on its merits, including where owing to the claimant's inaction the case stays without progress for more than three months.

51.3. To a ruling to terminate the proceedings rules defined by article 44 through 50 of the present Rules apply, respectively. Prior to the formation of the court of arbitration the ruling to terminate the arbitration is issued by the Chairman of the ICA CCI.