

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

(with amendments and additions from October 3, 2007)

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 October 3, 2007

CHAPTER I. GENERAL PROVISIONS

Article 1

Aim and objectives of the Expedited Rules

Expedited Rules of the International Court of Arbitration in affiliation with the Chamber of Commerce and Industry of the Kyrgyz Republic has been developed for the purpose to reduce the terms of dispute resolution between parties and applies on condition that the disputing parties came to the conclusion to solve the dispute according to the provisions of present Rules.

Article 2

Definitions

For the purposes of the present Rules:

- "International Court of Arbitration" means one arbitrator, appointed by the contending parties or assigned 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 concrete details about them;
- "party" - claimant or defendant;
- "claimant" means one or several claimants;
- "defendant" means one or several defendants;
- "the award" means the decision of the Court of arbitration on taking measures to secure the claim, or any other decision of the Court of Arbitration rendered in accordance with the present Rules.

Article 3. Competence of the International Court of Arbitration in affiliation with the Chamber of Commerce and Industry of the Kyrgyz Republic

3.1. The International Court of Arbitration in affiliation with the Chamber of Commerce and Industry of the Kyrgyz Republic (hereinafter referred to as the ICA CCI) is a permanent organization functioning under the Law of the Kyrgyz Republic "On 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.

3.2. The aim of the ICA CCI is to render assistance to the legal and natural entities 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 it the applicable competence.

3.3. Pursuant to the parties agreement, the following disputes may be referred to the ICA CCI: disputes arising from contractual and other civil 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 the citizens, except for disputes:

- on claims against regulations and other actions (inactivity, refuse to undertake actions) of the law enforcement officer;
- on fact-finding having the juridical significance (juridical facts);
- on rehabilitation of the rights under 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 moral 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 doesn't provide for any possibility to submit disputes to the Court of Arbitration .

3.4. Civil relationships resulted in disputes that may be referred to 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, carriage of goods and passengers, commercial representation and mediation, rent (leasing), scientific-technical exchange, exchange with other results of creative activity, construction of industrial and other objects, licensing operations, investments, credit and account operations, insurance, other forms of business activity and other legal relationships.

3.5. The ICA CCI shall consider disputes subject to its jurisdictions by virtue of the international treaties of the Kyrgyz Republic as well as of the Law "On Foreign Investments in the Kyrgyz Republic ".

3.6. The International Court of Arbitration shall resolve disputes in accordance with the standards of the substantive law, which the parties have defined in the 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 in consideration of the dispute. The International Court of Arbitration shall take decisions on the merits of the dispute pursuant to the applicable law, and in the part, which has been not regulated by the applicable law, according to business rules.

3.7. The order of dispute resolution by the arbitrator 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 the dispute to be considered at the ICA CCI pursuant to the UNCITRAL Rules.

Article 4. Agreement on transferring disputes for settlement to the Court of Arbitration

4.1. 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 a concrete dispute of some or all categories, which have arisen or may arise between the parties as part of any legal relationship, irrespective of contractual character or lack thereof.

4.2. The arbitration agreement shall be declared legally effective irrespective of validity of this agreement, the part of which it is.

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

4.4. The arbitration agreement shall be in writing. An agreement is in writing if it is contained in a document signed by the parties or in an exchange of letters, telex, telegrams or other means of telecommunication, which provide a record of the agreement. The reference in a contract to a document, containing an arbitral clause constitutes an arbitration agreement provided that the contract is in writing and the reference is such as to make that clause the part of the contract.

4.5. The conclusion by the parties of the arbitral agreement on reference 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 5. Principles of examination of arbitration case

5.1 Impartiality and independence of arbitrator

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

5.2. 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.

5.3. Competitiveness of the parties

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

5.4. Mandatory enforcement of the arbitration award

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

Article 6. Parties participating in an arbitration case

6.1. The persons participating in the case, shall be the parties as well as third persons.

6.2. Parties in the arbitration shall be the claimants and defendants.

6.3. Claimants may be legal entities or individuals, as well as bodies of the state authority and local self- administration presenting the claim on their own interests.

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

Article 7. Rights of the parties participating in an arbitration case

7.1. The parties participating in a case, shall have the right:

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

Article 8. Inadmissibility of abusing rights in the court of arbitration

8.1. The International Court of Arbitration will not allow parties participating in examination of a case to take actions with the clear intentions:

- to cause harm to another party;
- to preclude from the quick and just resolution of a dispute on the merits;
- to willfully drag out the time period required to hear the case.

Abuse of one's rights in any other form shall be similarly disallowed.

8.2. Abuse of one's rights shall cause the arbitral tribunal to fine the guilty party, in the amount of loss suffered by the other party as a result of the abuse.

Article 9. Waiver of the Right to refer to the 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 case, and not having objected to the fact of non-observance, shall be deemed to have waived its right to objection.

Article 10. Multy-party arbitration

A claim may be filed by multiple claimants or against multiple defendants. Each claimant or defendant shall act independently in the hearings. Accomplices may delegate conduct of their part in the hearing to one of the other accessories.

CHAPTER II

STRUCTURE and ACTIVITY of the INTERNATIONAL COURT OF ARBITRATION

Article 11. Structure of the ICA CCI

11.1. Activity of the ICA CCI shall be organized by the Chairman, the Deputy Chairman and the Executive Secretary.

11.2. In order to resolve a specific dispute, the arbitrator shall be appointed from the list of arbitrators of the ICA CCI in the procedure established by the present Rules.

Article 12. The Chairman and the Deputy Chairman of the ICA CCI

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

- receive persons wishing to get information on the activities of the ICA CCI or to resolve a concrete dispute;
- determine the jurisdiction of the court with regard to a given case in the ICA CCI at reception in court of the statement of claim;
- 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 21 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;
- carry out other functions relating to the activity of the ICA CCI, foreseen by the 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 .

12.2. 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 and court decisions.

Article 13. 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 14. Arbitrator

14.1 An arbitrator of the ICA CCI may be a 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.

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

14.3. The following persons may not be included in the List of arbitrators of the ICA CCI:

- a judge of a competent court of the Kyrgyz Republic;
- a state officer of the Kyrgyz Republic;
- a person having previous conviction;
- a person, recognized as incapable or partially capable.

14.4 Unless otherwise agreed by the parties, no-one can be deprived of his right to act as an arbitrator for the reason of his citizenship;

14.5. Removal of arbitrator shall be made:

- by application of the arbiter;
- where an arbitrator systematically is prevented from de facto fulfilling of his duties or in case when he discloses the commercial classified information about disputes considered by the ICA CCI;
- at appointment for a state service, including appointment or election to bench;
- in case of conviction;
- in case of disturbance of the Code of Ethics of the arbitrators of the ICA CCI or at undertaking of an act, incompatible to the status of the ICA CCI.

14.6. Removal of the arbitrator shall be made by the decision of the Supervisory Board.

Article 15. Privacy

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 a hearing.

Article 16. Language of proceedings

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

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

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

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.

16.4. The arbitrator shall have the right to show demand to any documentary evidence to be accompanied by translation into the language, which the parties have agreed upon or which is determined by the arbitrator.

Article 17. Place of hearings

17.1. The place of hearings shall be the office of the ICA CCI in Bishkek, or any other places chosen by the parties and approved by the ICA CCI, in view of circumstances of the case, including the fact of convenience for the parties.

17.2. Despite of provisions set in item 16.1. of the present article, the arbitrator as agreed with the Chairman of the ICA CCI shall have the right to hold hearings in any place, which he considers most eligible for conducting consultations between its members, hearing of the witnesses, experts, or for inspection of the goods, assets or documents.

Article 18. Notice

18.1. 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.

18.2. 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.

18.3. 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.

18.4. 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.

18.5. 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.

18.6. 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.

18.7. 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.

18.8. 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.

18.9. 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.

18.10. 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.

18.11. 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 19. Periods

19.1. The periods, foreseen or established by the present Rules, start to be calculated since day, following after date, when the notice or communication shall be deemed to have been delivered pursuant to the Rules. If the day, following after 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 numeration 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.

19.2. The ICA CCI may at any time extend (even after expiration) or reduce any periods established by the present Rules, with the purposes to provide conduct of the arbitration, including periods of submission of any notice or communication between the parties.

19.3. At the same time, the International Court of Arbitration shall make all efforts, so that the period of arbitration proceedings would not exceed one month from the moment of appointment of arbitrator, and if at least one of the parties of dispute is a foreign investor - two months.

CHAPTER III

ARBITRATION HEARINGS

A. Initiation of proceedings

Article 20. Filing of a claim

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

20.2. The statement of claim shall be deemed to have been filed on the day when it was submitted to the Arbitration Court. If it was sent by mail, the date on the postal stamp shall be considered the date of filling of the statement of claim.

Article 21. Content of the Statement of claim

21.1. 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;
- a statement of the demands of the plaintiff;
- the circumstances and norms of the law, on which the claimant relies, and indication of evidence, corroborating these circumstances;
- the specific relief sought;
- other kind of meaningful information for exact consideration of a dispute;
- list of documents, enclosed to the claim, and other evidences;
 - the claimant's signature (for the claimant – legal entity, the signature of the person who has signed the claim, must be certificated with the seal).
 - names of arbitrator and substitute arbitrator

21.2. 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 authorities of the representative.

21.3. 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 further introduce.

Article 22. Value of the Claim

22.1. The value of the Claim shall be defined as follows:

- (a) in relation to claims for the recovery of money – based on the amount to be recovered;
- (b) in relation to claims concerning the demand of assets – based on the value of such assets;

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

22.3. If the claim consists of sub-claims, the value of each sub-claim must be defined separately. In this case, the value of the claim shall be defined as the total sum of all the sub-claims.

22.4. If the claimant has failed to define or has incorrectly defined the value of the claim, the arbitrator shall on its own initiative or at request of the defendant, define the value of the claim on the basis of available information.

Article 23. 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 21 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 3 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.

24. Arbitration expenses

24.1. 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.

24.2. The registration fee is not refundable.

24.3. The claimant shall ensure the advance payment of the arbitration fee 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.

24.4. The arbitral 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.

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

B. Preparation of the Case for Arbitration Proceedings

Article 25. Notification of the defendant and appointment of arbitrator by the defendant.

25.1. Within the three days from the date filing of the statement of claim and payment of a registration fee the Executive Secretary of the ICA CCI shall notify the defendant thereof and shall invite him within not more than 5 days, after receiving of notice to file his written explanations supported by relevant evidence.

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

Article 26. Appointment of an arbitrator

26.1. If the parties have failed to agree in advance that the case shall be considered by an arbitrator, the arbitrator shall be appointed by the parties according to the present Rules. At the same time the substitute arbitrators shall be appointed.

26.2. If the claimant and defendant fails to appoint an arbitrator and substitute arbitrator within the times envisaged in item 25.1 of the present Rules, the arbitrator and substitute arbitrator shall be appointed on their behalf by the Chairman of the ICA CCI from the List of arbitrators. 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 item 25.1 of the present Rules for submitting the statement of defence and giving the consent on nominee of arbitrator and substitute arbitrator.

Article 27. Preparation of the Case for Examination

27.1. Within the one day from the date of composition of the arbitral tribunal, the claimant shall pay the arbitration fee to the ICA CCI.

27.2. After depositing by the claimant of the arbitration fee the arbitral tribunal shall check up the preparation of the case for examination and, if it deems necessary, shall take further measures to prepare the case, particularly by obtaining written explanations, evidence, or other additional documents. If the tribunal decides to take further measures to prepare the case, it shall determine time limits within which such further measures shall be carried out.

27.3. The Chairman of the arbitral tribunal may give instructions to the Executive Secretary of the ICA CCI in connection with the preparation of the proceedings. All documents, including any written notices, given by the parties or arbitrators, must be sent to the ICA CCI.

Article 28. Form of the arbitration proceedings

28.1. The arbitration proceedings shall be conducted in the form of oral hearings with involvement 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, which shall be forwarded to them 2 days prior to the hearing.

29.2. Should there be a need to conduct further hearings, their dates shall be set by the arbitrator with consideration of particular circumstances.

Article 30. Challenge of arbitrator, expert and interpreter

30.1. Each party shall be entitled challenge an arbitrator if there are circumstances giving rise to justifiable doubts as to his impartiality or independence, particularly if it can be supposed that they are personally, directly or indirectly interested in the outcome of the proceedings. 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 3 days after he has come to know that the arbitrator has been appointed, or after the party has found out about any circumstances, which may be a ground for the challenge. Such request submitted subsequently shall be considered only if the the delay is justified.

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

30.4 Any arbitrator may also state his self-challenge on his 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 their impartiality or independence;
- c) the requirements established in the item 13.3 of the present Rules are not observed;
- r) 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 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 elected or appointed as substitute.

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 arbitrator.

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

31.1. If the arbitrator is legally or physically incapable of performing his functions without unjustifiable delay for any other reasons, his powers can be terminated upon mutual agreement of the parties.

31.2 Powers of an arbitrator shall be also terminated in case of his statement of self-challenge.

31.3 In case when there are cause 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.

Article 32. Substitution of the arbitrator

32.1. If the arbitrator is not able to participate in the consideration of the case for other reasons, his place shall be taken by the substitute arbitrator.

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

C. ARBITRATION PROCEEDINGS (Examination of the case)

Article 33. Hearing

Any hearing is conducted to enable the parties to express their stands on the base of the present evidence and to hold debates. The hearing of the case shall be conducted in private. With permission of the arbitrator and with the consent of the parties persons not participating in the proceedings 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 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.

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

Article 35. Surrender of documents

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

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

Article 36. Interim measures

36.1. At the request of any party the arbitrator may order that either party shall take such measures of protection in respect of the subject-matter of the dispute.

36.2. The decision on application of interim measures shall be executed in the order, 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 arbitrator settle the dispute on the basis of written materials only without holding any hearing, the arbitral tribunal 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 or defence

38.1. Before the hearing is completed either party may, without undue delay, alter or add to his claim or defence therein.

38.2 If the arbitrator admits the delay caused by the party in alteration or addition to his claim or defence as justified, it may charge that party with any additional costs of the Court of arbitration and expenses of the other party resulting therefrom.

38.3 The arbitrator may think inexpedient to allow such alteration of or addition to the claim or defence taking into account the delay caused, or to allow such alteration of or addition to the claim or defence

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 arbitrator unless additional payment of the arbitration fee is paid.

Article 39. Counter-claim and set-off claim

39.1. The defendant shall be entitled within the period of time specified in item 25.1 of the present Rules, to make a counterclaim arising out of the same contract or to make a claim arising out of the same contract for the purpose of set-off.

39.2. The counterclaim and the claim 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 claim 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 arbitral tribunal may require the parties to present other evidence. It also may, at its own discretion, direct that expert examination be conducted and obtain evidence from third parties as well as summons and hear witnesses.

40.2. Either party may present written evidence in the original or in the form of duly certified copies. The arbitrator 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 arbitral tribunal.

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

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

Article 41. Participation of the third parties

Any third party may only join the arbitral 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. Stay of proceedings

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

42.2. The stay 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. Minute of hearing

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

- the name of the ICA CCI;
- 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 name of the arbitrator, 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 or for termination of the proceedings;
- the signatures of the arbitrators;
- for the most full and correct reflection of oral hearing in the minute the arbitral tribunal makes audio record of arbitration trial which will be attached to the minute.

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

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

D. Termination of arbitral proceedings

Article 44. The Arbitration award

44.1. The arbitral proceedings shall be completed by making of a final award.

44.2. The arbitrator shall have the right to make an interim award, as well as additional arbitration awards. The awards on interim measures of protection shall be considered as interim awards. Additional arbitration awards concern to the decisions related to additional collecting from the debtor of the charges connected to forced execution of the award rendered by arbitral tribunal.

Article 45. Making of the award

45.1. On finding that all facts related to the dispute have been sufficiently clarified the arbitral tribunal 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 arbitral tribunal.

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 arbitral award shall be sent to the parties in writing within a period, not exceeding 10 days, determined by the arbitrator.

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

Article 47. Content of the award

47.1. The award of the arbitrator shall contain the following data:

- the name of the ICA CCI;
- the number of the case;
- the place and date of the delivery of the award;
- the full name of the arbitrator;
- the names of the parties in dispute and other participants in the proceedings;
- the subject-matter of the dispute and summary of the circumstances of the case;
- the reasons for the decision, including circumstances of the case, established by the arbitrator, the evidence, upon which the arbitrator bases its award about these evidence, the pros and cons, upon which the arbitrator 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 arbitral tribunal while making the award;
- the conclusion on meeting or declining 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 it by his signature with indication of the reasons thereof.

Article 48. Correction, interpretation and additions to the award

48.1. Either party, with notice to the other party, may, within thirty days of receipt by him of the arbitral award, request the arbitrator to correct in the award any errors in computation, clerical or typographical errors or other errors of similar nature.

If the arbitrator considers the request to be justified, it shall, within thirty days of receipt of the request, make the relevant corrections.

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

48.2. Either party, with notice to the other party, may, within thirty days of receipt by him of the arbitral award, request the arbitrator to give an interpretation of a specific point or part of the award.

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

48.3. Either party, with notice to the other party, may, within thirty days of receipt by him of the arbitral award, request the arbitrator to make an additional award in respect of the claims which were duly filed in the course of the arbitral proceedings, but, however, omitted from the award.

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

Article 49. Amicable settlement

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

49.2. The relevant provisions of Article 46 of the present Rules shall also apply to the making of the arbitral award stipulated in the item 49.1 of the present Article.

Article 50. Execution of the award

50.1 The awards of the arbitrator shall be executed by the parties voluntarily within the period specified in the arbitral 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 enforcement on the basis of the writ of execution issued by competent court in the order, established by the law.

Article 50. Termination of proceedings without making award

51.1 If no award is made in the case, the arbitral proceedings shall be terminated by an order.

51.2. An order to terminate the proceeding shall be issued, in particular, when: definition about termination of arbitration proceeding is carried out:

a) the claimant withdraws his claim,;

b) the parties agree on the termination of the proceedings;

c) when the tribunal 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 one month or in case of participation of foreign element - two months.

51.3. Articles 44 through 50 of the present Rules, respectively, apply to an order to terminate the proceedings. The order to terminate the proceedings prior to the formation of an arbitrator shall be issued by the Chairman of the ICA CCI.