

## **RIGA INTERNATIONAL COMMERCIAL ARBITRATION COURT RULES**

### CONTENT

I. GENERAL PROVISION	3
Article 1 About the Riga International Commercial Arbitration Court	3
Article 2 Organization	3
Article 3 Competence	3
Article 4 Applicable Rules to Dispute Resolution	3
Article 5 Applicable Law	3
II. ARBITRATION CLAUSE	3
Article 6 Arbitration Clause, its Parties and Form	3
Article 7 Effects of the Arbitration Clause	4
III. ARBITRATORS	4
Article 8 Arbitrators	4
Article 9 Arbitral Tribunal	4
Article 10 Appointment of Arbitrators	4
Article 11 Appointment of Arbitral Tribunal	4
Article 12 Cancellation of Appointment	5
Article 13 Challenge to Arbitrators	5
Article 14 Procedure of Challenge of the Arbitrator	5
Article 15 Termination of Power of the Arbitrator	5
Article 16 Effects of the Appointment of the new Arbitrator	6
IV. PREPARATIONS FOR ARBITRATION PROCEEDINGS	6
Article 17 Jurisdiction	6
Article 18 Securing of Claim	6
Article 19 Procedural Periods	7
Article 20 Consequences of the delay in procedural deadlines, their suspension, restoration and prolongation	7
Article 21 Communications from the Arbitral Tribunal	7
Article 22 Confidentiality	7
Article 23 Equality of the Parties and controversiality	8
Article 24 Conduct of the Proceeding	8
Article 25 Language of the Arbitration	8
Article 26 Representation of the Parties	8
Article 27 Seat of Arbitration	8
Article 28 Commencement of arbitration	9
Article 29 Request for Arbitration	9
Article 30 Acceptance for Arbitration	9
Article 31 Rectification of the Request for Arbitration	9
Article 32 Answer to the Claim	10
Article 33 Counterclaim	10
V. ARBITRATION PROCEEDINGS	10
Article 34 Procedures and Forms of Arbitration Proceedings	10

Article 35	Dispute resolution of minor Claim	11
Article 36	Familiarization of the Parties with received materials and evidence	11
Article 37	Failure to provide documents and failure to appear by the Parties	11
Article 38	Amendment and supplementation of the Claim	11
Article 39	Records	11
Article 40	Evidence	12
Article 41	Experts	12
Article 42	Challenge to Expert, Interpreter and Stenographer	12
Article 43	Succession of the procedural rights	13
Article 44	Rights to Objections	13
Article 45	Storage of Documents	13
Article 46	Making of the Award	13
Article 47	Peaceful Settlement	13
Article 48	Award	14
Article 49	Correction of the Award. Interpretation of the Award. Additional Award	14
Article 50	Postponement of the Hearing	14
Article 51	Suspension of the Arbitration Proceedings	14
Article 52	Abandonment of the Claim without Further Consideration	15
Article 53	Termination of the Arbitration Proceedings	15
Article 54	Enforcement of the Award	15
VI. ARBITRATION COSTS		15
Article 55	Arbitration Costs	15
Article 56	Amount of the Claim	16
Article 57	Apportionment of Arbitration Costs	16
VII. GENERAL RULES		17
Article 58	Exclusion of Liability	17
Article 59	Validity of the RICAC Rules	17
APPENDIX		18

## I. GENERAL PROVISION

### **Article 1 About the Riga International Commercial Arbitration Court**

- (1) Riga International Commercial Arbitration Court (hereinafter - "RICAC") is the arbitration body providing administrative services in relation to the settlement of disputes, which acts permanently and administers disputes under the procedure of these Rules and rules agreed upon by the Parties.
- (2) The establisher of RICAC is the society „European lawyers’ chamber“.

### **Article 2 Organization**

The RICAC shall be managed by the Presidium, the Chairman and the Head of the Secretariat in accordance with these Rules and the "Regulations on the Arbitration Organization" in order to ensure the careful and efficient dispute resolution within the prescribed time limits.

### **Article 3 Competence**

The RICAC resolves civil disputes provided that the Parties have concluded an agreement to settle disputes at RICAC and the dispute is not covered by exclusive jurisdiction of the courts of general jurisdiction.

### **Article 4 Applicable Rules to Dispute Resolution**

The RICAC shall act in accordance with these Rules and rules agreed upon by the Parties. RICAC shall determine the dispute resolution provisions by itself on the issues which are not regulated by these Rules and the Agreement of the Parties, on the basis of the national and international laws regarding the operation of RICAC.

### **Article 5 Applicable Law**

- (1) The Arbitral Tribunal shall decide the merits of the dispute on the basis of the law(s) or rules of law agreed upon by the Parties. In the absence of such agreement, the Arbitral Tribunal shall apply the law or rules of law which it considers to be most appropriate.
- (2) Any reference of the Parties to national legislation of respective country shall be interpreted as a direct reference to substantive law of this country, rather than to its conflict rules.

## II. ARBITRATION CLAUSE

### **Article 6 Arbitration Clause, its Parties and Form**

- (1) The Arbitration Clause is an agreement on the dispute resolution which has already arisen or may arise in the future by RICAC.
- (2) The Arbitration Clause may be concluded by an individual, legal entity or any other private law entity.
- (3) The Arbitration Clause shall be concluded in writing. The agreement of the Parties to settle the dispute at RICAC (the "Arbitration Clause") may be expressed:
  - 1) as a separate agreement;
  - 2) as a special provision in the agreement of the Parties;
  - 3) by means of exchange of letters between the Parties, by facsimile or telegram or by usage of other telecommunication means that ensure that the intent of the Parties to settle the dispute or a potential dispute by RICAC is recorded.
- (4) If the Parties have agreed to settle the dispute by arbitration, but the specific arbitration body has not been stipulated, and the Claimant has submitted its Request for Arbitration to the RICAC, and another Party has no objections, the dispute is within the jurisdiction of RICAC.

- (5) By concluding of the Arbitration Clause, the Parties may in addition agree upon the number of arbitrators, verbal or written arbitration process, the place of arbitration, the language of arbitration, the applicable law as well as on other issues according to the law.
- (6) If the Parties have agreed to decide the dispute arising out or in connection with the agreement of the Parties by RICAC, it shall be presumed that any dispute arising out of or in connection with this agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by RICAC.

#### **Article 7 Effects of the Arbitration Clause**

- (1) The Parties, who have concluded an Arbitration Clause on resolution of their dispute by RICAC, may not rescind it, provided that the Arbitration Clause was not altered or cancelled in the manner determined in the law or by Arbitration Clause.
- (2) The Arbitration Clause shall be valid until the legal relationship, in connection with which it was concluded, is terminated.
- (3) If the Arbitration Clause on dispute resolution by RICAC is included as a separate provision in the Arbitration Clause concluded between the Parties, this Arbitration Clause shall be considered as an independent agreement. If the term of agreement has expired or the Arbitration Clause has been declared invalid, the Arbitration Clause on dispute resolution by RICAC remains in force.

### III. ARBITRATORS

#### **Article 8 Arbitrators**

- (1) The arbitrator is a person who requires special knowledge in dispute resolution and has been appointed for dispute resolution according to the Arbitration Clause, these Rules and rules of law.
- (2) The arbitrator is not a representative of the Party. The arbitrator should perform his duties in good faith, not be influenced; the arbitrator shall be impartial and independent.
- (3) Person, who agrees to assume the obligations of an arbitrator shall, before the appointment as an arbitrator, submit to RICAC a signed statement of impartiality and independence in the resolution of the respective dispute.

#### **Article 9 Arbitral Tribunal**

- (1) The Arbitral Tribunal shall consist of three arbitrators if the Parties have not agreed upon another number of arbitrators.
- (2) The number of arbitrators should be odd.

#### **Article 10 Appointment of Arbitrators**

- (1) The procedure of appointment of the arbitrators is determined by the Parties. If the Parties have not agreed upon the procedure of appointment of the arbitrators, the arbitrators shall be appointed in accordance with these Rules.
- (2) The Parties may delegate the right to appoint the arbitrator to any other individual or legal entity.

#### **Article 11 Appointment of Arbitral Tribunal**

- (1) If the dispute is settled by a sole arbitrator, he shall be appointed by the agreement of the Parties. If the Parties have not agreed during the term determined for the Answer upon the arbitrator, the arbitrator shall be appointed by the Chairman of RICAC.
- (2) If the dispute is settled by three arbitrators, each Party shall appoint one arbitrator who will appoint the third arbitrator upon the mutual agreement within the 10 (ten) days from the set

deadline of the Answer, who shall act as the Chairman of the Arbitral Tribunal. If one of the Parties, within the set time period of the submission of the Answer, has not appointed the arbitrator or if the arbitrators appointed by the Parties cannot agree upon the Chairman of the Arbitral Tribunal within specified term, these arbitrators shall be appointed by the Chairman of RICAC.

- (3) If the Request for Arbitration is submitted by several Claimants or if the claim is raised against several Respondents, the Claimants or Respondents should accordingly agree upon the candidate of arbitrator on their part within the term specified for the Answer.
- (4) If the Parties, arbitrators appointed by them or several Claimants or Respondents have not submitted, within the term set in this Article, a written agreement to RICAC on the appointment of the arbitrator or the Chairman of the Arbitral Tribunal, it is considered that the respective agreement has not been reached.
- (5) In resolving of a dispute between the Parties from different countries, the arbitrator, who settles the dispute as a sole arbitrator or the Chairman of the Arbitral Tribunal shall be appointed a person whose domicile differs from the disputing Parties' domiciles, unless otherwise agreed between the Parties or otherwise decided by RICAC.
- (6) When appointing the Arbitral Tribunal, the Chairman of RICAC shall take into account the nature of the dispute, applicable law, language of proceedings and the domicile of the Parties.

### **Article 12 Cancellation of Appointment**

If the Party has appointed the arbitrator and another Party has been informed of that, it may not cancel the appointment of this arbitrator without the consent of other Party.

### **Article 13 Challenge to Arbitrators**

- (1) The person, who undertakes to perform the duties of an arbitrator, shall disclose any circumstances to the Parties, which may give rise to any justified doubts as to impartiality and independence of this person. If such circumstances have been discovered by the arbitrator before the end of arbitration proceeding, this person should immediately reveal them to the Parties.
- (2) The arbitrator may be challenged by any Party, if:
  - 1) there are circumstances which give rise to any justified doubts as to the impartiality and independence of this person;
  - 2) the arbitrator's qualification does not correspond to the one upon which the Parties have agreed.
- (3) The Party may challenge the arbitrator it has appointed or in whose appointment it has participated, only if the grounds for challenge were discovered by the Party after the appointment of the arbitrator has been made.

### **Article 14 Procedure of Challenge of the Arbitrator**

- (1) If the Parties have not agreed in a different way, the Party may file its objection to the arbitrator within 10 (ten) days from the day, when it has learned of the appointment of this arbitrator or it got to know the grounds for challenge, by submitting to RICAC a written notice, where the arbitrator to be challenged and the grounds for challenge should be specified.
- (2) The Arbitral Tribunal shall decide on the challenge to an arbitrator. Decision on the challenge shall be made by all members of the Arbitral Tribunal. When the dispute is settled by the sole arbitrator, the respective arbitrator shall decide on the challenge to an arbitrator.
- (3) The RICAC becomes aware of the circumstances mentioned in the item 2 of Article 13 of these Rules, it shall inform immediately both Parties on them and explain their rights to challenge to the respective arbitrator.

### **Article 15 Termination of Power of the Arbitrator**

- (1) The arbitrator shall have the right to withdraw from the dispute resolution by the written notice to the Head of the Secretariat.

- (2) The Parties shall have the right to agree on the termination of power of the arbitrator by the drawing up this agreement in written and submitting it at RICAC.
- (3) The power of the arbitrator may also be terminated:
  - 1) if the challenge of the arbitrator has been adopted;
  - 2) if the arbitrator has refused to resolve the dispute;
  - 3) if the Parties have agreed upon the termination of the power of the arbitrator;
  - 4) if the appointment of the arbitrator has been canceled;
  - 5) in case of death of the arbitrator.
- (4) The power of the arbitrator may be terminated also at RICAC initiative if it takes a decision that the arbitrator de jure or de facto is unable to perform the functions of an arbitrator or the arbitrator does not perform these functions in accordance with these Rules or within the specified timeframe.
- (5) When RICAC is informed on the circumstances mentioned in item 4 of this Article, the case on the termination of the power of arbitrator shall be decided by the RICAC only after the respective arbitrator, disputing Parties and other members of Arbitral Tribunal were given an opportunity to express their opinion within the term specified by the RICAC.
- (6) In case of termination of the power of the arbitrator, the new arbitrator shall be appointed in accordance with these Rules.

#### **Article 16 Effects of the Appointment of the new Arbitrator**

- (1) The resolution of the dispute shall be restarted upon appointment of the new arbitrator, if the dispute is being resolved by the sole arbitrator or if the Chairman of the Arbitral Tribunal is replaced.
- (2) If one of the arbitrators of the Arbitral Tribunal is replaced, the Arbitral Tribunal shall have the right to restart the resolution of the dispute.

### IV. PREPARATIONS FOR ARBITRATION PROCEEDINGS

#### **Article 17 Jurisdiction**

- (1) The issue of jurisdiction over the dispute shall be decided by RICAC also in the cases, when any of the Parties disputes the existence or validity of the Arbitration Clause.
- (2) The Party may file the application that the dispute is not within the jurisdiction of RICAC not later than within the term which is determined for submission of the Answer.
- (3) The issue of jurisdiction of RICAC may be decided by the Arbitral Tribunal at any stage of arbitration proceeding. If the jurisdiction of RICAC has been disputed before the appointment of the Arbitral Tribunal, the respective case can be decided by the Chairman of the RICAC or transferred to be decided by the Arbitral Tribunal after its appointment. If the jurisdiction has been disputed after the appointment of the Arbitral Tribunal, this case shall be decided by the Arbitral Tribunal.
- (4) If the Party has objections that any part of the dispute is not within the jurisdiction of RICAC in relation to amendments or modifications of the claim, counterclaim or its amendments or modifications, the said objections should be expressed immediately until the Arbitral Tribunal begins to resolve the respective claims.
- (5) If RICAC decides that the dispute or its part is not within the jurisdiction of RICAC, it shall terminate the arbitration proceeding or its part in accordance with these Rules.

#### **Article 18 Securing of Claim**

The Parties shall have the right to request the courts of general jurisdiction to provide security for the claim. Such request of the Party shall not be considered as non-compliance with the Arbitration Clause and shall not prevent resolution of the dispute by RICAC.

## **Article 19 Procedural Periods**

- (1) The procedural actions shall be performed within the deadlines scheduled in these Rules. If the deadlines of proceedings have not been set in these Rules, they shall be specified by RICAC.
- (2) For the execution of procedural actions a date or event shall be set that shall inevitably occur, or a time period. In the latter case procedural actions can be executed over the whole specified period.
- (3) The course of proceedings being calculated in years, months or days shall begin on the date following the date or after the event, which determines its beginning.
- (4) A term that can be measured in years expires in the respective month and on the date of the last year. A term that can be measured in months expires on the respective date of the last month. If a term measured in months expires in a month that does not include a respective date, it expires on the last day of this month.
- (5) If the last day of a term is a holiday, the next working day can be regarded as the last day of the term.
- (6) The procedural action, whose term is expiring, can be executed on the final date of the term until twenty-four.
- (7) If a procedural action is being executed in the RICAC premises, the term shall be deemed as expired at that hour, when, in accordance with internal rules, the working time of RICAC is ending. However, if the documents or other parcel have been delivered to the communications authority on the last day of the term until twenty-four, they are considered to have been delivered in due time.

## **Article 20 Consequences of the delay in procedural deadlines, their suspension, restoration and prolongation**

- (1) The right to execute the procedural actions is lost with the expiring of the term specified in these Rules or by the RICAC.
- (2) By the suspension of arbitration proceedings, the course of procedural terms is suspended. The course of procedural term continues from the date of the restoration of arbitration proceedings.
- (3) Upon the application from the Party, the delayed procedural terms can be restored by the RICAC if it recognizes the reasons for delay as plausible. By restoring of delayed term, RICAC also permits to execute the delayed procedural action.
- (4) Upon the application from the Party, the deadlines set in these Rules or specified by the RICAC can be prolonged by RICAC decision.
- (5) If the application for the prolongation of the term or restoration of the delayed term has been submitted before the appointment of the Arbitral Tribunal, then it shall be decided by the Chairman of RICAC, but if the application has been submitted after the appointment of the Arbitral Tribunal, it shall be decided by the Arbitral Tribunal.

## **Article 21 Communications from the Arbitral Tribunal**

- (1) During the arbitration proceeding, all notices, applications and other kinds of correspondence should be sent by registered mail or by other means which allow to record the time of dispatch or by delivering to the addressee personally against signature.
- (2) The correspondence is considered to be received if it is delivered to the addressee personally either to the mailing address specified by the addressee or to the legal address of the legal entity or to the residence address of an individual, but if it is impossible to determine the address, then to the last known address.

## **Article 22 Confidentiality**

- (1) The arbitration proceeding is confidential. Hearings of the Arbitral Tribunal shall be closed to the public. The persons who are not participants of the proceeding may only be present at the hearings of the Arbitral Tribunal with the consent of both Parties.

- (2) The RICAC shall not give to the third parties and shall not publish the information concerning the arbitration proceeding.

### **Article 23 Equality of the Parties and controversiality**

By resolving the dispute, the Arbitral Tribunal shall respect the principles of equality and the principle of controversiality. Each Party shall have the same right to express its views and protect its rights.

### **Article 24 Conduct of the Proceeding**

- (1) The Parties shall have the right to determine the arbitration proceeding by themselves.
- (2) If the Parties have not agreed upon the arbitration proceeding, the dispute shall be resolved by the Arbitral Tribunal under these Rules.
- (3) If the Parties have only agreed upon certain terms of arbitration proceeding, the Arbitral Tribunal shall observe the Arbitration Clause of the Parties, but other terms shall be guided by these Rules.

### **Article 25 Language of the Arbitration**

- (1) The arbitration proceeding shall be executed in the language, agreed by the Parties. If such agreement has not been reached, the language of the arbitration shall be determined by RICAC, taking into account all the circumstances relating to the case, including the language of the agreement concluded between the Parties.
- (2) If RICAC or any of the participants of the arbitration proceeding requires an interpreter, RICAC invites an interpreter upon the request of the relevant Party or on its own initiative. Interpreter services shall be paid by the Party, who submitted such a request, or the Claimant, if the interpreter is invited on the initiative of RICAC.
- (3) RICAC may require from the Parties the translation of any document, including the written evidence, into the language of the proceeding.

### **Article 26 Representation of the Parties**

- (1) Individuals shall participate in their case at RICAC in person or through their authorized representatives.
- (2) Legal entities shall be represented at RICAC either through directors who act within the framework of authority granted by law, charter or statute, or by otherwise authorized representatives of such legal entities. Representation of legal entities shall be performed with the written power of attorney or documents confirming the representative status and the right of representation.
- (3) The representative of the Party can be a capable individual or legal entity.

### **Article 27 Seat of Arbitration**

- (1) The Seat of Arbitration is in Riga.
- (2) Parties may agree themselves upon the seat of the arbitration at any place outside Riga; in such a case the Parties shall pay all extra Arbitration Costs.
- (3) If necessary, the Arbitral Tribunal may conduct hearings outside Riga.
- (4) The Arbitral Tribunal may meet and deliberate at any place which it considers appropriate.

## **Article 28 Commencement of arbitration**

Arbitration proceeding commences at the moment of submission of the Request to RICAC. The Request for Arbitration should be submitted in writing.

## **Article 29 Request for Arbitration**

- (1) The Request for Arbitration should contain:
  - 1) the information about the Parties:
    - for legal entities: the name and legal address, registration number, and, if it is known to the Claimant, telephone, fax number and email;
    - for individuals: the name, surname and residence address and, if it is known to the Claimant, telephone number and email;
  - 2) the subject and amount of the claim as well as calculation of the amount of each claim;
  - 3) the circumstances, justifying the claim and evidence which confirms these circumstances;
  - 4) the applicable law;
  - 5) the Claimant's claim;
  - 6) the list of attached documents.
- (2) The following shall be attached to the Request for Arbitration:
  - 1) the Arbitration Clause;
  - 2) the documents, to which the Claimant refers to in the Request for Arbitration, including the agreement from which the claim arose;
  - 3) as many copies of the Request for Arbitration, as many Respondents there are;
  - 4) the proof of dispatch of the Request for Arbitration to the Respondent;
  - 5) the document which confirms payment of the Claim registration fee.
- (3) The Request for Arbitration shall be signed and submitted by the Claimant or his representative. If the Request for Arbitration is submitted by the Representative, the power of attorney or other document certifying the power of the Representative to submit a Request for Arbitration should be attached.

## **Article 30 Acceptance for Arbitration**

- (1) If the Request for Arbitration and the documents attached thereto comply with the requirements of these Rules, the Head of the Secretariat shall send to the Parties a notice of the commencement of the arbitration proceedings.
- (2) In the notice of commencement of arbitration proceedings RICAC offers:
  - 1) the Respondent to submit an Answer to the claim, stating the objections, if any, and attaching the confirming documents;
  - 2) the Claimant to pay the Administrative charge and the Fees of the Arbitral Tribunal within the due period.

## **Article 31 Rectification of the Request for Arbitration**

- (1) If the Request for Arbitration or the attached documents do not meet the requirements of these Rules, the Chairman of RICAC informs the Claimant about the deficiencies and invites the Claimant to rectify the deficiencies.
- (2) If the deficiencies have been rectified within the period set by the Chairman of RICAC, the Request for Arbitration shall be deemed submitted on the date, when it was first submitted to RICAC, and the arbitration proceeding shall be commenced.
- (3) If the deficiencies have not been rectified within the period set by the Chairman of RICAC, the Request for Arbitration shall be returned to the Claimant without further consideration.

### **Article 32 Answer to the Claim**

- (1) The Respondent shall be given 15 (fifteen) days from the day of sending the notice of commencement of arbitration proceedings to submit the Answer to RICAC and Claimant. The Parties of the Arbitration Clause may agree on different periods for submission of the Answers.
- (2) Considering the number and location of the Parties, as well as complexity of the dispute, the Head of the Secretariat may determine a longer time period for submitting of the Answer, however it may not be longer than it is objectively necessary and exceed 30 (thirty) days.
- (3) The Respondent in the Answer should state:
  - 1) whether it admits the claim fully or in a part thereof;
  - 2) its objections against the claim and arguments thereof;
  - 3) evidence that justify objections against the claim;
  - 4) the applicable law;
  - 5) petitions for admission and request of evidence;
  - 6) other facts which it considers significant in the dispute resolution.
- (4) The Respondent shall attach to the Answer the documents, on which the objections are based. The Answers should contain as many copies of the Answers, as many participants there are.
- (5) Upon receipt of the Answer, the Head of the Secretariat should promptly notify the Claimant.

### **Article 33 Counterclaim**

- (1) The Respondent may submit a counterclaim, if the subject of counterclaim is covered by the Arbitration Clause.
- (2) The counterclaim shall be submitted in writing. The same provisions of these Rules shall apply to the counterclaim as to the Request for Arbitration.
- (3) The counterclaim may be submitted within the time period which is determined for submitting the Answer.
- (4) RICAC shall accept for arbitration the counterclaim, if the subject of the counterclaim is covered by the Arbitration Clause and:
  - 1) mutual settlements are possible between the original claim and counterclaim;
  - 2) Satisfaction of the counterclaim wholly or partly excludes the satisfaction of the original claim;
  - 3) counterclaim and the original claim have an interconnection and their common resolution will contribute to the faster and efficient dispute resolution.
- (5) The decision on the counterclaim acceptance for arbitration shall be made by the Chairman of RICAC.
- (6) Counterclaim accepted for arbitration by RICAC shall be resolved together with the original claim.

## V. ARBITRATION PROCEEDINGS

### **Article 34 Procedures and Forms of Arbitration Proceedings**

- (1) Taking into consideration the Arbitration Clause concluded by the Parties and these Rules, the Arbitral Tribunal shall organize hearings or resolve the dispute only on the basis of written evidence and materials. The Arbitral Tribunal shall organize hearings also in those cases when the Parties have agreed upon a writing process, but any of the Parties has required the hearings before the proceedings closed by the Arbitral Tribunal award or decision, or the Arbitral Tribunal concludes that the evidence and the materials are not sufficient to resolve the dispute during the writing process.
- (2) The Arbitral Tribunal may conduct the arbitration proceeding as how it deems appropriate, provided that the dispute is resolved without unnecessary delay, and equal reasonable opportunity are given to the Parties to present their cases and to protect their rights. Dispute resolution process shall be conducted by the Chairman of the Arbitral Tribunal.

- (3) By resolving the dispute during the hearing the Parties shall be notified of the first hearing of the Arbitral Tribunal not later than 15 (fifteen) days before the hearing.

### **Article 35 Dispute resolution of minor Claim**

- (1) The provisions of this Article shall be applied in cases of the claims for money recovery, when the principal claim does not exceed EUR 25 000.
- (2) The dispute resolution of minor Claim shall be settled by one arbitrator in writing process.
- (3) The amounts of the Administrative charge and the Fees of the Arbitral Tribunal for minor claims shall be determined by the Chairman of RICAC and shall not exceed the amounts specified in the "Regulations on Expenses Related to the Dispute Resolution".
- (4) If any Party has objections against the dispute resolution in accordance with the procedure specified in this Article, it should add to its objections the evidence of the Administrative charge and the Fees of the Arbitral Tribunal in the amounts specified in the "Regulations on Expenses Related to the Dispute Resolution".

### **Article 36 Familiarization of the Parties with received materials and evidence**

RICAC shall introduce to the Parties any statements, documents and other information, which has been received by it, as well as with the experts' reports and other evidence.

### **Article 37 Failure to provide documents and failure to appear by the Parties**

- (1) If the Respondent does not submit the Answer to the Request for Arbitration, the RICAC shall continue the proceeding, without assumption that the claim is recognized as justified, unless it is stipulated otherwise in the Arbitration Clause.
- (2) If the Parties fail to appear at a hearing of the Arbitral Tribunal, without notifying on the reasons of absence in the written form or submitting other evidence, the Arbitral Tribunal shall have the right to continue the proceeding and resolve the dispute on the basis of evidence that is at the disposal of the Arbitral Tribunal.

### **Article 38 Amendment and supplementation of the Claim**

- (1) At any time prior the Arbitral Tribunal shall begin to resolve the dispute a Party may amend or supplement its claim.
- (2) If the Amount of Claim is increased when amending or supplementing it, the Party should pay the additional Arbitration Costs.
- (3) The claim may not be amended or supplemented if amendments and supplements are not covered by the Arbitration Clause.

### **Article 39 Records**

- (1) The hearings is recorded only if any of the Parties has requested it to be recorded and made the payment for the services of the stenographer to RICAC. The written request for the record of the hearings and the payment should be made not later than 5 days before the hearings.
- (2) The hearings shall be recorded by the stenographer chosen by RICAC. The records of hearings of the Arbitral Tribunal shall be signed by all arbitrators and the stenographer. The records of hearings of the Arbitral Tribunal should be signed within 3 (three) days following the day of hearing of the Arbitral Tribunal.
- (3) The records of hearings should contain:
  - 1) the case number;
  - 2) the place and date of hearings;
  - 3) the Parties;

- 4) the marks of the participation of the Parties in hearings;
- 5) the names and surnames of the arbitrators, stenographer, experts, interpreters, witnesses and other participants;
- 6) short description of the dispute resolution;
- 7) the claims and other significant statements of the Parties;
- 8) the reasons for the hearings postponement or suspension of the Arbitration proceeding.

(4) The Parties shall have the right to inspect the records and to submit written comments or objections on the records within five (5) days its signature. The justification of such objections or the record compliance of the hearings shall be decided by the Arbitral Tribunal.

#### **Article 40 Evidence**

- (1) Statements of the Parties, written evidence, physical evidence, experts' reports and other admissible evidence shall be admitted in evidence.
- (2) Evidence shall be submitted by the Parties. Each Party should prove those circumstances to which it refers when justifying its claims or objections. The Arbitral Tribunal may require the additional documents or other evidence to be submitted by the Parties.
- (3) Written evidence shall be submitted in original or by a certified copy. If the Party provides a certified copy of the document, the Arbitral Tribunal at its own discretion or at the request of the other Party may require the original document to be submitted. The original document, at the request of the person, which has provided this document, shall be returned by the Arbitral Tribunal, while keeping a certified copy.
- (4) The Arbitral Tribunal itself shall determine admissibility and relevance of the evidence.

#### **Article 41 Experts**

- (1) The Arbitral Tribunal at the written request of the Party may appoint the experts to report to the Arbitral Tribunal. The experts shall be appointed when the special knowledge in science, technology, arts or any other field is required to determine the significant facts of the dispute.
- (2) If the Arbitral Tribunal considers the request of the Party reasonable, the Arbitral Tribunal shall appoint the experts. The experts shall be appointed only if the Party has made payment for the services of the expert in advance in due time determined by the Arbitral Tribunal. The amount of the advance payment shall be determined by the Arbitral Tribunal.
- (3) The request for examination should contain the issues of the Party, on which the expert should provide a report. The other Party shall have the right to submit to the Arbitral Tribunal the issues, on which the expert should provide a report. The issues requiring an expert report, shall be determined by the Arbitral Tribunal. The rejection of the raised issues should be motivated by the Arbitral Tribunal.
- (4) Experts shall be selected by mutual agreement of the Parties, but if the agreement has not been reached, the expert shall be appointed by the Arbitral Tribunal. Several experts may be also appointed if necessary.
- (5) If a number of experts were appointed, they shall have the right to consult each other. If the experts came to a common report, it should be signed by all experts. If the opinions of the experts are inconsistent, each expert should write a separate report.
- (6) Upon the request of the Arbitral Tribunal the Parties shall provide the expert with the necessary data and evidence.

#### **Article 42 Challenge to Expert, Interpreter and Stenographer**

The expert, interpreter or stenographer can be challenged in accordance with in the Article 13 of the these Rules. The challenge should be declared immediately after the Party became aware of the cause of the challenge. The issue of the challenge shall be resolved by the Arbitral Tribunal.

#### **Article 43 Succession of the procedural rights**

- (1) The fact that an individual who is one of the Parties has deceased or legal entity who is one of the Parties has liquidated does not terminate the Arbitration Clause, unless the Parties have agreed otherwise, and the disputed legal relationship permits legal succession. In this case the Arbitral Tribunal suspends the process before the legal successor is determined.
- (2) Assignment of claim or assumption of debt may be the cause to terminate the arbitration proceeding only if the Arbitration Clause is cancelled in accordance with the rules of law or with the agreement of the Parties.

#### **Article 44 Rights to Objections**

- (1) If any provision of the arbitration proceeding has been violated or not observed, the Party which participates in the arbitration proceeding has the right to submit its written objection immediately to the Arbitral Tribunal and the other Party, as soon as such infringement has become known or should become known.
- (2) The justification of such objections shall be decided by the Arbitral Tribunal or the Chairman of RICAC if the Arbitral Tribunal has not been appointed.
- (3) If the Party does not submit such objections, it shall be considered that it has waived the right to raise such objections.

#### **Article 45 Storage of Documents**

The documents of arbitration proceedings shall remain in storage in RICAC. The storage of the documents shall be executed according to the law.

#### **Article 46 Making of the Award**

- (1) All resolutions (decisions and awards) of the Arbitral Tribunal, if it consists of more than one arbitrator, shall be made by a simple majority vote. The arbitrator shall not refuse to vote.
- (2) The resolution of the Arbitral Tribunal shall become effective on the date when the resolution is made, it may not be appealed, and no protests shall be submitted regarding it.
- (3) If the Arbitral Tribunal makes the decision to request the Party to pay the additional Arbitration Costs, the Award or decision about termination the proceedings shall be made only after the payment.

#### **Article 47 Peaceful Settlement**

- (1) The Arbitral Tribunal shall facilitate the dispute resolution between the Parties by peaceful settlement.
- (2) The peaceful settlement shall be allowed at any stage of the arbitration proceeding. If during the arbitration the Parties have concluded peaceful settlement, the Arbitral Tribunal shall terminate the proceeding.
- (3) The peaceful settlement should be concluded by the Parties in writing and it shall contain: for legal entities – the name, registration number and legal address, for individuals – the name, surname, personal identification number and residence address as well as the matter in dispute and obligations of each Party which it voluntarily undertakes to execute.
- (4) At the request of the Parties the Arbitral Tribunal shall approve the peaceful settlement by its decision if the provisions of such peaceful settlement do not contradict with the law. Such decision shall have the same effect as Award.
- (5) The peaceful settlement may be approved by the Arbitral Tribunal in the absence of the Parties, if the peaceful settlement has been certified by a notary and contains the notification of the Parties that they are aware of the procedural effects of the peaceful settlement.

## **Article 48 Award**

- (1) The Award shall contain:
  - 1) case number;
  - 2) the Arbitral Tribunal;
  - 3) the date and place of making of the Award;
  - 4) information on the Parties;
  - 5) the matter in dispute;
  - 6) motivation of the Award unless the Parties have agreed otherwise;
  - 7) conclusion regarding complete or partial satisfaction of the claim or its complete or partial rejection;
  - 8) the Arbitration Costs, as well as the apportionment of Arbitration Costs between the Parties;
  - 9) other data in accordance with the law.
- (2) The Award shall be made in writing and signed by all arbitrators, but, if one of the arbitrators does not sign the Award, it should be indicated the reason of absence of his signature.
- (3) The signatures of the arbitrators shall be confirmed by the RICAC stamp at the Award.

## **Article 49 Correction of the Award. Interpretation of the Award. Additional Award**

- (1) Each Party shall have the right before enforcement of the Award and by notifying another Party to request:
  - 1) to correct any mistake in calculation or printing mistake in the Award; such mistakes may be corrected by the Arbitral Tribunal on its own initiative as well;
  - 2) to provide an interpretation of the Award; the interpretation of the Award shall be made in writing and shall become an integral part of the Award as of the date of making;
  - 3) to make an additional award within 30 days from the date of dispatch of the Award, if any claim submitted before making of the Award has not been resolved in the Award; if the Arbitral Tribunal considers the request to be reasonable, it shall make an additional award; the Arbitral Tribunal may make the additional award on its own initiative as well.
- (2) The Arbitral Tribunal shall decide whether participation of the Parties is necessary when reviewing the issue specified in the Part 1 of this Article.

## **Article 50 Postponement of the Hearing**

- (1) The Arbitral Tribunal may postpone the hearings:
  - 1) if it admits that it is not possible to resolve the dispute because any of the Parties, witness, stenographer, expert or interpreter was absent;
  - 2) at the request of the Party in order to give it an opportunity to present additional evidence;
  - 3) on its own initiative to resolve procedural issues.
- (2) The next arbitration hearing date and time shall be reported to the participants for signature or they are invited by notices.

## **Article 51 Suspension of the Arbitration Proceedings**

- (1) The Arbitral Tribunal is obliged to suspend the arbitration proceeding in case of the death of an individual or if the legal entity is liquidated which are the Parties in the dispute, and if the legal relationship permits the succession of the rights.
- (2) Arbitral Tribunal may suspend the proceeding upon the request of the Party or on its own initiative, if:
  - 1) the Party is unable to participate in the dispute resolution due to disease or other valid reasons;
  - 2) the Arbitral Tribunal shall appoint the experts.

- (3) The arbitration proceeding shall be suspended:
  - 1) in cases provided by Part1 of the this Article - until determination of the legal successor;
  - 2) in cases provided by Part2 of the this Article – within the term determined by the Arbitral Tribunal.
- (4) The arbitration proceedings shall be renewed by the Arbitral Tribunal on its own initiative or on the bases of the application of the Parties.

#### **Article 52 Abandonment of the Claim without Further Consideration**

- (1) RICAC shall be obliged to abandon of the claim without further consideration, if:
  - 1) on behalf of the Claimant the Claim was signed or submitted by a person, who is not duly authorized for this;
  - 2) the Claimant failed to pay the Administrative charge and Fees of the Arbitral Tribunal within the prescribed period in accordance with the Paragraph 2, Part 2, Article 30 of the these Rules;
  - 3) in cases provided by Part 3 Article 31 of the these Rules.
- (2) The Chairman of RICAC shall take the decision of the abandonment of the Claim without further consideration.
- (3) If a claim is abandoned without further consideration the Claimant is entitled to resubmit the Request for Arbitration to RICAC in accordance with these Rules.

#### **Article 53 Termination of the Arbitration Proceedings**

- (1) The Arbitral Tribunal shall terminate the Arbitration Proceedings if:
  - 1) the Claimant withdraws its claim and the Respondent does not oppose to that;
  - 2) the Arbitral Tribunal shall approve the peaceful settlement;
  - 3) the Arbitration Clause loses force in accordance with the law or agreement of the Parties;
  - 4) the dispute is not within the jurisdiction of RICAC;
  - 5) the individual, who is one of the Parties, has deceased or the legal entity, which is one of the Parties, has liquidated and the legal relationship does not allow legal succession.
- (2) If the arbitration proceeding is terminated for the reasons mentioned in paragraph 1 and 2 of Part 1 of this Article, a repeated reference to the RICAC or to court with the claim against the same Respondent for the same matter in dispute and for the same claim is not admissible.
- (3) If the arbitration proceeding is terminated for the reasons mentioned in paragraph 3, 4 or 5 of Part 1 of this Article, the Parties have the right to apply to the general jurisdiction court.

#### **Article 54 Enforcement of the Award**

- (1) The Award of the Arbitral Tribunal is binding upon the Parties and shall be enforced voluntarily within the time period set forth in the Award.
- (2) If the Award of the Arbitral Tribunal is not enforced voluntarily, it shall be prosecuted to the compulsory execution in accordance with the rules of law.

### VI. ARBITRATION COSTS

#### **Article 55 Arbitration Costs**

- (1) The Arbitration Costs shall include the expenses related to dispute resolution and proceeding of a case.

- (2) The expenses related to dispute resolution are the following:
  - 1) the Claim registration fee;
  - 2) the Administrative charge and Fees of the Arbitral Tribunal;
  - 3) expenses for services of the experts, interpreters and stenographer;
  - 4) travel and accommodation costs of the arbitrator;
  - 5) other possible expenses related to dispute resolution in accordance with these Rules.
- (3) The expenses related to proceeding of a case are the following:
  - 1) expenses related to the services of the representative;
  - 2) expenses related to the reception of evidence;
  - 3) expenses related to the securing of the Claim.
- (4) The stenographer, interpreter or expert shall be appointed to the arbitration only after the relevant Party has paid the payment for the services of these persons to RICAC.

#### **Article 56 Amount of the Claim**

- (1) The amount of the Claim is the following:
  - 1) the claim for recovery of money - amount to be recovered;
  - 2) the claim for the reclamation of property - the value of the property to be reclaimed;
  - 3) the claim for the establishment, amendment or termination of a legal relationship - the value of the subject matter of legal relationship;
  - 4) the claim for a specific action or inaction - is determined on the basis of the Claimant's property interests;
  - 5) the claims, consisting of several claims - all claims in total.
- (2) The amount of the Claim shall be specified by the Claimant. If the amount of the Claim is not specified, or specified incorrectly, then RICAC shall specify the amount of the Claim on its own initiative or at the request of the Respondent on the basis of the available data.

#### **Article 57 Apportionment of Arbitration Costs**

- (1) The Parties may agree on the apportionment of Arbitration Costs between them. If the Parties have not agreed on this, the apportionment of Arbitration Costs shall be made in accordance with the provisions of this Article.
- (2) The Arbitral Tribunal awards against the Party, in whose favor the Award is made, all Arbitration Costs paid by it against the other Party. If the Claim is partly satisfied, the amounts specified in this part shall be awarded to the Claimant in proportion to the amount of satisfied claims, but to the Respondent – in proportion to that part of the claims, where the claim is rejected.
- (3) If the Claimant withdraws from the Claim, it shall pay to the Respondent the paid Arbitration Costs. In this case the Arbitration Costs paid by the Claimant shall not be returned. However, if the Claimant does not affirm its claims because the Respondent has voluntarily satisfied them after the submission of Request for Arbitration, the Arbitral Tribunal shall, upon the Claimant's request, Award against the Respondent Arbitration Costs paid by the Claimant.
- (4) If the claim is left without further consideration, the Arbitral Tribunal shall, upon the Respondent's request, award against the Claimant the Arbitration Costs paid by the Respondent.
- (5) The expenses related to proceeding of a case shall be paid in the following amounts:
  - 1) expenses related to the services of the representative – in their actual amount, but not exceeding the ten percent of the satisfied part of the Claims, and not exceeding ten percent of rejected part of the Respondent's claims;
  - 2) expenses related to the reception of evidence and expenses related to the securing of the Claim – in the actual amount of expenses.

## VII. GENERAL RULES

### **Article 58 Exclusion of Liability**

RICAC, the Arbitral Tribunal and any of the arbitrators shall not be liable to disputing Parties for any act or omission regarding the dispute resolution if this act or omission is not connected with intent or gross negligence.

### **Article 59 Validity of the RICAC Rules**

Unless the Parties have agreed otherwise, the version of RICAC Rules valid at the moment of the commencement of arbitration proceedings shall be applied when resolving the dispute.

**REGULATIONS  
ON THE ARBITRATION ORGANIZATION**

1. The activity of Riga International Commercial Arbitration Court (hereinafter- «RICAC») shall be organized and managed by the Presidium, the Chairman and the Head of the Secretariat.
2. The Presidium consists of three members which shall be appointed by the establisher of RICAC. The functions of the Presidium are defined in the RICAC Rules and these Regulations.
3. The Presidium fulfils its functions during the sessions. The Presidium has a quorum if at least two of the members of the Presidium participate at the session. The Presidium shall take decisions by simple majority of votes.
4. The Presidium:
  - 1) elects the Chairman from its members;
  - 2) elects the Head of the Secretariat;
  - 3) approves the "Regulations on Expenses Related to the Dispute Resolution";
  - 4) approves internal rules of RICAC ;
  - 5) approves the testimony form for the impartiality and independence of RICAC arbitrator.
5. The Chairman organizes and manages the sessions of Presidium, represents the RICAC's interests in its relations with third parties, as well as fulfils the functions provided by the RICAC Rules.
6. The Head of the Secretariat fulfils the functions provided by the RICAC Rules.
7. In the absence of the Chairman or the Head of the Secretariat, their functions shall be performed by one of the members of the Presidium.