

Additional procedures for on-line arbitration (on-line Rules)

PART I

Introduction

Sec. 1

(1) The purpose of the Additional procedures for on-line arbitration“ (hereinafter referred to as „on-line rules“) is to facilitate arbitral proceedings to be conducted and dispute to be resolved via the Internet, where the parties have agreed to arbitration under these on-line rules.

(2) These Rules provide for all party submissions to be made online, the arbitral proceedings to be conducted on-line and the arbitral award to be rendered on-line, via the Internet.

(3) For the purpose of these Rules, the Arbitration Court refers to the Arbitration Court attached to the Economic Chamber of the Czech Republic and the Agricultural Chamber of the Czech Republic (hereinafter referred to as „the Arbitration Court“).

(4) The Rules refer to the Rules and Principles governing the Costs of Arbitral Proceedings applied to the domestic disputes of the Arbitration Court attached to the Economic Chamber of the Czech Republic and the Agricultural Chamber of the Czech Republic (hereinafter referred to as „the Rules“).

(5) These on-line Rules are an integral part of the Rules.

PART II

Definitions

Sec. 2

a) Administrative Site refers to the address of the Arbitration Court applied in the on-line arbitral proceedings on the Internet site www.arbcourtonline.cz. At the Administrative Site, parties may initiate arbitration under these on-line Rules and pay all the fees related to the conduct of the on-line arbitral proceedings by the Arbitration Court. The Administrative Site also provides Principles governing the Costs of on-line arbitral proceedings, renders guidelines regarding the format of submissions as well as other important information applicable to the procedures in the arbitral proceedings conducted under these on-line Rules. The acts at the Administrative Site are undertaken by the Secretary of the Arbitration Court attached to the Economic Chamber of the

Czech Republic and the Agricultural Chamber of the Czech Republic (hereinafter referred to as „the Secretary“).

b) Administration refers to the activities exercised by the Arbitration Court in the proceedings according to these on-line Rules.

c) Arbitrator refers to a sole arbitrator appointed by the Chairman of the Arbitration Court according to the Rules.

d) Case site refers to a unique Internet address (site) exclusively established at the Administrative Site to conduct a particular dispute, to file all of the parties' submissions, as well as all of the arbitrator's decisions and to maintain all documents in an electronic form related to the dispute. No one other than the parties and the Arbitration Court shall have access to the Case Site.

e) Hearing led under the on-line Rules refers to the hearing led under the Rules.

f) Internet and on-line are interchangeably used terms referring to the world-wide electronic on-line medium.

g) Portal terms shall refer to the terms and conditions of use of the Administrative Site and the Case Site (concerning the publication of the Rules, on-line Rules and other terms and technical specification and conditions of conduct of the on-line arbitral proceedings by exposing it on the Web portal of the Arbitration Court). The Portal terms are set by the Arbitration Court.

h) Submit refers to filing of the Statement of Claim, the Statement of Defence, the prospective Counterclaim, to submitting of evidence, all of the other submissions and notifications, as well as to all other acts undertaken in the on-line arbitral proceedings under these on-line Rules by means of electronic transmittal, to the Administrative Site or the Case Site.

i) Writing refers not only to a document in its written form but also to a form of an „electronic record“ as well as a form of a document, which implies any form of a record, including data message.

PART III

Proceedings

Sec. 3

Principles of the use of the on-line Rules

(1) The parties which have agreed in a valid arbitration agreement (arbitration clause, or compromissum) to apply these on-line Rules and to submit to on-line arbitration at the Arbitration Court, shall be parties to the dispute.

(2) These on-line Rules shall apply to the on-line arbitral proceedings from its commencement.

(3) When applying the on-line Rules, the parties and the Arbitration Court are supposed to use exclusively Internet means of communication. All submissions and documents in the proceedings shall be transmitted and served by that means. The arbitrator may allow other means, provided that it is technically impossible.

(4) The Arbitration Court may decide, that the arbitral proceedings shall not be conducted under the on-line Rules where a party obviously lacks the capacity to participate in the arbitration in accordance with the on-line Rules (especially concerning the technical terms and conditions), or where the Arbitration Court otherwise finds, in its discretion, that an arbitration should not be conducted under the on-line Rules. The Arbitration Court shall issue a ruling (order) thereof. In the event that the Arbitration Court makes such a determination, the arbitration shall be conducted following the date of the issue of such a ruling (order) in accordance with the Rules. All acts properly undertaken till that date shall remain valid. Unless the arbitrator has been already appointed, the Chairman of the Arbitration Court shall be authorized to issue such a ruling (order).

(5) By agreeing to the on-line Rules, the parties expressly agree to the Portal Terms of the Arbitration Court in effect at the time of commencement of the on-line arbitration. By accepting the on-line Rules, the parties thereby authorize the Arbitration Court to administer the arbitration.

Sec. 4

Service and calculation of time periods

(1) All submissions provided for under these Rules shall be deemed to have been served when received by the Arbitration Court. The date and time of receipt shall be that stated in the confirmatory e-mail sent by the Arbitration Court to the party making the submission.

(2) For the purposes of calculating a period of time under these on-line Rules, such period shall begin to run from the date of receipt of a submission by the Arbitration Court.

Sec. 5

Statement of Claim

(1) The Claimant shall initiate the on-line arbitration by submitting to the Administrative Site a Statement of Claim.

(2) In addition to the terms under Section 17 of the Rules, the Statement of Claim shall further contain:

- a) the reference to the parties' arbitration agreement on dispute resolution by electronic means;
- b) the indication of evidence;
- c) the e-mail address of the Claimant, for the purpose of the communication with the Arbitration Court;

d) the last known valid e-mail address of the Defendant; and postal addresses, and telephone and facsimile numbers of the parties (the Claimant and the Defendant).

(3) The Claimant shall submit the evidence together with the Statement of Claim.

(4) The Claimant shall pay the arbitration fee within five days of submitting the Statement of Claim (Counterclaim) to the Administrative Site. Such fee may be paid electronically or by other method prescribed by the Arbitration Court.

Sec. 6

Notification of the Statement of Claim

(1) Upon receipt of the arbitration fee, the Arbitration Court shall review the Statement of Claim to ascertain whether it complies with the terms and conditions of the on-line Rules.

(2) Once, the ruling (order) under Section 3 paragraph 4 of the on-line Rules shall not be issued, the Arbitration Court shall, within five business days, establish a Case Site upon which the Statement of Claim shall immediately be made available to the parties. At the same time, the Arbitration Court shall notify the parties by e-mail of the Internet address for the Case Site, as well as the access parameters (login and password) of the Case Site.

(3) If the Arbitration Court finds that notification of the Statement of Claim and of the disclosure of the Case Site to the Defendant via e-mail is not possible, it shall proceed according to Section 3 paragraph 4 of the on-line Rules.

Sec. 7

Time period for the response of the Defendant to the Statement of Claim

Within ten days following the notification of the establishment of the Case Site, the Defendant shall be free to submit a Statement of Defence.

Sec. 8

Time period for the response to the Counterclaim

Where the Defendant has submitted a Counterclaim, the Claimant shall be free to submit a Statement of Defence to the Counterclaim within ten days following the notification of the Counterclaim.

Sec. 9

Extension of Time period

(1) The Arbitration Court may, for good cause shown, extend the period of time for either party to submit its statement to the submission of the other party for the necessarily needed time period, differently from these Rules in such an extent not to frustrate the purpose of this proceedings.

(2) Any such request on extension of the time period shall be submitted to the Case Site.

Sec. 10

Language of the arbitral proceedings

The proceedings shall be held and decisions shall be made in Czech (or Slovak) language. Upon an approval of the Arbitration Court, the proceedings may be held in other language than in Czech (or Slovak) under the conditions set by the Principles governing the Costs of arbitral proceedings (Section 41 of the Rules).

Sec. 11

Place of arbitral award

The place of rendering the arbitral award shall be the seat of the Arbitration Court in Prague.

Sec. 12

Signing the arbitral award

The arbitral award shall be signed by the arbitrator according to Section 2 subparagraph b), Section 3 and Section 4 of the Act No. 227 of 2000 Coll., on the electronic signature.

Sec. 13

Communication of the arbitral award to the Parties

(1) The Arbitration Court shall render the arbitral award by submitting it to the Case Site. The arbitral award shall be deemed to have been made when submitted to the Case Site. That date shall be stated in the arbitral award as well as in the confirmatory e-mail sent to the parties notifying them that the arbitral award has been submitted. The Case Site shall remain available to the parties for thirty days from the date upon which the arbitral award was submitted. After the expiry of that time period the Case Site shall be made unavailable.

(2) Upon application of a party the Arbitration Court shall render the arbitral award in writing as well. The signature of the Secretary on the arbitral award in writing shall verify its authenticity as well as the signature of the arbitrator.

PART IV

Other provisions

Sec. 14

Communication between the parties and the Arbitration Court

The Arbitration Court announces the e-mail address

e-mail: online@arbcourt.cz

for the purpose of the communication between the parties and the Arbitration Court, respectively between the arbitrator and the Arbitration Court, which shall not be deemed as a submission.

Sec. 15

Providing copies from the documentation (files) led by the Arbitration Court

(1) The parties may at any time request the Arbitration Court to render a certain document filed at the Case Site in writing as well.

(2) The authenticity of the copy of a document in writing according to paragraph 1 of the present Section shall be verified by the Secretary of the Arbitration Court. According to the Principles governing the Costs of on-line arbitral proceedings there is a fee for providing such a copy.

Prague, 1 June 2004

JUDr. Bohuslav Klein
Chairman of the Arbitration Court

Recommended word of arbitration clauses in case of on-line arbitration of the Arbitration Court attached to the Economic Chamber of the Czech Republic and the Agricultural Chamber of the Czech Republic:

All disputes arising from the present contract and in connection with it shall be finally decided with the Arbitration Court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic by one arbitrator appointed by the Chairman of that Arbitration Court in accordance with the on-line Rules of that Arbitration Court.

The parties select the following e-mail addresses for the conduct of the on-line arbitral proceedings:

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The present arbitration agreement is an integral part of the contract No dated agreed between the parties.

Prague

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signature of the contracting party

signature of the contracting party