ADDITIONAL PROCEDURES FOR ONLINE ARBITRATION

(ONLINE RULES)

PART I

Introduction

Sec. 1

(1) The "Additional Procedures for Online Arbitration" (hereinafter referred to as **"online Rules**") regulate the conduct and deciding of arbitration proceedings before the Arbitration Court attached to the Czech Chamber of Commerce and the Agrarian Chamber of the Czech Republic (hereinafter referred to as **"the Arbitration Court**") by means of electronic communication and the Internet.

(2) The online Rules apply only to arbitration proceedings concerning disputes in which the parties have explicitly agreed to use the online Rules, and in which the submissions of the parties and of the Arbitration Court are made in electronic form, the proceedings are conducted electronically, and the arbitral award is issued electronically by means of the Internet.

(3) The online Rules are a Special Addendum and an integral part of the Rules of the Arbitration Court (hereinafter referred to as **"the Rules**").

(4) Electronic communication between the parties and the Arbitration Court during a proceeding conducted under the Rules is not prohibited by the online Rules.

(5) Unless otherwise explicitly stated in the online Rules, the relevant provisions of the Rules shall apply to online proceedings.

(6) Disputes in online arbitration proceedings are always decided by a sole arbitrator and without oral hearings.

PART II

Definitions

Sec. 2

a) Administrative Site shall refer to the address (website) of the Arbitration Court applied in the online arbitration proceedings on the Internet site **www.arbcourtonline.cz**. At the Administrative Site, parties may initiate and conduct arbitration proceedings under the online rules. Acts performed by the Arbitration Court via the Administrative Site are considered to be acts of the Secretary of the Arbitration Court (hereinafter referred to as **"the Secretary**"), unless they are designated as acts of the arbitrator.

b) **Administration** shall refer to the activities exercised by the Arbitration Court in the proceedings conducted under the online Rules.

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

d) **Case Site** shall refer to a unique Internet address (website) exclusively established at the Administrative Site to conduct a particular dispute, to file all of the party's 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, the arbitrator, and the Arbitration Court shall have access to the Case Site.

e) Hearing conducted under the online Rules is a hearing conducted under the Rules.

f) **Portal Terms** shall refer to the terms and conditions set forth by the Arbitration Court, regulating the use of the Administrative Site and the Case Site, including the Rules, online Rules, and other terms and technical

specifications and conditions of conduct of the online arbitration proceeding, which are available at the Administrative Site or the Case Site.

g) **Submit** shall refer to filing of the Statement of Claim, the Statement of Defence, the prospective Counterclaim, to submitting of evidence, all other submissions and notifications, as well as to all other acts undertaken in the online arbitration proceedings under these online Rules by means of electronic transmittal, to the Administrative Site or the Case Site.

h) Writing shall refer to a document in a written form, as well as in electronic form, including data messages.

PART III

Proceedings

Sec. 3

Principles of the use of the online Rules

(1) The parties of the online arbitration proceeding shall be the parties who have agreed on the use of the online Rules in a valid arbitration agreement (arbitration clause, or compromissum), in which they agreed to the procedure being conducted as an online arbitration proceeding at the Arbitration Court.

(2) These online Rules shall apply to the online arbitration proceedings from their commencement.

(3) The parties, the arbitrator and the Arbitration Court shall use exclusively electronic means of communication. The arbitrator, or the Secretary, in case the arbitrator has not yet been appointed, may allow an exception.

(4) The Arbitration Court may decide that the arbitration proceedings shall not be conducted under the online Rules in cases where a party is not capable of participating in the arbitration in accordance with the online Rules (especially concerning the party's technical standpoint). The Arbitration Court will primarily decide this if it is not possible to deliver to the party by electronic means in accordance with the online Rules to the address provided in the arbitration agreement or otherwise provided, as well as in all other situations where the Arbitration Court otherwise finds that the arbitration proceeding cannot be conducted under the online 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 already been appointed, the Chairman of the Arbitration Court shall be authorized to issue such a ruling (order).

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

Sec. 4

Service and calculation of time periods

(1) All submissions provided according to the online 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 online Rules, such period shall begin to run from the date of the day following the day of the receipt of a submission by the Arbitration Court.

Sec. 5

Statement of Claim

(1) The Claimant shall initiate the online arbitration by submitting to the e-mail address stated in Section 12 of the online Rules.

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

a) the reference to the party's arbitration agreement on dispute resolution according to the online Rules;

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;
- e) 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 arbitration fee is due within five days of submitting the Statement of Claim (Counterclaim).

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 online Rules.

(2) If the ruling (order) under Section 3, paragraph 4 of the online Rules is not 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. Simultaneously, the Arbitration Court shall inform the parties of the Internet address for the Case Site, as well as the access credentials (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 online Rules.

Sec. 7

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

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

(2) When the Defendant has submitted a Counterclaim, the Claimant shall be free to submit a Statement of Defense to the Counterclaim within ten days following the notification of the Counterclaim.

(3) At the request of a party, the time period for responding to the other party's submission may be extended, provided that the purpose of the proceeding is not undermined. The request for an extension of the time period shall be submitted to the Case Site.

Sec. 8

Language of the arbitration proceedings

The arbitration proceedings are conducted, and the decisions are rendered in Czech (or Slovak). With the permission of the Arbitration Court, the arbitration proceedings can be conducted in a different language then Czech (or Slovak), under the conditions set forth in Section 14 paragraph 3 of the online Rules.

Sec. 9

Place of arbitral award

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

Sec. 10

Signing the arbitral award

The arbitral award shall be signed by the arbitrator using a qualified electronic signature in accordance with Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

Sec. 11

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 issued when submitted to the Case Site. This 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 issued. The Case Site shall remain available to the parties for minimum of thirty days from the date upon which the arbitral award was issued. After the expiry of this time period, the Case Site shall be made unavailable.

(2) Upon a request 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. 12

Communication between the parties and the Arbitration Court

The Arbitration Court announces an e-mail address, e-mail: <u>online@arbcourt.cz</u>, for the purpose of communication between the parties and the Arbitration Court, or between the arbitrator and the Arbitration Court, which shall not be deemed as a submission.

Sec. 13

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

(1) The parties may at any time request the Arbitration Court to issue a specific document on record 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. A fee will be charged for providing such a copy.

Sec. 14

Special provisions regarding the rules on the costs of arbitration proceedings

(1) The rules on the costs of arbitration proceedings under Part Four of the Rules shall apply to online arbitration proceedings under the online Rules, unless otherwise specified.

(2) In the case of proceeding under Section 3, paragraph 4 of the online Rules, the Claimant is required to pay the difference between the arbitration fee under the Rules and the arbitration fee under the online Rules upon the notice of the Arbitration Court, within five days of receiving the notice.

(3) If the documents underlying the dispute are not in Czech (or Slovak), or if the proceedings are conducted or the arbitral award is rendered in any language other than Czech (or Slovak), the party who filed such submissions or evidence, or on whose request this procedure is followed, is required to pay, upon a notice of the Arbitration Court, an additional fee equal to 100 % of the fee for online arbitration proceedings. Until the increased arbitration fee is paid, the matter shall not be tried.

(4) An annex to the online Rules is the fee schedule determining the amount of fees for online arbitration proceedings.

Sec. 15

Entry into force of the online Rules

(1) The online Rules come into effect on 1 October 2017.

(2) The online Rules were published in the Commercial Bulletin on 5 September 2017.

(3) The online Rules repeal the Special Addendum to the Rules for Online Arbitration (online Rules) of 1 June 2004, as amended with changes effective from 1 July 2007, including the Rules on the Costs of Online Arbitration.

(4) Online proceedings commenced before the effective date of the online Rules shall be completed according to the former regulations, unless the parties agree in writing that the proceedings shall be completed under the online Rules.

ANNEX OF THE ONLINE RULES OF THE ARBITRATION COURT ATTACHED TO THE CZECH CHAMBER OF COMMERCE AND THE AGRARIAN CHAMBER OF THE CZECH REPUBLIC

FEE SCHEDULE

The fee for the online arbitration proceeding shall be 3% of the value of the subject of the dispute; however at least 7.000 CZK.

There is a fee for providing copies of documents in writing according to Section 13, paragraph 2 of the online Rules, which amounts to 20 CZK for each copy of a page of a document in the sheet size of the A4 format.

Recommended wording of arbitration clauses for online arbitration

of the Arbitration Court attached to the Czech Chamber of Commerce and the Agrarian 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 Czech Chamber of Commerce and Agrarian Chamber of the Czech Republic in Prague by one arbitrator appointed by the President of that Arbitration Court in accordance with the online Rules of that Arbitration Court.

The parties select the following e-mail addresses for the conduct of the online arbitration proceedings:

.....