

**Rules of Proceedings of the Court of Arbitration attached to the
Hungarian Chamber of Commerce and Industry effective as of April 1,
2000**

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Contents

Rules of Proceedings of the Court of Arbitration attached to the Hungarian Chamber of Commerce and Industry effective as of April 1, 2000 **1**
 Standard Arbitration Clause 1

I. - General Provisions **1**

II. - Arbitral Proceedings **6**

III. - Conciliation Procedure **15**

Regulation on the Arbitration Fees, Costs and Expenses of the Parties **16**
 Art. 1. Definitions 16
 Art. 2. Registration Fee 16
 Art. 3. Arbitration Fee 16
 Art. 4. Reduction and Partial Refunding of the Arbitration Fee 17
 Art. 5. Arbitration Fee in Respect Counterclaims 17
 Art. 6. Division of the Arbitration Fee 17
 Art. 7. Arbitration Fee of Conciliation Procedure 18
 Art. 8. Expenses Relating to Arbitration 18
 Art. 9. The Expenses of the Parties 18
 Art. 10. Exceptions 18
 Exhibit 1 19
 Exhibit 2 20
 Information Page 21

Metadata **22**
 SiSU Metadata, document information 22

1 **Rules of Proceedings of the Court of Arbitration**
2 **attached to the Hungarian Chamber of Commerce and**
3 **Industry effective as of April 1, 2000**

4 **Standard Arbitration Clause**

5 “The parties agree that all disputes arising from or in connection
6 with the present contract, its breach, termination, validity or inter-
7 pretation, shall be exclusively decided by the Court of Arbitration
8 attached to the Hungarian Chamber of Commerce and Industry,
9 Budapest in accordance with its own Rules of Procedure.”

10 Parties may wish to consider adding:

11 “The number of arbitrators shall be (one or three). The applicable
12 law shall be .

13 The language(s) to be used in the arbitral proceedings shall be
14 .”

15 **I. - General Provisions**

16 Art. 1. Jurisdiction of the Court of Arbitration

17 (1) The jurisdiction of the Court of Arbitration (hereinafter: “Ar-
18 bitration Court”) encompasses the settlement of all disputes
19 where

20 (a) at least one of the parties is a natural or legal person dealing
21 professionally with economic activity, and the legal dispute is in
22 connection with this activity,

(b) the parties may freely dispose of the subject-matter of the pro-
ceedings, and

(c) the jurisdiction of the Arbitration Court was stipulated in an

arbitration agreement or is required by an international conven-
tion.

(2) The jurisdiction of the Arbitration Court does not encompass the
settlement of disputes in which:

- no domestic legal rule permits the stipulation of the jurisdiction of
the Arbitration Court or

- a domestic legal rule refers the settlement of the dispute to the
jurisdiction of ordinary courts or other authorities.

(3) An “arbitration agreement” is an agreement by the parties to
submit to the Arbitration Court their disputes which have arisen or
which may arise between them in respect of a defined legal rela-
tionship, whether contractual or not.

(4) An arbitration agreement may be in the form of an arbitration
clause in a contract or in the form of a separate agreement. The
arbitration agreement shall be in writing. An agreement shall also
be deemed to be in writing, if it has been entered into by an ex-
change of letters, telegrams, telex or any other means of telecom-
munication which provide a permanent record of the agreement. It
shall also be deemed to be an arbitration agreement in writing, if
one of the parties states in his statement of claim, and the other
party does not deny in his statement of defence that an arbitra-
tion agreement was entered into between them. The reference in
a contract entered into in writing to a document containing an ar-
bitration clause shall constitute an arbitration agreement, provided
that the arbitration clause contained in such document constitutes
a part of the contract.

(5) It is not in conflict with a stipulation of jurisdiction of the Arbitra-
tion Court and does not imply a renouncement of said jurisdiction if
either party resorts to an ordinary court in order to have temporary
or protective decisions issued. A party acting in this manner must

inform the Arbitration Court without delay of the filing of any such claim and any decisions issued on the basis of the claim.

19 (6) The Arbitration Court considers the existence of its jurisdiction on its own motion. The jurisdiction of the Arbitration Court includes the ability to determine the existence or lack of its own jurisdiction and furthermore, to judge an objection concerning the existence or the validity of an agreement to submit a legal dispute to arbitration. To this end, an agreement to submit a legal dispute to arbitration forming part of the contract shall be considered as an agreement independent of other stipulations of the contract. A decision of the Arbitration Court according to which a contract is considered as invalid does not imply 'ipso iure' the invalidity of an agreement to submit a legal dispute to arbitration.

20 (7) All objections concerning the jurisdiction of the Arbitration Court shall be made no later than simultaneously with the submission of the statement of defence. The fact that a party has appointed an arbitrator shall not prevent it from making an objection to the jurisdiction of the Arbitration Court.

21 (8) The Arbitration Court usually judges separately and as a preliminary issue objections filed concerning its jurisdiction. However, the Arbitration Court is also authorized to pursue the proceedings and to include remarks concerning any objections in its decision resolving the dispute.

22 (9) If the Arbitration Court finds a lack of jurisdiction on its part, it shall rule to cease the proceedings.

23 Art. 2. Organization of the Arbitration Court

24 (1) The Arbitration Court consists of:

- 25 - the President
- 26 - the Presidium
- 27 - the county divisions and

- the Secretariat. 28

(2) The Hungarian Chamber of Commerce and Industry ensures the personnel and the technical facilities necessary for the operation of the Arbitration Court. 29

Art. 3. The President and the Presidium of the Arbitration Court 30

(1) The President of the Arbitration Court shall be elected and removed by the Assembly of the Delegates of the Hungarian Chamber of Commerce and Industry upon the proposal of the Presidium of the Arbitration Court from Hungarian nationals listed in the roll of arbitrators. 31

(2) The President of the Arbitration Court represents the Arbitration Court in its domestic and foreign affairs. 32

(3) The President of the Arbitration Court may be elected the presiding arbitrator of the arbitral tribunal or an arbitrator in the same manner and on the same conditions as the other arbitrators listed in the roll of arbitrators are elected. Upon such election, however, the President of the Arbitration Court may not, in connection with the specific case, perform his duties arising under this Rules of Procedure nor is he allowed to exercise his rights as President. If the necessity therefor would nevertheless arise, the Presidium of the Arbitration Court shall act in place of the President. 33

(4) The Presidium of the Arbitration Court shall be elected by the arbitral body from the Hungarian arbitrators listed in the roll of arbitrators. The President of the Arbitration Court shall be a member of the Presidium of the Arbitration Court. The Presidium of the Arbitration Court assists the President of the Arbitration Court and may express its opinion on all matters relating to the operation of the Arbitration Court, excluding the legal disputes heard by the Arbitration Court. 34

Art. 4. Arbitrators 35

36 (1) Any Hungarian or foreign national, whether or not listed in the
roll of arbitrators, who:

37 - declares in writing to the Arbitration Court that he undertakes to
perform the arbitrator's functions according to the present Rules of
Procedure;

38 - is independent and unprejudiced and declares these facts in writ-
ing to the Arbitration Court;

39 - commands the necessary level of legal, economic and other
knowledge to enable him to resolve legal disputes falling under
the jurisdiction of the Arbitration Court;

40 - possesses the required language skills; and

41 - does not fall under the limitations set forth in the provisions of
§12 of Act LXXI of 1994 on arbitration may be appointed an arbi-
trator.

42 (2) The Arbitration Court, for the purpose of informing the clients,
shall compile a roll of arbitrators and make it public. The Assembly
of the Delegates of the Hungarian Chamber of Commerce and In-
dustry shall, upon the proposal of the Presidium of the Arbitration
Court, select the arbitrators to be listed in the roll of arbitrators from
among persons who command legal, economic and other knowl-
edge necessary for the resolution of legal disputes by arbitration.
The roll of arbitrators is drawn-up for a five-year period and shall
include at least 25 and at most 100 persons. The arbitrators may
be re-elected for further term(s) of five years each. The roll of arbi-
trators may include Hungarian and foreign nationals alike. The roll
of arbitrators shall contain the given and family name, profession,
qualification, degree, academic title and language skill of each ar-
bitrator.

43 (3) In discharging their duties, the arbitrators shall be independent
and unbiased and shall not represent either party. In the course of

the proceedings, they must not accept instructions and shall retain
in strict confidence, also after the completion of the proceedings,
the circumstances they have addressed while discharging their du-
ties. The arbitrators may not provide information nor may they
make any statement in respect of any case which has been closed
or which is in progress.

(4) In specific cases, there shall be either a tribunal of three arbi- 44
trators or a sole arbitrator. The formation of the arbitral tribunal or
the appointment of the sole arbitrator shall occur according to the
present Rules of Procedure. The functions of a sole arbitrator are
identical with those of an arbitral tribunal.

Art. 5. Divisions of the Arbitration Court 45

(1) Upon the satisfaction of the conditions relating to personnel and 46
technical facilities determined by Act LXXI of 1994 and the Rules of
Procedure of the Arbitration Court, the Presidium of the Hungarian
Chamber of Commerce and Industry, in agreement with the Presid-
ium of the Arbitration Court, shall establish the county division upon
the proposal of the county chamber of commerce and industry. The
division shall constitute a body of the Arbitration Court attached to
the Hungarian Chamber of Commerce and Industry. The division
may be dissolved by the same procedure which was used for the
establishment thereof.

(2) The division shall have the following tasks: 47

(a) It shall, on its own operational territory, introduce arbitration, the 48
characteristics, the conditions and the operational systems of the
arbitral proceeding and, in respect thereof, assist the persons who
request such assistance.

(b) The county division of the Arbitration Court attached to the 49
Hungarian Chamber of Commerce and Industry shall hear a case,
if

- the seat (residence) of the domestic parties is located in the 50

county in which the division operates and the parties have so provided in the arbitration agreement (stipulation) or - at a well-grounded request of the parties, submitted simultaneously (but not later than the arrival of the statement of defense) with the statement of claim or the statement of defense, the Presidium of the Arbitration Court consents thereto.

51 (c) The division shall ensure the conditions necessary for the conduct of the proceeding (room for the hearing, computer, person taking the minutes).

52 (3) Upon establishment of the county division, the Presidium of the Arbitration Court shall initiate at the Assembly of the Delegates, upon the proposal of the county of chamber of commerce and industry, the approval of the roll of arbitrators, in the nature of a proposal, of the division.

53 Art. 6. The Secretariat

54 The Secretariat shall discharge the administration of the Arbitration court as well as other duties according to the present Rules of Procedure.

55 Art. 7. Seat of the Arbitration Court, Place of Hearings

56 (1) The seat of the Arbitration Court is in Budapest.

57 (2) The place of the hearings is in Budapest at the Headquarters of the Hungarian Chamber of Commerce and Industry. The arbitral tribunal may, if necessary, conduct hearings at another place.

58 Art. 8. Filing of Documents

59 (1) All documents pertaining to the institution at the initiation or in the course of proceedings shall be submitted in that number of copies which enables each party and each interpleader to be provided with one copy and the Arbitration Court with four copies.

(2) The documents referred to in paragraph (1) shall be submitted in the language which the parties determined for the proceedings. (Paragraph (1) of Art. 9.) 60

(3) If no such determination was made, the documents shall, until the arbitral tribunal determines the language of the proceedings according to paragraph (3) of Art. 9., be submitted either in the Hungarian, the German or the English language depending on the decision of the Arbitration Court. 61

(4) The Secretariat of the Arbitration Court conducts its correspondence with the parties in one of the languages referred to in paragraph (3) until the arbitral tribunal determines the language of the proceedings. 62

Art. 9. The Language of Proceedings 63

(1) The parties may freely determine the language of the proceedings, provided the conditions for the proceedings conducted in such language may otherwise be ensured. 64

(2) If the parties fail to determine the language of the proceedings, the arbitral tribunal shall do so, taking into consideration all relevant factors in respect of the specific case, especially the language of the agreement entered into by the parties and the language of the correspondence. 65

(3) If the foreign party (parties) is (are) represented by a Hungarian attorney or a counsel (also), the proceedings shall be conducted in Hungarian, except in the case when the parties have stipulated a foreign language in accordance with paragraph (1) above. 66

(4) The minutes of the hearings and the resolutions adopted during the proceedings shall be in the language of the proceedings. 67

(5) If the jurisdiction of the Arbitration Court is based on an international agreement, the language of the proceedings shall be Hungarian. At the request and expense of a party who is not familiar 68

with the language of the proceedings, the Arbitration Court shall ensure the use of an interpreter. The Secretariat shall inform the affected parties about the terms and conditions relating to the use of such interpreter.

69 (6) If the foreign arbitrator is not familiar with the language of the proceedings, upon request, the Secretariat of the Arbitration Court shall provide an interpreter (translator).

70 Art. 10. The Term of Arbitral Proceedings

71 Whenever possible, the Arbitration Court shall complete the proceedings within six months of the formation of the arbitral tribunal.

72 Art. 11. Delivery and Service of Documents

73 (1) The documents relating to the specific case shall be delivered by the Secretariat to the addresses specified by the parties.

74 (2) The statement of claim, the statement of defence, other documents of the parties, the summons, and the decisions of the Arbitration Court shall be delivered by the Secretariat by registered letter with notice of receipt.

75 (3) The Secretariat may forward other documents by registered letter; notices and communications may be sent by cable, telecopier or telex.

76 (4) All documents set forth in the present Article may be served, against receipt, personally to the party.

77 (5) Unless otherwise agreed by the parties, any written communication shall be deemed to have been received on the day when it is delivered to

78 (a) the addressee personally, or

79 (b) the seat, office or residence (hereinafter together: seat), usual place of abode or mailing address of the addressee.

If none of the foregoing can be established, the written communication sent in a registered letter or in any way proving attempt of delivery to the last known seat, place of abode or mailing address of the addressee shall be deemed to have been received, in case of domestic addressee on the eighth day of dispatch, in case of foreign addressee on the fifteenth day of dispatch.

Art. 12. Arbitration Fees and Costs

(1) The computation, advance and sharing of the arbitration fees and the payment of the costs of the Arbitration Court shall be effected in accordance with the Regulation on Arbitration Fees, Costs and Expenses of the Parties, which constitutes an integral part of the present Rules of Procedure.

(2) The Arbitration Court may make an expert certification dependent on the advance payment of costs.

Art. 13. Representation of the Parties

(1) The parties may participate in the arbitration procedure either in person or by means of duly authorized representatives.

(2) A party may, at his discretion, choose a representative who may also be a foreign national.

(3) Arbitrators included in the Roll of Arbitrators of the Arbitration Court, cannot act as legal representatives in any proceedings, handled by this institution. Any person who is not included in the said Roll, however, appointed as arbitrator by one of the parties should not undertake legal representation in the Arbitration Court either during the period of performing this function or within 6 months following the cessation of duties as arbitrator.

Art. 14. The Applicable Law

(1) The arbitral tribunal and the sole arbitrator (hereinafter the "arbitral tribunal") shall apply the law stipulated by the parties. The stipulation of a given legal system is to be understood to be the

stipulation that refers directly to the substantive law and not to the conflict of law norms of the given state.

90 (2) Failing stipulation by the parties, the arbitral tribunal shall apply the law which it considers to be applicable according to the rules of Hungarian private international law.

91 (3) The arbitral tribunal renders a decision on the basis of equity (ex aequo et bono) or as a friendly intermediary (amiabile compositeur) only if it has been expressly authorized to do so by the parties.

92 (4) In each case, the arbitral tribunal makes its decisions in compliance with the stipulations of the contract and by taking into consideration applicable commercial customs.

93 Art. 15. Confidential Treatment of the Decisions of the Arbitration Court

94 (1) The Arbitration Court may not give any information on its decisions or their contents.

95 (2) The decision of the Arbitration Court may be published in legal journals or special publications only upon the permission of the President of the Arbitration Court and only in such a way that the interests of the parties will not suffer any harm; furthermore, the names of the parties, their countries of residence, the nature and countervalue of the services rendered, or any one of these particulars can only be included in a publication with the express consent of both parties.

96 Art. 16. Waiver of the Right to Protest Against Violation of the Rules of Procedure

97 A party who is aware that some stipulation or provision of the present Rules of Procedure has not been observed and continues, despite this, to participate in the proceedings without immediately

lodging a protest against divergence from the stipulation or provision shall be deemed to have waived his right to protest.

II. - Arbitral Proceedings

Art. 17. Mode of the Proceedings

(1) The Arbitration Court conducts the proceedings according to the provisions of the present Rules of Procedure. In respect of procedural issues not provided for by the present Rules of Procedure and failing a unanimous declaration by the parties, the Arbitration Court proceeds at its own discretion, taking into consideration the general principles of procedure appropriate for the domestic or international character of the legal relationship between the parties.

(2) In the course of the proceedings, due respect shall be paid to the principles of equal rights and treatment of the parties and to the right of each party to familiarize himself with the documents of the arbitral proceedings, the documents filed and evidence submitted by other parties, and the procedural actions taken by the Arbitration Court, and to the right of each party to set forth his standpoint orally or in writing in the course of the arbitral proceedings.

(3) In the course of the proceedings, the Arbitration Court seeks a peaceful settlement of the dispute (reaching of agreement) between the parties.

Art. 18. Appointment of the Arbitrators

(1) Each party is authorized to designate an arbitrator. The parties are free to agree on the number of the arbitrators, however, the number of the arbitrators may only be an uneven number. Failing such agreement, the number of arbitrators shall be three. If there are several claimants or several defendants, the group of claimants and the group of defendants may each designate one arbitrator. The parties may also elect a substitute arbitrator. A

party may request that the Arbitration Court appoint an arbitrator for such party.

105 (2) The provisions of Art. 4. of the present Rules of Procedure shall apply to the appointment of the arbitrators by the parties.

106 (3) The claimant designates the arbitrator in his statement of claim. The defendant must designate an arbitrator within thirty days from the date of delivery of the statement of claim even if he contests the jurisdiction of the Arbitration Court or if he submits his statement of defence at a later date.

107 (4) The arbitrators appointed by the parties shall elect the third arbitrator who will discharge the duties of presiding arbitrator of the arbitral tribunal. The provisions set forth in Art. 4. shall also apply to the election of the presiding arbitrator of the arbitral tribunal. If the arbitrators appointed by the parties elect a presiding arbitrator not included in the roll of arbitrators, they shall notify the Presidium of the Arbitration Court thereof, designating the reasons for such election.

108 (5) If the parties agree, the case may be judged by a sole arbitrator. The provisions set forth in Art. 4. shall also apply to the appointment of the sole arbitrator.

109 (6) Settlement of the dispute by a sole arbitrator does not require an express agreement between the parties if, in his statement of defence, the defendant requests that the arbitrator appointed by the claimant proceed as sole arbitrator.

110 (7) If the claimant has not appointed an arbitrator in his statement of claim nor did he request that the Arbitration Court appoint an arbitrator, the Arbitration Court will request that the claimant remedy such failure. If the claimant fails to comply with the request of the Arbitration Court within the time limit determined, the Arbitration Court shall terminate the proceedings. If the defendant does not appoint an arbitrator within thirty days from date of delivery of

the statement of claim the Arbitration Court shall set an additional time limit of fifteen days. If this time limit has passed with no appointment made, the Arbitration Court shall appoint an arbitrator. The Arbitration Court proceeds in the same manner if the arbitrators appointed by the parties do not appoint the presiding arbitrator within fifteen days, or within thirty days if an arbitrator with residence abroad has been involved.

(8) The appointment of an arbitrator, whose residence is in the country or abroad, shall only be valid if the party appointing such arbitrator advances the travel and living expenses of such arbitrator within the time limit determined by the Arbitration Court. Upon a failure to do so, the provisions of paragraph (7) of this Article shall apply. If the parties or the arbitrators elected by the parties elect a presiding arbitrator whose residence is in the country or abroad and the defendant fails to advance the travel and the living expenses requested by the Secretariat, that is 50% of the total costs, the Arbitration Court may request that the claimant advance such amount instead of the defendant. If the claimant fails to comply with the request, the Arbitration Court shall terminate the proceedings.

(9) If the arbitrators appointed by the parties or the presiding arbitrator appointed by the arbitrators do not undertake to discharge the duties of arbitrators or presiding arbitrator respectively, or for any reason they are prevented from discharging their duties, the Arbitration Court will request the party (if he has not already designated a substitute arbitrator) to appoint a new arbitrator within thirty days or will determine the same time limit for the arbitrators to appoint the presiding arbitrator. If either time limit passes with no appointment made, the Arbitration Court shall appoint the arbitrator or the presiding arbitrator.

(10) If several claimants or several defendants cannot come to an understanding as to the arbitrator to be appointed, the arbitrator shall be appointed by the Arbitration Court, giving due considera-

tion to the proposals of the parties.

114 (11) The Arbitration Court may appoint an arbitrator or a presiding
arbitrator only from the roll of arbitrators.

115 (12) The rights of the Arbitration Court set forth in the present Article
shall be exercised by the President of the Arbitration Court.

116 Art. 19. Challenging the Arbitrators or the Presiding Arbitra-
tor

117 (1) Unless the parties otherwise agree, no one can be excluded
by reason of his citizenship or nationality from proceeding as an
arbitrator or presiding arbitrator.

118 (2) Either party may challenge the arbitrator or the presiding arbi-
trator if circumstances give rise to well-founded doubts concerning
their impartiality or independence, or if an arbitrator or the presid-
ing arbitrator does not possess the qualifications specified by the
parties. A party may challenge the arbitrator appointed by him only
if circumstances justifying such challenge became known to him
after the appointment.

119 (3) The arbitrators and the presiding arbitrator shall, without delay,
notify the other members of the arbitral tribunal and the parties, and
the sole arbitrator shall notify the President of the Arbitration Court
and the parties, if they become aware of any circumstances which
are not in accord with their independence and impartiality.

120 (4) The other members of the arbitral tribunal shall decide in re-
spect of a challenge made by a party, or the notice provided by the
arbitrator or presiding arbitrator. If no agreement can be reached,
or two arbitrators or the sole arbitrator have been challenged, the
President of the Arbitration Court shall make a decision relating to
the challenge.

121 (5) If the challenge or the notice is found to be well grounded, a

new arbitrator, presiding arbitrator or sole arbitrator shall be des-
ignated or appointed according to the present Rules of Procedure.
The arbitral tribunal decides, upon the request of a party or on its
own motion, whether hearings previously held shall or shall not be
repeated.

(6) The provisions of the present Article shall also apply, where 122
appropriate, to experts and interpreters.

(7) Any objection must be raised at the first hearing held with re- 123
spect to the case. The objection may also be raised in a later phase
of the proceedings if the events set forth in paragraph (2) occur at
a later date.

Art. 20. Termination of Arbitrator's Duties 124

The arbitrator's duties terminate if the proceedings are completed, 125
or an arbitrator or the presiding arbitrator is unable to discharge his
duties for any reason, or he resigns or is prevented for a long period
of time from discharging those duties, or according to a finding of
the President of the Arbitration Court he does not discharge his
duties and does not satisfy the provisions set forth in the declaration
he has made according to paragraph (1) of Art. 4, or the parties
agree to terminate the case. In such cases, the appointment of the
new arbitrator or the presiding arbitrator shall take place according
to the provisions of the present Rules of Procedure.

Art. 21. Institution of Arbitral Proceedings 126

(1) The arbitral proceedings shall be instituted by the filing 127
of a statement of claim with the Secretariat of the Arbitration
Court.

(2) The date of the filing of the statement of claim shall be: 128

- the date of its submission to the Secretariat of the Arbitration Court 129
or

- in case of delivery by mail, the date of its arrival (stamp indicating 130

date of receipt) to the Secretariat.

131 (3) The statement of claim shall be sent via registered mail by the
claimant to the defendant simultaneously with the filing of the state-
ment of claim with the Secretariat of the Arbitration Court, also the
claimant shall transfer the registration fee of HUF 15.000,- or USD
200,- to the account of the Arbitration Court and submit the bank
certificate thereof to the Secretariat of the Arbitration Court.

132 Art. 22. Contents of the Statement of Claim

133 (1) The statement of claim must indicate:

134 a) the names and addresses of the parties;

135 b) the data establishing the jurisdiction of the Arbitration
Court;

136 c) the claim of the claimant;

137 d) the legal grounds of the claim, the facts on which the claimant
bases his claim, as well as reference to evidence supporting
it;

138 e) the amount in dispute;

139 f) the given and family name of the arbitrator appointed by claimant
or a request for the appointment of an arbitrator by the Arbitration
Court;

140 g) a list of the documents attached to the statement of claim
and

141 h) the proper signature of the claimant or the signature of his coun-
sel with certified authorization.

142 (2) The Claimant shall transfer the advance payment as commu-
nicated by the Secretariat to the bank account of the Arbitration
Court by the deadline stated in such communication. The afore-
mentioned payments are a condition to the launching of the pro-
ceedings.

Art. 23. Amount in Dispute

(1) The amount in dispute is determined:

a) if the claim is for recovery of money, by the sum so
claimed;

b) if the claim is for vindication of property, by the value of the prop-
erty so vindicated;

c) if the claim is for recognition of legal fact, by the value of the
subject-matter of the legal relationship;

d) if the claim is for an act to be performed or for abstention there-
from, by the pecuniary interest of the claimant.

(2) In determining the amount in dispute, the value existing at the
date of filing the claim shall govern.

(3) In the case of cumulative claims, the value of each claim shall
be determined separately, and the total sum of all such claims shall
determine the amount in dispute.

(4) The claimant shall indicate in the statement of claim the amount
in dispute even where his claim, or part of it, has non-pecuniary
character.

(5) If the claimant failed to indicate the amount in dispute or deter-
mined it incorrectly, the Arbitration Court shall, on its own motion, or
upon the defendant's request determine the amount in dispute on
the strength of the available data.

Art. 24. Correction of defects in the Statement of Claim

(1) On a finding by the Arbitration Court that the statement of claim
does not meet the requirements set forth in the present Rules of
Procedure, the Head of the Secretariat shall request the claimant
to correct said defect, setting a time limit therefor. The time limit
set for the claimant to correct the defects shall not exceed sixty
days from the date of the receipt of such request. Provided that

the claimant corrects the defects within the time-limit set therefor, the date indicated in paragraph (2) of Art. 21. shall be considered as the date of filing the claim.

155 (2) Where the claimant disregards the request to correct the defects of the statement of claim, the Arbitration Court shall decree a termination of the action.

156 Art. 25. Statement of Defence

157 (1) Upon receipt of the statement of claim, the Secretariat shall notify the defendant, sending him copies of the statement of claim including annexes as well as a copy of the roll of arbitrators.

158 (2) Simultaneously, the Secretariat shall inform the defendant that he is required, within thirty days of the service of the statement of claim, to submit his statement of defence together with the relevant proof. Upon the defendant's request, the time limit may be extended by a maximum of thirty days; the claimant simultaneously being informed thereof. The provisions applicable to the contents of the statement of claim shall apply, where appropriate, to the contents of the statement of defence.

159 (3) If the defendant does not submit his statement of defence within the extended time limit, the Arbitration Court may make a decision on the basis of the documents and evidence available to it.

160 (4) The defendant shall, within thirty days, designate an arbitrator or submit a request to the Arbitration Court to do so in his place.

161 Art. 26. Amendment of Statement of Claim or Statement of Defence

162 In the course of the arbitral proceedings, either party may amend or add to his statement of claim or statement of defence, respectively, unless the Arbitration Court considers it impermissible, because of the expected delay arising from the amendment or addi-

tion, the prejudice threatening the other party or any other circumstances.

Art. 27. Formation of the Arbitral Tribunal

(1) The arbitrators appointed by the parties or the Arbitration Court shall elect the presiding arbitrator of the arbitral tribunal in accordance with the provisions of Art. 4.

(2) From its time of formation, the arbitral tribunal shall take all measures necessary to conduct the arbitral proceedings to which it may request the assistance of the Secretariat.

(3) The Secretariat shall inform the parties about the formation and the composition of the arbitral tribunal without delay.

Art. 28. Preparation of the Case by the Arbitrators

(1) The arbitral tribunal shall review the measures taken for preparation of the hearing. If necessary, the arbitral tribunal shall effect further preparatory measures; in particular, it shall request the parties to submit written declarations, proofs and additional documents. The arbitral tribunal shall decide what further documents the parties are obliged or authorized to submit in addition to the statement of claim and the statement of defence and shall determine the time limits for their submission.

(2) If a party fails to comply with the request referred to in paragraph (1) within the time limit determined by the arbitral tribunal, the arbitral tribunal may render its decision based on the documents available to it.

(3) Upon the request of the presiding arbitrator of the arbitral tribunal, the Secretariat shall take the necessary measures for the preparation and conduct of the hearings and for summoning the parties to the hearings.

Art. 29. Summons to the Hearing

- (1) The time and place of the hearing shall be communicated to the parties by summons served, allowing the parties at least thirty days - eight days in the case of exclusion of shareholders of companies - to prepare for the hearing and to arrive at the place of hearing. Upon the agreement of the parties or in case of a continuance, this time limit may be shortened.
- 173 (2) If in a case aiming at the exclusion of any shareholder of a company, the defendant is a foreigner and the defendant of the representative thereof shall not appear at the hearing, the hearing is to be held if the summons by registered mail or in another way (e.g. fax activity report) have been proved to have been delivered, in lack of the aforesaid conditions in the case when eight days have passed since the deadline set forth 10 (2) of the Arbitration Law.
- 174 Art. 30. Interpleading in the Proceedings
- 175 (1) Any person having a legal interest in the outcome of the arbitral proceedings may submit an interpleader in order to assist the party having the same interest to win the case. A request concerning interpleading shall be submitted to the Arbitration Court at least fifteen days before the day of the first hearing in the language of the proceedings and in a number of copies enabling each party to be provided with one copy and the Arbitration Court with four copies.
- 176 (2) The admissibility of an interpleader shall be decided by the arbitral tribunal. An interpleader may only be admitted if all parties give their consent thereto.
- 177 Art. 31. Presence at the Hearing
- 178 Hearings shall not be public. In addition to the presiding arbitrator, the members of the arbitral tribunal, the parties, the recorder, the interpreter, the experts, the witnesses and the President of the Arbitration Court, only such persons may be present at the hearings
- 172 whose presence has been consented to by the arbitral tribunal and all parties. The names of all persons present at the hearings on behalf of the parties shall be recorded in the minutes.
- Art. 32. Participation of the Parties 179
- (1) Hearings can be held even in the absence of a party, provided that the party has been duly notified of the date and the place of the hearing, except when prior to the opening of the hearing, the defaulting party has requested the postponement of the hearings on grounds deemed to be justified by the arbitral tribunal. 180
- (2) Each party may request that the hearing be held even in his absence. 181
- Art. 33. Examination of the Case Without Oral Hearing 182
- (1) By submitting a joint petition, the parties may request that the Arbitration Court pass its decision without conducting an oral hearing merely on the strength of the material on file. Nevertheless, the Arbitration Court may order oral hearings when such hearings are considered to be necessary. 183
- (2) No joint petition of the parties is necessary for passing a decision without conducting an oral hearing if in his statement of defence, the defendant has recognized the claim of the claimant. 184
- Art. 34. Counterclaim and Claim for Set-Off 185
- (1) Before the close of the hearing on the principal claim, the defendant may submit a counterclaim, provided the Arbitration Court has jurisdiction over the counterclaim. If the arbitral proceedings are protracted, because of an unjustified delay in presenting the counterclaim, the Arbitration Court may request the defendant to refund the additional costs resulting therefrom to the Court and to the other party. 186
- (2) A counterclaim shall be governed by the same rules that apply 187

to the principal claim.

188 (3) The defendant may also submit a claim for set-off against the
claimant in respect of due claims and of the same kind, provided
the Arbitration Court has jurisdiction over such claims.

189 Art. 35. Evidence

190 (1) Each party must prove the circumstances on which he bases
a claim or a defence. The Arbitration Court may instruct a party
to submit further evidence, order the presentation of expert opin-
ion, obtain evidence from third persons and order the hearing of
witnesses.

191 (2) The parties shall submit the original written evidence or a cer-
tified copy thereof, in such number of copies which enables each
party to be provided with one copy and the Arbitration Court with
four copies. If it becomes necessary for the determination of the
case, the Arbitration Court may request that the party submit the
written evidence translated into the language of the contract or the
language of the proceedings.

192 (3) If the party does not submit the required evidence within the
time limit determined by the arbitral tribunal, the arbitral tribunal
may make its decision on the basis of the information and evidence
available to it.

193 (4) The manner of taking evidence shall be determined by the arbi-
tral tribunal. The arbitrators shall evaluate the evidence according
to their inner conviction.

194 (5) The arbitral tribunal is authorized to order the use of one or
more experts and request the provision by such experts of a writ-
ten opinion on the issues to be determined by the arbitral tribunal.
The arbitral tribunal shall inform the parties about the duties of the
expert by sending a copy of its order.

195 (6) The parties shall provide all essential information to the expert

and present to him, for purposes of examination, all such docu-
ments or products as he may deem necessary. Any dispute arising
between a party and an expert concerning whether the expert jus-
tifiably requested information or the presentation of products shall
be brought before the Arbitration Court for its decision.

(7) Upon receipt, the Arbitration Court shall deliver the expert opin- 196
ion to all parties, providing them with the opportunity to remark on
its content. Each party is authorized to examine all those docu-
ments on which the expert has based his opinion.

(8) After submission of the expert opinion, the expert may be re- 197
quested to appear at a hearing where the parties may put questions
to the expert. At such hearing, each party may bring forward ex-
pert witnesses for providing evidence to the disputed issues. The
provisions of Art. 28. shall apply to this procedure.

(9) Upon ordering expert testimony, the Arbitration Court shall, in 198
a decision, require the parties to advance the fees and costs of
the expert witnesses. The advance of such fees and costs shall
generally be paid by the parties in an equal proportion. If any of
the parties fails to make the advance payment within the time pe-
riod designated by the Arbitration Court, such advance payment
of fees and costs shall be borne also by the other party. In the
event that, as a result of the non-payment of the advance relating
to such fees and costs, the expert testimony fails, the Arbitration
Court shall make its decision upon the available evidence.

Art. 36. Postponement of Hearing and Stay of Proceedings 199

(1) At the request of the parties or on its own motion, the Arbitration 200
Court may order a postponement of the hearing.

(2) Upon a jointly submitted request of the parties or on its own 201
motion, the Arbitration Court may order a stay of the proceedings
for a definite period of time. The duration of the stay of proceed-

	ings shall be stated or extended for a period of time exceeding six months only in exceptional cases.	(1) The arbitral tribunal shall close the proceedings either by award or by order.	218
202	Art. 37. Minutes of the Arbitral Hearings	(2) The arbitral tribunal gives an award if it decides the case on its substance or if the parties, in accordance with their agreement, request an award.	219
203	(1) The arbitral tribunal shall prepare the minutes of the hearings, which must contain the following:	(3) Prior to the closure of the proceedings, the arbitral tribunal may give an interim award or a partial award.	220
204	a) identification of the Arbitration Court;	Art. 39. Granting of Award	221
205	b) file number of the case;	(1) If the arbitral tribunal is satisfied that the circumstances of the dispute have been sufficiently clarified, it shall declare the taking of evidence completed. After having heard the closing arguments of the parties, the arbitral tribunal shall close the hearing and render its decision.	222
206	c) place and date of the hearing;	(2) The award shall be made by the arbitral tribunal in camera by a majority vote. If a majority opinion cannot be formed, the Arbitration Court shall grant the award according to the opinion of the presiding arbitrator of the arbitral tribunal.	223
207	d) names of the parties to the dispute and their representatives;	Art. 40. Content of the Arbitral Award	224
208	e) names of the persons participating in the hearing on behalf of the parties;	(1) The arbitral award shall contain the following:	225
209	f) statement of the parties; participation or absence;	a) identification of the Arbitration Court;	226
210	g) given and family names of the arbitrators, the presiding arbitrator, the witnesses, the experts, the interpreter and other persons participating at the hearing;	b) file number of the case;	227
211	h) a short description of the course of the hearing;	c) place and date of granting the award;	228
212	i) claims and relevant statements of the parties;	d) names of the parties and other persons participating in the proceedings;	229
213	j) indications of the grounds for a postponement of the hearing or the close of the proceedings and	e) subject-matter of the dispute and a summary of the circumstances of the case;	230
214	k) the signatures of the arbitrators.	f) decisions on the claims and counterclaims, the fees and costs	231
215	(2) The parties may inspect the minutes. Upon the request of either party, the arbitral tribunal may order a correction or completion of the minutes.		
216	(3) Each party, upon request, shall be provided with a copy of the minutes.		
217	Art. 38. Closing of the Proceedings		

of the arbitral proceedings and the costs and expenses of the parties;²⁴¹

232 g) reasons for the award;

233 h) given and family names of the arbitrators or sole arbitrator and the presiding arbitrator and

234 i) the signatures of the arbitrators.

235 (2) The validity of the award is not effected if it is signed by two arbitrators only, provided that the award indicates the reason as to why the third arbitrator has not signed and the President of the Arbitration Court verifies such circumstance.

236 (3) If no time limit is indicated in the award for its execution, its execution shall take place immediately.

237 Art. 41. Announcement of the Award

238 (1) The Arbitration Court's award and its grounds shall be delivered in writing to the parties no later than thirty days from close of the oral hearings. If the arbitral tribunal includes an arbitrator with residence abroad, the time limit is sixty days.

239 (2) If the nature of the case allows, the Arbitration Court shall announce its award orally immediately after the close of the oral hearings to the parties present and shall communicate the award to the parties absent in writing. In such case, the Arbitration Court also has the option to announce only the operative provisions of the award and to communicate to the parties the grounds for the award within thirty days from the closure of the proceedings or within sixty days if the arbitral tribunal includes an arbitrator residing abroad.

240 (3) The President of the Arbitration Court may, in justified cases and taking into consideration the nature of the case, extend the time limits set forth in the present Article.

Art. 42. Completion and Rectification of the Arbitral Award

(1) Upon the request of a party submitted not later than thirty days²⁴² from delivery of the award, the Arbitration Court may pass a supplementary award if the arbitral award failed to contain a decision on each and every claim of the parties. A supplementary award must be based on a new hearing to which the Arbitration Court shall summon the parties.

(2) Upon the request of a party, submitted within thirty days of notice, or on its own motion, the Arbitration Court shall order the rectification of typing errors or mistakes in the text of the award insofar as these do not affect the merits of the case, as well as any computation errors. The other party shall be informed of such request.²⁴³

(3) The supplementary award or order regarding the rectification of the award shall form an integral part of the completed or rectified award. The parties shall be charged no expenses in connection with the completion or rectification of the award.²⁴⁴

Art. 43. Enforcement of the Arbitral Award²⁴⁵

The effect of an award of an arbitral tribunal is the same as that²⁴⁶ of a non-appealable court judgment. The decision of the Arbitration Court is final and binding; no appeal may be lodged or review may be initiated against such decision. The parties are required to comply with such decision voluntarily. The enforcement of the arbitral award shall be governed by the rules and regulations applicable to the enforcement of court judgments in effect at the place of enforcement.

Art. 44. Termination of Proceedings Without Award²⁴⁷

(1) If the Arbitration Court does not give an award, it shall terminate²⁴⁸ the case by order.

(2) The Arbitration Court shall order the termination of the case²⁴⁹

if:

- 250 a) the claimant has withdrawn his claim, except if the defendant objects thereto, and the arbitral tribunal acknowledges the defendant's legitimate interest in obtaining a decision on the merits;
- 251 b) the parties have concluded an arrangement which will be approved by the Arbitration Court without the granting of an award;
- 252 c) the parties agree on the termination of the proceedings,
- 253 d) after the preliminary notification of the parties, the conditions for the examination of the case and a decision on its merits are lacking and cannot be developed within a foreseeable short period of time; including the case where the claimant does not request the continuance of the proceedings within thirty days from the expiry of the stay or
- 254 e) the Arbitration Court states a lack of its own jurisdiction.
- 255 (3) The provisions of Articles 39 to 43 shall, as appropriate, apply to the order. If the arbitral tribunal has not been formed yet, the order relating to the termination of the case shall be delivered by the President of the Arbitration Court - except lit. d, of paragraph (2).

256 III. - Conciliation Procedure

257 Art. 45. Conduct of Conciliation Procedure

- 258 (1) If arbitral proceedings have not yet been instituted, the Arbitration Court may conduct conciliation proceedings in respect of those cases which would belong to its jurisdiction even if the parties have not concluded an arbitration agreement.
- 259 (2) The conciliation procedure commences upon its initiation by one

of the parties. The Arbitration Court shall forward the request to the other party, requesting him to declare to the Arbitration Court within thirty days whether he is ready to participate in the conciliation procedure. If the other party declares that it does not want to participate in the conciliation procedure or fails to transfer the appropriate portion of the fee of the proceedings to the Arbitration Court within thirty days, the conciliation procedure shall be considered as having failed.

(3) If the parties agree to the conciliation procedure, the President of the Arbitration Court shall appoint a conciliator from among the arbitrators listed in the roll of arbitrators. The conciliator shall examine the documents submitted by the parties, invite the parties to an oral hearing and propose a peaceful settlement of the dispute. 260

(4) If an agreement is reached between the parties, this shall be recorded in the minutes. The parties and the conciliator shall sign the minutes. Upon the request of all parties, the President of the Arbitration Court shall appoint the conciliator as sole arbitrator. In such case, at the request of the parties, the agreement shall be included in an arbitral award. 261

(5) If no agreement is reached, the proceedings shall be deemed terminated. The proposals and statements made by the parties in the course of the conciliation proceedings shall not be binding on the parties in any arbitral proceedings which may follow the conciliation. The other party may not refer to such statements in the course of the arbitral proceedings which may be instituted. Except for the case specified in paragraph (4) and by agreement of the parties, the conciliator may not later proceed in the case as an arbitrator and may not be the representative of, or adviser to, either party. 262

(6) The expenses of the conciliation proceedings shall be determined by the Secretariat as one-fourth of the amount determined 263

in the list of costs attached to the present Rules of Procedure. At the institution of the conciliation proceedings, each party shall pay 50 percent of the costs in advance.

264 (7) The party initiating the conciliation procedure shall, simultaneously with initiating conciliation, make an advance payment for his portion of the costs. If the other party does not participate in the conciliation, the Arbitration Court shall, after having deducted the costs of administration, return the amount of advance paid.

265 (8) The rules relating to the use of language set forth in this Rules of Procedure shall also apply to the conciliation procedure.

266 Regulation on the Arbitration Fees, Costs and Expenses of the Parties

267 Art. 1. Definitions

268 (1) "Registration Fee": the non-refundable fee to be paid simultaneously with filing the statement of claim as the condition of the launching of the proceedings.

269 (2) "Arbitration Fee": A payment covering the general costs of the operation of the Arbitration Court (arbitrators' fees, fees of legal and technical staff, administrative services, etc.) to be advanced by the claimant (claimant of counterclaim) as a condition to the continuation of the proceedings.

270 (3) "Arbitration Costs": Other costs incurred by the Arbitration Court in the course of the proceedings: experts' fees and additional costs of proceedings held in non Hungarian, English or German languages (see Art. 9 of the Rules of Proceedings, costs of other translations if any, fees of interpreters, experts and witnesses, travel and accommodation costs of arbitrators).

271 (4) "Expenses of the Parties": Costs incurred by the parties in con-

nection with protecting their interests before the Arbitration Court (travel expenses of the parties, legal fees, etc.).

Art. 2. Registration Fee 272

(1) The amount of the registration fee is 15,000 Hungarian Forints or 200 USD which shall be transferred by the claimant to the bank account of the Hungarian Chamber of Commerce and Industry, which bank account shall be notified by the Secretariat of the Arbitration Court to the claimant. 273

(2) The terms of the payment of the registration fee shall be governed by the rules applicable to the payment of the arbitration fee set forth in paragraph (3)(b) of Art. 3. 274

Art. 3. Arbitration Fee 275

(1) As a condition to the institution of the proceedings, an arbitration fee proportional to the amount in dispute shall be paid to a bank account of the Hungarian Chamber of Commerce and Industry, which bank account shall be notified by the Secretariat of the Arbitration Court. 276

(2) The arbitration fee shall be determined, depending on the amount in dispute, pursuant to the Hungarian Forint chart [Exhibit 1] or the USD chart [Exhibit 2]. 277

(3) (a) The arbitration fee shall be computed in the following currency: 278

- in Hungarian forint, if the amount in dispute has been denominated in Hungarian Forint; 279

- in USD (mid-exchange rate quoted by the National Bank of Hungary), if the amount in dispute has been denominated in other than Hungarian Forints. 280

281 (b) The arbitration fee shall be paid in the following currency:

282 - in Hungarian Forints, if the claimant is deemed to be Hungarian
for purposes of foreign exchange regulations;

283 - in USD, if the claimant is deemed to be a foreigner, for purposes of
foreign exchange regulations, from a former CMEA country;

284 - in any convertible currency, which was denominated for the
amount in disputed by the person, deemed to be a foreigner, for
purposes of foreign exchange regulations, from a country other
than a former CMEA country.

285 (4) If claims are submitted in various currencies, the Arbitration
Court shall determine a single currency for the arbitration fee.

286 (5) The arbitration fee is considered to have been paid upon the
claimant giving irrevocable instructions to the Bank of his own coun-
try for the transfer of the sum, provided that this sum is credited to
the account of the Hungarian Chamber of Commerce and Industry
within thirty days from said date.

287 **Art. 4. Reduction and Partial Refunding of the Arbitration
Fee**

288 (1) Fifty percent of the arbitration fee not including however the
registration fee shall be refunded to the claimant if the claimant
has withdrawn his claim before the date of the first hearing be-
cause, among other reasons, the parties have settled the dispute
by agreement, or the parties notify the Arbitration Court before the
date of the first hearing that they waive their request to have their
dispute settled by arbitration or the Arbitration Court terminates the
case for other reasons.

289 (2) The provisions of paragraph (1) above shall also apply to the
minimum arbitration fee.

290

(3) In cases set forth in paragraphs (1) and (2) above, the deci-
sion on a partial refund of the arbitration fee shall be made by the
Arbitration Court together with the decision on the termination of
proceedings. If the arbitral tribunal has not yet been formed, the
decision relating to the refund of the fee shall be made by the Pres-
ident of the Arbitration Court.

(4) If the Arbitration Court terminates the proceedings on grounds
of lack of its own jurisdiction at the latest at the first hearing, fifty per-
cent of the arbitration fee shall be refunded to the claimant.

291

Art. 5. Arbitration Fee in Respect Counterclaims

292

(1) The same arbitration fees apply to the counterclaim as to the
principal claim.

293

(2) If either party submits a claim for set-off, the judgement of which
requires a determination of additional facts or legal issues, the Ar-
bitration Court shall request that the party submitting the claim for
set-off pay the arbitration fee applicable to counterclaims.

294

(3) If the party claiming a counterclaim or a set-off does not pay
the fee determined for counterclaims and set-offs within the time
period determined by the arbitral tribunal, the Arbitration Court will
deem the counterclaim or the claim for set-off unasserted.

295

Art. 6. Division of the Arbitration Fee

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(1) Except when other rules apply, the arbitration fee shall be borne
by the losing party.

297

(2) In justified instances, the Arbitration Court may deviate from the
provisions set forth in paragraph (1).

298

(3) The parties may agree to the division of the arbitration fee in

299

a manner differing from the provisions of paragraphs (1) and (2) above.

300 **Art. 7. Arbitration Fee of Conciliation Procedure**

301 (1) The fee of the conciliation proceedings shall be twenty-five per-
cent of the arbitration fee but in any event not less than 15,000
Hungarian Forints or 300 USD.

302 (2) The fee of the conciliation proceedings shall be borne by the
parties in equal proportions.

303 **Art. 8. Expenses Relating to Arbitration**

304 (1) The parties shall bear the expenses of arbitration in accordance
with the provisions of Art. 6.

305 (2) If the proceedings are conducted in a language other than the
Hungarian, the German or the English language (Art. 9. of the
Rules of Proceedings), then the parties shall advance or bear the
excess costs that may be incurred as a result of the use of such
a foreign language in equal proportions. If the defendant does not
comply with the request of the Arbitration Court for the advance
payment of such costs within the time period determined, then at
the request of the Arbitration Court, the claimant shall advance the
amount of such costs. If the claimant fails to do so, the Arbitra-
tion Court will request that the parties agree, within a certain time
period, upon the use of either the Hungarian, the German or the En-
glish language during the proceedings. If the parties fail to comply
with such a request, the Arbitration Court shall, taking into consid-
eration all relevant factors relating to the specific case, determine
the use of one of the afore listed languages as the language of the
proceedings.

306 (3) The Arbitration Court may request that the claimant pay an ad-

vance to cover the costs arising in connection with the measures
necessary to conduct the proceedings. The Arbitration Court may
request that the party whose motion to take a certain measure in the
opinion of the Arbitration Court is justified also make an advance
payment.

(4) The Arbitration Court may request the party who appointed an
arbitrator with residence in the country or abroad, or the parties
who appointed a presiding arbitrator with residence in the coun-
try or abroad, to advance the travel and living expenses and the
interpreter's costs of such arbitrator or presiding arbitrator. If the
presiding arbitrator's residence is in the country or abroad, the par-
ties shall advance such costs in equal proportions.

(5) The costs of arbitration shall be determined in the currency in
which they have been incurred and shall be paid to the account of
the Hungarian Chamber of Commerce and Industry maintained at
such bank as the Secretariat will give notice of.

(6) Paragraph (5) of Art. 3. shall apply to the payment of costs and
cost advances.

Art. 9. The Expenses of the Parties

The provisions of Article 6 shall apply to the manner in which the
justified expenses of the parties are borne.

Art. 10. Exceptions

In variance with the provisions of Articles 6, 8 and 9, the Arbitration
Court may prescribe for a party to pay such surplus costs which
have been caused by his inexpedient or unjustified acts or proce-
dural acts carried out in bad faith. In this category are, among oth-
ers, procedural acts which cause surplus costs due to the taking of

measures proving to be unnecessary (e.g., causing a delay of the proceedings unjustified by the circumstances of the case).

314 **Exhibit 1**

315 HUNGARIAN FORINT-FEE CHART of the COURT of ARBITRATION attached to the Hungarian Chamber of Commerce and Industry effective as of April 1, 2000

316 Registration fee: 15.000,-Ft

317 Administrative expenses:

318

AMOUNT IN DISPUTE (in HUF)	ARBITRATION FEE (in HUF)
0 - 5.000.000:	2,4%, minimum 12.000
5.000.001 - 10.000.000:	120.000 + 2 % of the amount over 5.000.000
10.000.001 - 25.000.000:	220.000 + 1,6 % of the amount over 10.000.000
25.000.001-50.000.000:	460.000 + 1,2 % of the amount over 25.000.000
50.000.001 - 125.000.000:	760.000 + 0,8 % of the amount over 50.000.000
125.000.001 - 250.000.000:	1.360.000 + 0,4 % of the amount over 125.000.000
250.000.001 - 1.250.000.000:	1.860.000 + 0,2 % of the amount over 250.000.000
1.250.000.001 - 5.000.000.000:	3.860.000 + 0,12 % of the amount over 1.250.000.000
5.000.000.001 - above	8.360.000 + 0,007 % of the amount over 5.000.000.000

319 Arbitrator's fee:

320

AMOUNT IN DISPUTE (in HUF)	ARBITRATION FEE (in HUF)
0 - 5.000.000:	2,4%, minimum 20.000
5.000.001 - 10.000.000:	120.000 + 2 % of the amount over 5.000.000
10.000.001 - 25.000.000:	220.000 + 1,6 % of the amount over 10.000.000
25.000.001 - 50.000.000:	460.000 + 1,2 % of the amount over 25.000.000

50.000.001 - 125.000.000:	760.000 + 0,8 % of the amount over 50.000.000
125.000.001 - 250.000.000:	1.360.000 + 0,4 % of the amount over 125.000.000
250.000.001 - 1.250.000.000:	1.860.000 + 0,2 % of the amount over 250.000.000
1.250.000.001 - 5.000.000.000:	3.860.000 + 0,12 % of the amount over 1.250.000.000
5.000.000.001 - above	8.360.000 + 0,007 % of the amount over 5.000.000.000

321 In respect of both the Hungarian Forint and the USD charts, the arbitration fee consists of the aggregate amount of the administrative expenses and the arbitrator's fee. The arbitrator's fee means the fee payable to the arbitrator. In case of an arbitral tribunal, the arbitrator's fee shall be multiplied by the number of the members of the arbitral tribunal. The arbitrator's fee of the presiding arbitrator and of the sole arbitrator shall be increased by 30 % of the arbitrator's fee. The administrative expenses also include the fees payable to the local government and a social security contribution of 11 % on the arbitrators' fee.

322 **Exhibit 2**

323 USD-FEE CHART the COURT of ARBITRATION attached to the Hungarian Chamber of Commerce and Industry effective as of April 1, 2000

324 Registration fee: USD 200,-

325 Administrative expenses:

326

AMOUNT IN DISPUTE (in USD)	ARBITRATION FEE (in USD)
0 - 20.000:	2,4 % minimum 200
20.001 - 50.000:	480 + 2 % of the amount over 20.000
50.001 - 100.000:	1.080 + 1,6 % of the amount over 50.000
100.001 - 200.000:	1.880 + 1,2 % of the amount over 100.000

200-001 - 500.000:	3.080 + 0,8 % of the amount over 200.000
500.001 - 1.000.000:	5.480 + 0,4 % of the amount over 500.000
1.000.001 - 5.000.000:	7.480 + 0,2 % of the amount over 1.000.000
5.000.001 - 20.000.000:	15.480 + 0,12 % of the amount over 5.000.000
20.000.001 - above :	33.480 + 0,007 % of the amount over 20.000.000

327 **Arbitrator's fee:**

328

AMOUNT IN DISPUTE (in USD)	ARBITRATION FEE (in USD)
0-20.000:	2,4 %, minimum 120
20.001 - 50.000:	480 + 2 % of the amount over 20.000
50.001 - 100.000:	1.080 + 1,6 % of the amount over 50.000
100.001 - 200.000:	1.880 + 1,2 % of the amount over 100.000
200-001 - 500.000:	3.080 + 0,8 % of the amount over 200.000
500.001 - 1.000.000:	5.480 + 0,4 % of the amount over 500.000
1.000.001 - 5.000.000:	7.480 + 0,2 % of the amount over 1.000.000
5.000.001 - 20.000.000:	15.480 + 0,12 % of the amount over 5.000.000
20.000.001 - above:	33.480 + 0,007 % of the amount over 20.000.000

329

In respect of both the Hungarian Forint and the USD charts, the arbitration fee consists of the aggregate amount of the administrative expenses and the arbitrator's fee. The arbitrator's fee means the fee payable to the arbitrator. In case of an arbitral tribunal, the arbitrator's fee shall be multiplied by the number of the members of the arbitral tribunal. The arbitrator's fee of the presiding arbitrator and of the sole arbitrator shall be increased by 30 % of the arbitrator's fee. The administrative expenses also include the fees payable to the local government and a social security contribution of 11 % on the arbitrators' fee.

Information Page

330

Further Information at the Secretariat of the Arbitration Court 1055 Budapest, Kossuth tér 6-8

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Telephone: (36-1) 47-45-180,181,182,183,184

332

Fax: (36-1)-47-45-185

333

e-mail: vb@mail.mkik.hu

334

Bank account of the Hungarian Chamber of Commerce and Industry, No. 10300002-20373432-70073285 at the Hungarian Foreign Trade Bank

335

The Rules of Proceedings has been published in Hungarian, English and German languages. In case of discrepancies the Hungarian test shall prevail.

336

Responsible for the Publication: Dr. Éva Horváth President of the Court of Arbitration

337

Translated and revised by:

338

Prof. Dr. Iván Szász and Christine Holtzman Stroock & Stroock & Lavan Budapest

339

Metadata

SiSU Metadata, document information

Document Manifest @:

`<http://www.jus.uio.no/lm/hungary.arbitration.proceedings.rules.2000/sisu_manifest.html>`

Title: Rules of Proceedings of the Court of Arbitration attached to the Hungarian Chamber of Commerce and Industry effective as of April 1, 2000

Publisher: SiSU `<http://www.jus.uio.no/sisu>` (this copy)

Date: 2000-04-01

Topics Registered: procedure:convention;arbitration:procedure

Version Information

Sourcefile: hungary.arbitration.proceedings.rules.2000.sst

Filetype: SiSU text 2.0

Source Digest: SHA256(hungary.arbitration.proceedings.rules.2000.sst)=-6e301aea370c31f756170271e3214baca8487522d74a75387b8b5fb051f98d53

Skin Digest: SHA256(skin_lm.rb)=5acda64a9532f9ef6b71693da2b471d4efac2f23-a8499e68de066eec8ea9b8e9

Generated

Document (dal) last generated: Tue Sep 21 17:03:49 -0400 2010

Generated by: SiSU 2.6.3 of 2010w30/3 (2010-07-28)

Ruby version: ruby 1.8.7 (2010-08-16 patchlevel 302) [i486-linux]