

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

## Standard Arbitration Clause

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

Parties may wish to consider adding:

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

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

## I. - General Provisions

### Art. 1. Jurisdiction of the Court of Arbitration

(1) The jurisdiction of the Court of Arbitration (hereinafter: “Arbitration Court”) encompasses the settlement of all disputes where

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

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

(c) the jurisdiction of the Arbitration Court was stipulated in an arbitration agreement or is required by an international convention.

(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 relationship, 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 exchange of letters, telegrams, telex or any other means of telecommunication 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 arbitration agreement was entered into between them. The reference in a contract entered into in writing to a document containing an arbitration 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 Arbitration 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. 18

(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. 19

(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. 20

(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. 21

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

## Art. 2. Organization of the Arbitration Court 23

(1) The Arbitration Court consists of: 24

- the President 25

- the Presidium 26

- the county divisions and 27

- 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 Assem- 31

bly 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.

(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

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

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

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

- 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; 39

- possesses the required language skills; and 40

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

(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 Industry 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 knowledge 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 arbitrators may include Hungarian and foreign nationals alike. The roll of arbitrators shall contain the given 42

and family name, profession, qualification, degree, academic title and language skill of each arbitrator.

(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 duties. 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. 43

(4) In specific cases, there shall be either a tribunal of three arbitrators 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. 44

#### Art. 5. Divisions of the Arbitration Court 45

(1) Upon the satisfaction of the conditions relating to personnel and 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 Presidium 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. 46

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

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

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

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

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

(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. 52

#### Art. 6. The Secretariat 53

The Secretariat shall discharge the administration of the Arbitration court as well as 54

other duties according to the present Rules of Procedure.

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

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

(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. 57

Art. 8. Filing of Documents 58

(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. 59

(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 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. 68

(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). 69

#### Art. 10. The Term of Arbitral Proceedings 70

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

#### Art. 11. Delivery and Service of Documents 72

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

(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. 74

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

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

(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 77

(a) the addressee personally, or 78

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

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. 80

#### Art. 12. Arbitration Fees and Costs 81

(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. 82

(2) The Arbitration Court may make an expert certification dependent on the advance payment of costs. 83

#### Art. 13. Representation of the Parties 84

(1) The parties may participate in the arbitration procedure either in person or by means of duly authorized representatives. 85

(2) A party may, at his discretion, choose a representative who may also be a foreign 86



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. 87

Art. 14. The Applicable Law 88

(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. 89

(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. 90

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

(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. 92

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

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

(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. 95

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

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. 97

## II. - Arbitral Proceedings 98

Art. 17. Mode of the Proceedings 99

(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. 100

(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. 101

(3) In the course of the proceedings, the Arbitration Court seeks a peaceful settlement of the dispute (reaching of agreement) between the parties. 102

#### Art. 18. Appointment of the Arbitrators 103

(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. 104

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

(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. 106

(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. 107

(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. 108

(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. 109

(7) If the claimant has not appointed an arbitrator in his statement of claim nor did 110

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. 111

(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. 112

(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 consideration to the proposals of the parties. 113

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

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

Art. 19. Challenging the Arbitrators or the Presiding Arbitrator 116

(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. 117

(2) Either party may challenge the arbitrator or the presiding arbitrator if circumstances give rise to well-founded doubts concerning their impartiality or independence, or if an arbitrator or the presiding arbitrator does not possess the qualifications specified by the 118

parties. A party may challenge the arbitrator appointed by him only if circumstances justifying such challenge became known to him after the appointment.

(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. 119

(4) The other members of the arbitral tribunal shall decide in respect 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. 120

(5) If the challenge or the notice is found to be well grounded, a new arbitrator, presiding arbitrator or sole arbitrator shall be designated 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. 121

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

(7) Any objection must be raised at the first hearing held with respect 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. 123

#### Art. 20. Termination of Arbitrator's Duties 124

The arbitrator's duties terminate if the proceedings are completed, 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. 125

#### Art. 21. Institution of Arbitral Proceedings 126

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

(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 or 129

- in case of delivery by mail, the date of its arrival (stamp indicating date of receipt) to the Secretariat. 130

(3) The statement of claim shall be sent via registered mail by the claimant to the defendant simultaneously with the filing of the statement of claim with the Secretariat of the Arbitration Court, also the claimant shall transfer the registration fee of HUF 15.000,- or 131

USD 200,- to the account of the Arbitration Court and submit the bank certificate thereof to the Secretariat of the Arbitration Court.

Art. 22. Contents of the Statement of Claim 132

(1) The statement of claim must indicate: 133

a) the names and addresses of the parties; 134

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

c) the claim of the claimant; 136

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

e) the amount in dispute; 138

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; 139

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

h) the proper signature of the claimant or the signature of his counsel with certified authorization. 141

(2) The Claimant shall transfer the advance payment as communicated by the Secretariat to the bank account of the Arbitration Court by the deadline stated in such communication. The aforementioned payments are a condition to the launching of the proceedings. 142

Art. 23. Amount in Dispute 143

(1) The amount in dispute is determined: 144

a) if the claim is for recovery of money, by the sum so claimed; 145

b) if the claim is for vindication of property, by the value of the property so vindicated; 146

c) if the claim is for recognition of legal fact, by the value of the subject-matter of the legal relationship; 147

d) if the claim is for an act to be performed or for abstention therefrom, by the pecuniary interest of the claimant. 148

(2) In determining the amount in dispute, the value existing at the date of filing the claim shall govern. 149

(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. 150

(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. 151

(5) If the claimant failed to indicate the amount in dispute or determined it incorrectly, 152

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.

(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.

Art. 25. Statement of Defence

(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.

(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.

(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.

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

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

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 addition, 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

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(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.

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(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.

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(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.

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#### Art. 29. Summons to the Hearing

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(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.

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(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.

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#### Art. 30. Interpleading in the Proceedings

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(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.

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(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.

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#### Art. 31. Presence at the Hearing

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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

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hearings 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

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(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.

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(2) Each party may request that the hearing be held even in his absence.

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Art. 33. Examination of the Case Without Oral Hearing

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(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.

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(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.

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Art. 34. Counterclaim and Claim for Set-Off

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(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.

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(2) A counterclaim shall be governed by the same rules that apply to the principal claim.

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(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.

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Art. 35. Evidence

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(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 opinion, obtain evidence from third persons and order the hearing of witnesses.

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(2) The parties shall submit the original written evidence or a certified 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.

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(3) If the party does not submit the required evidence within the time limit determined

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by the arbitral tribunal, the arbitral tribunal may make its decision on the basis of the information and evidence available to it.

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

(5) The arbitral tribunal is authorized to order the use of one or more experts and request the provision by such experts of a written 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. 194

(6) The parties shall provide all essential information to the expert and present to him, for purposes of examination, all such documents or products as he may deem necessary. Any dispute arising between a party and an expert concerning whether the expert justifiably requested information or the presentation of products shall be brought before the Arbitration Court for its decision. 195

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

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

(9) Upon ordering expert testimony, the Arbitration Court shall, in 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 period 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. 198

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

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

(2) Upon a jointly submitted request of the parties or on its own motion, the Arbitration Court may order a stay of the proceedings for a definite period of time. The duration of the stay of proceedings shall be stated or extended for a period of time exceeding six months only in exceptional cases. 201

#### Art. 37. Minutes of the Arbitral Hearings 202

(1) The arbitral tribunal shall prepare the minutes of the hearings, which must contain the following: 203

a) identification of the Arbitration Court; 204

- b) file number of the case; 205
  - c) place and date of the hearing; 206
  - d) names of the parties to the dispute and their representatives; 207
  - e) names of the persons participating in the hearing on behalf of the parties; 208
  - f) statement of the parties; participation or absence; 209
  - g) given and family names of the arbitrators, the presiding arbitrator, the witnesses, the experts, the interpreter and other persons participating at the hearing; 210
  - h) a short description of the course of the hearing; 211
  - i) claims and relevant statements of the parties; 212
  - j) indications of the grounds for a postponement of the hearing or the close of the proceedings and 213
  - k) the signatures of the arbitrators. 214
- (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. 215
- (3) Each party, upon request, shall be provided with a copy of the minutes. 216
- Art. 38. Closing of the Proceedings 217
- (1) The arbitral tribunal shall close the proceedings either by award or by order. 218
- (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
- (3) Prior to the closure of the proceedings, the arbitral tribunal may give an interim award or a partial award. 220
- Art. 39. Granting of Award 221
- (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
- (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
- Art. 40. Content of the Arbitral Award 224
- (1) The arbitral award shall contain the following: 225
- a) identification of the Arbitration Court; 226
  - b) file number of the case; 227
  - c) place and date of granting the award; 228

- d) names of the parties and other persons participating in the proceedings; 229
- e) subject-matter of the dispute and a summary of the circumstances of the case; 230
- f) decisions on the claims and counterclaims, the fees and costs of the arbitral proceedings and the costs and expenses of the parties; 231
- g) reasons for the award; 232
- h) given and family names of the arbitrators or sole arbitrator and the presiding arbitrator and 233
- i) the signatures of the arbitrators. 234

(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. 235

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

#### Art. 41. Announcement of the Award 237

(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. 238

(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. 239

(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. 240

#### Art. 42. Completion and Rectification of the Arbitral Award 241

(1) Upon the request of a party submitted not later than thirty days 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. 242

(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 244

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.

#### Art. 43. Enforcement of the Arbitral Award

The effect of an award of an arbitral tribunal is the same as that 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 Award

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

(2) The Arbitration Court shall order the termination of the case if:

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;

b) the parties have concluded an arrangement which will be approved by the Arbitration Court without the granting of an award;

c) the parties agree on the termination of the proceedings,

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

e) the Arbitration Court states a lack of its own jurisdiction.

(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).

### III. - Conciliation Procedure

#### Art. 45. Conduct of Conciliation Procedure

(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.

(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 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. 263

(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. 264

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

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

### **Art. 1. Definitions** 267

(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. 268

(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. 269

(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). 270

(4) "Expenses of the Parties": Costs incurred by the parties in connection with protecting their interests before the Arbitration Court (travel expenses of the parties, legal fees, etc.). 271

## **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

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

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

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

- 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. 284

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

(5) The arbitration fee is considered to have been paid upon the claimant giving irrevocable instructions to the Bank of his own country 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. 286

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

(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 because, 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. 288

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

(3) In cases set forth in paragraphs (1) and (2) above, the decision 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 President of the Arbitration Court. 290

(4) If the Arbitration Court terminates the proceedings on grounds of lack of its own jurisdiction at the latest at the first hearing, fifty percent 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 Arbitration 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** 296

(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 298

in paragraph (1).

(3) The parties may agree to the division of the arbitration fee in a manner differing from the provisions of paragraphs (1) and (2) above. 299

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

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

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

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

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

(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 Arbitration Court will request that the parties agree, within a certain time period, upon the use of either the Hungarian, the German or the English language during the proceedings. If the parties fail to comply with such a request, the Arbitration Court shall, taking into consideration all relevant factors relating to the specific case, determine the use of one of the afore listed languages as the language of the proceedings. 305

(3) The Arbitration Court may request that the claimant pay an advance 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. 306

(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 country 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 parties shall advance such costs in equal proportions. 307

(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. 308

(6) Paragraph (5) of Art. 3. shall apply to the payment of costs and cost advances. 309



## Art. 9. The Expenses of the Parties

310

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

311

## Art. 10. Exceptions

312

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 procedural acts carried out in bad faith. In this category are, among others, 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).

313

## Exhibit 1

314

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

315

Registration fee: 15.000,-Ft

316

Administrative expenses:

317

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 |

Arbitrator's fee:

319

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

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. 321

## Exhibit 2 322

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

Registration fee: USD 200,- 324

Administrative expenses: 325

| 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 |

Arbitrator's fee: 327

| 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 |

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. 329

**Information Page** 330

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