

# **Procedural Rules of the Permanent Court of Arbitration at the German-Bulgarian Chamber of Industry and Commerce**

## **I. General Provisions**

### **Art. 1: Scope**

- (1) Proceedings before the Permanent Court of Arbitration at the German-Bulgarian Chamber of Industry and Commerce (the Court of Arbitration) are regulated by these Rules unless the Parties have agreed otherwise.
  
- (1) In event of incompleteness the arbitral tribunal decides on special rules or, upon consent by the parties, refers expressly to another set of procedural rules which shall be applied in the course of the arbitral proceedings.
  
- (2) The proceedings shall be conducted before an arbitration tribunal constituted by one or three arbitrators. The Parties are free to determine of the dispute shall be settled by a panel of one or three arbitrators.

### **Art. 2: Administration of the arbitration**

- (1) All documents presented by the parties, as well as all documents, issued by the Secretariat of the Court of Arbitration, including protocols from oral hearings, and all the acts issued by the arbitral tribunal examining the case shall be preserved in an electronic case file through a specialized software, maintained by the Secretariat of the Court of Arbitration. Each party has the right of regulated access to the electronic case file and this access shall be granted to each of the arbitrators and each of the parties immediately after the arbitral tribunal has been constituted.
  
- (2) The Secretariat of the Court of Arbitration maintains a paper case file together with the electronic case file.
  
- (3) Irrespective of the way of serving notices and papers, including by application of the rules of the Procedural plan each party shall hand a paper

copy of the electronic documents to the Secretariat of the Court of Arbitration within three days from their dispatch. In case a paper copy is not handed in the abovementioned period of time the Secretariat of the Court of Arbitration may fill the paper case file with materials from the electronic case file against a fee, established in the Tariff for arbitration costs and fees.

### **Art. 3: Service of Documents**

- (1) The Secretariat of the Court of Arbitration shall send to the respondent(s) a paper copy of the statement of claim and the accompanying documents to the address indicated in the statement of claim. The service shall be done by a letter with acknowledgement of receipt, through licensed postal operator, which certifies the service of the documents or the attempt for service with a document, which shall be then attached to the case. If the Secretariat of the Court of Arbitration is aware of an e-mail address of the party or such has been specified by the claimant, the statement of claim and the accompanying documents shall be sent also to this address (in portable document format (PDF)).
  
- (2) All the remaining notices, summonses and/or documents (e-copies in portable document format (PDF)) shall be sent by the Secretariat of the Court of Arbitration to an e-mail address for correspondence, specified by any of the parties in the arbitration proceedings or in the statement of claim and the reply to statement of claim, respectively. The abovementioned should be deemed to be delivered from the moment of their dispatch to the e-mail address unless it is proven that they have not been delivered to it. Each party is obliged to specify an e-mail address for correspondence and to ensure its ability to receive notices by the Secretariat of the Court of Arbitration on that e-mail address. In case it is technically impossible to receive notices and/or summonses on that e-mail address or a party has not specified such an address with the first correspondence sent to the Secretariat of the Court of Arbitration, the latter notifies the party by indicating to specify an e-mail address to which an effective receipt of notices is possible. The notification should be sent by a letter with acknowledgement of receipt, through licensed postal operator, which certifies the service of the documents or the attempt for service with a document, which shall be then attached to the case. If the indication is not

put right in the given term all notices shall be attached to the case and shall be deemed rightfully served.

- (3) The arbitral tribunal examining the case may rule that particular notices, documents and papers, as well as ones of considerable size or in a nonstandard format are to be put under the electronic case file. The parties shall be informed of that and the documents shall not be then sent additionally to the parties. The parties are given access to the respective notices and electronic copies of documents in a way that guarantees that the secret of the parties is protected.
- (4) If the respondent does not hand a reply to the statement of claim and its e-mail address for correspondence is unknown or when the seat, the domicile, the habitual place of residence or the postal address of the recipient could not be established, the notices and summonses are deemed to be delivered if they are sent to the last known seat, domicile, habitual place of residence or postal address by a letter with acknowledgement of receipt. The papers, notices or summonses are deemed to be delivered if the licensed postal operator certifies in written that the recipient party refused or did not come up in the given term to accept the letter.
- (5) The Parties are obliged to respect the working time of the Sekretariat of the Court of Arbitration. In case of a delivery of documents to the Court of Arbitration made until 12:30 at any working day, the delivery shall be considered as made on the previous day if that one has been a Sunday or a public holiday. If a procedural term elapses on a Saturday and the documents are delivered until 12:30 on the following working day the delivery shall be considered as such made on that Saturday.

#### **Art. 4: Time Limits**

- (1) Periods of time connected with the provisions of these Rules shall start to run from the day following the day on which the notice is deemed to be received by the addressee. If the day on which the term shall start to run falls on a holiday or a non-business day in the country where the notice is

received, the period of time shall start to run on the first weekday after the holiday or the non-business day.

- (2) If the last day of the period of time falls on a holiday or a non-business day, the period of time shall expire on the first weekday after the holiday or the non-business day.
- (3) The periods of time set by the parties in the Procedural plan under Art. 26 of the Rules expire in the corresponding day, irrespective of whether this day could be deemed to fall on a holiday or a non-business day for the party which shall take the respective action.

## **II. Commencement of the Arbitration Proceedings**

### **Art. 5: Commencement of the Arbitration Proceedings**

- (1) The arbitration proceedings commence by submission of a signed statement of claim to the Secretariat of the Court of Arbitration. Each statement of claim shall contain: a) the exact names, addresses and e-mail addresses of the claimant and the respondent(s), the names, addresses and e-mail addresses of their representatives; b) a statement of facts on which the claim is based, as well as the relief sought; c) the arbitration agreement on which the Permanent Court of Arbitration's jurisdiction is based; d) all written pieces of evidence and the respective evidentiary requests; e) the name of the arbitrator or a request to the Presidency for his/her appointment; f) evidence for payment of the preliminary arbitration fees and a deposit for expenses pursuant to the Tariff for arbitration costs and fees, collected by the Permanent Court of Arbitration.

The statement of claim and its attachments shall be submitted in as many copies as the number of the parties, plus a copy for the paper case file kept in the Secretariat of the Court of Arbitration. When submitting the documents the claimant shall submit an electronic copy of the documents in portable document format (PDF).

- (2) Should the statement of claim fall short of the previous provision Secretariat of the Court shall give the claimant a seven-day period of time from the moment of receipt for correction of the shortcomings. The corrected statement of claim is deemed to be compliant from the date of its initial submission.
- (3) Each claim included in the statement of claim is deemed to be submitted on the day when the statement of claim is received in the Secretariat of the Court of Arbitration. If the statement of claim is sent through a licensed postal operator, it is deemed to be submitted in the day, stated by the licensed postal operator as a day of dispatch.
- (4) The Secretariat of the Court of Arbitration makes a preliminary assessment whether there is an arbitration agreement substantiating the Permanent Court of Arbitration's jurisdiction. If the claimant fails to submit such an agreement and within an additionally given time limit does not request for serving a copy of the statement of claim upon the respondent, the statement of claim shall be returned to the claimant on a ruling of the President of the Court of Arbitration. The Secretariat of the Court of Arbitration shall send the statement of claim to the respondent if absent an arbitration agreement the claimant has paid an initial arbitration fee pursuant to the Tariff for arbitration costs and fees, collected by the Permanent Court of Arbitration and has requested the Secretariat to do so.
- (5) The agreement shall be deemed of being in writing also when within the period for reply to the statement of claim the respondent does not challenge the Permanent Court of Arbitration's jurisdiction or does not perform procedural acts to his defense in the scope of the proceedings or by means of a statement, recorded into the minutes of the arbitration hearing, does not state that the dispute should not be heard by the Permanent Court of Arbitration.

#### **Art. 6: Reply to Statement of Claim**

- (1) The Secretariat of the Court shall notify the respondent and serve on a copy of the statement of claim with all the attached documents, indicating its right to reply to the statement of claim within one month from the date of receipt. At the same time the Secretariat of the Court shall serve the Rules of the Permanent Court of Arbitration and the list of arbitrators. The reply may be sent through an e-mail address, stated by the Secretariat of the Court, and all the documents shall be sent in portable document format (PDF). The absence of a reply to the statement of claim shall not be deemed to mean acceptance of the claim.
- (2) The reply to the statement of claim shall contain: a) opinion on the admissibility of the claim and whether the claim is well-founded; b) opinion on the circumstances upon which the claim is founded; c) all written pieces of evidence and the respective evidentiary requests; d) the name of the arbitrator or a request to the Presidency for his/her appointment; e) opinion on the jurisdiction of the Permanent Court of Arbitration; f) e-mail address to which the respondent guarantees the receipt of notices by the Secretariat of the Court of Arbitration.
- (3) With the reply the respondent may submit a counter-claim which should comply with the requirements concerning the statement of claim, pointed in the present Rules. The Permanent Court of Arbitration shall send to the claimant a copy of the counter-claim and invite it to reply within one month of the date of receipt.
- (4) The respondent may also submit a request for set-off if the dispute concerning its receivable falls within the jurisdiction of the Permanent Court of Arbitration.

#### **Art. 7: Multiple Claimants**

In case more than one claimant submits the statement of claim the claimants shall indicate in their common statement of claim one common arbitrator. In case the claimants do not agree on that matter the Presidency shall appoint the common arbitrator.

#### **Art. 8: Multiple Respondents**

In case the claim is submitted against more than one respondent the respondents shall indicate within the time limit for submitting reply to the statement of claim one common arbitrator. In case the respondents do not agree on that matter the Presidency shall appoint the common arbitrator.

### **Art. 9: Multiple of Contracts**

Upon ruling of the arbitral tribunal disputes in relation to more than one contract between the same parties may be heard within single arbitration, irrespective of whether the parties have concluded one or more arbitration agreements.

### **Art. 10: Amendment of Claims**

Each party may amend or supplement its claim or defence during the arbitral proceedings unless otherwise agreed in the Procedural plan under Art. 26 below. The amendment is decided by the arbitral tribunal which may not admit it if it finds that the other party may be faced with particular difficulties because of the amendment. The arbitral tribunal confirms the amendment with a separate ruling. Amendment of claims through replacement of any of the parties with a third party is admissible only with the consent of both parties and of the person intervening as a party to the case.

### **Art. 11: Third Party Intervention**

Intervention (voluntary or invoked by a party) of a third party to the proceedings may be admitted only with the consent of the parties, and in the case of invocation by a party - with the consent of the third party. The same shall apply for submission of recourse action against a third party. The consent of the said third party to participate shall have to be made in writing.

### **Art. 12: Stay of Proceedings**

The arbitral tribunal shall stay the proceedings:

- a) by consent of the parties given before the arbitral tribunal;
- b) when a case is being heard by another court or another court of arbitration, and the decision in that proceeding will be of relevance for rendering of a rightful decision in the arbitral proceeding;
- c) in cases expressly provided in the law.

## **III. Constitution of the Arbitral Tribunal**

### **Section I**

### **Art. 13: General Provisions**



The parties' choice is not limited by the list of arbitrators, set forth in Appendix 1 to these Rules unless their dispute shall be resolved by a sole arbitrator. In that case the arbitrator shall be appointed from the list of arbitrators in effect at the time of appointment pursuant to Art. 15 below.

**Art. 14: Number of Arbitrators**

If the parties have not stipulated the exact number of arbitrators their dispute shall be resolved by three arbitrators.

**Art. 15: List of Arbitrators**

The Permanent Court of Arbitration keeps a list of arbitrators which is at the parties' disposal on the website of the Permanent Court of Arbitration.

**Art. 16: Sole Arbitrator**

If the parties have agreed that their dispute shall be resolved by a sole arbitrator but do not agree on his appointment the arbitrator shall be appointed by the Presidency.

**Art. 17: Three Arbitrators**

(1) If the dispute has to be resolved by three arbitrators each of the parties shall appoint one arbitrator and the two appointed arbitrators on their part shall appoint the presiding arbitrator from the list of arbitrators. Each of the two arbitrators appointed by the parties states in a confidential manner, through a letter to the Secretariat, up to five names out of the list of arbitrators under Art. 15. In case an arbitrator's name is included in both lists this arbitrator is appointed as a presiding arbitrator. If more than one arbitrator is included in both lists, the President of the Permanent Court of Arbitration appoints the arbitrator between the arbitrators whose names coincide. If there are no coinciding names of arbitrators in both lists, the Presidency appoints a presiding arbitrator out of the list of arbitrators, set forth in Appendix 1 to these Rules.

(2) If the respondent(s) do(es) not appoint an arbitrator in the period of time given, the Presidency shall appoint an arbitrator on behalf of the respondent from the list of arbitrators, set forth in Appendix 1 to these Rules.

### **Art. 18: Acceptance of Nomination for Arbitrator**

- (1) Every arbitrator must be and remain independent from the parties before the commencement of the arbitration proceedings and during the whole course of the arbitration proceedings.
- (2) Any person nominated for an arbitrator shall immediately inform the Secretariat of the Permanent Court of Arbitration whether he/she accepts to act as an arbitrator, whether he/she complies with the conditions stipulated by the parties, as well as to disclose all the circumstances which may give rise to reasonable doubts concerning his/her impartiality or independence, submitting a declaration, set forth in Appendix 4 to these Rules.
- (3) The Secretariat of the Permanent Court of Arbitration sends immediately the declaration under para (2) to the parties.
- (4) The arbitrator shall inform the parties and the Secretariat of the Permanent Court of Arbitration in the whole course of the arbitration proceeding of any changes in the circumstances declared by him/her, concerning his/her impartiality and independence.
- (5) In case a person refuses to accept his/her nomination for an arbitrator another arbitrator is nominated pursuant to the provisions of these Rules.

### **Art. 19: Challenge of an Arbitrator**

- (1) Each party has the right of challenging an arbitrator before the constituted arbitral tribunal, if there are circumstances which may give rise to reasonable doubts concerning his/her impartiality or independence, by submitting a motivated request in writing.
- (2) Challenge of an arbitrator shall not be made later than 15 days after the challenging party has obtained information about the constitution of the arbitral tribunal or after the party has obtained information of the

circumstances providing grounds for the challenge. No challenge shall be made after the case is declared clarified in terms of factual and legal matters and after the arbitral tribunal has proceeded to render the final act of the case. When hearing the request for challenge the arbitral tribunal takes into account the written submission of all the parties. If the tribunal is composed of three arbitrators the opinion of the arbitrator against whom the request is submitted shall be taken into account, as well.

**Art. 20: Resignation of an Arbitrator**

- (1) In the event that the arbitrator who has accepted his/her appointment as an arbitrator is not able to proceed with his/her work permanently or for a considerable period of time for reasons of sickness or another de facto impossibility, the arbitrator may request from the arbitral tribunal to be released. If the arbitral tribunal consists of a sole arbitrator, the request shall be submitted to the Presidency.
- (2) The arbitral tribunal or the Presidency rules on the request within seven days of its submission.

**Art. 21: Replacement of an Arbitrator**

In cases of challenge or resignation of an arbitrator the arbitrator who shall replace him/her shall be appointed pursuant to the provisions of these Rules.

**Section II.**

**Art. 22: Jurisdiction of the Permanent Court of Arbitration**

- (1) The arbitral tribunal shall decide on its own jurisdiction.
- (2) A challenge of the jurisdiction of the arbitral tribunal shall be made with the reply to the statement of claim or the reply to the counter-claim at the latest, unless the arbitral tribunal decides that it shall be accepted as justified at a later stage of the proceeding.

- (3) The arbitral tribunal shall decide on the challenge of its jurisdiction with an order before continuing with its next procedural acts.

#### **IV. Commencement of the Arbitration Proceedings**

##### **Section I: General principles. Procedural plan**

##### **Art. 23: Conduct of the Arbitration**

- (1) The arbitral tribunal and the parties shall make every effort to conduct the arbitration in an expeditious and cost-effective manner, having regard to the complexity and value of the dispute.
- (2) In order to ensure the efficiency of the arbitral proceedings the arbitral tribunal may, after consulting the parties, apply such procedural measures it deems to be appropriate.
- (3) The arbitral tribunal shall act fairly and impartially and it shall ensure that every party has the opportunity to present its case.
- (4) The parties undertake to comply with the orders of the arbitral tribunal.
- (5) The arbitral tribunal may conduct a preliminary information meeting with the parties on which it proposes a settlement by explaining the consequences thereof. During this meeting the Permanent Court of Arbitration may direct the parties to mediation or another procedure for alternative dispute resolution.
- (6) The arbitral tribunal may resolve the case only on the basis of evidence, submitted by the parties, without summoning them, if all the parties give

their consent. If there is an admissible request for hearing an expert or a witness statement the open hearing is mandatory.

**Art. 24: Language of the Arbitration**

Absent an agreement between the parties the arbitral tribunal sets the language(s) of the arbitration, considering all relevant circumstances, including the language of the contract and the arbitration clause.

**Art. 25: Applicable Law**

In disputes with international element the parties may choose freely their applicable substantive law to be applied by the arbitral tribunal unless there are mandatory provisions of the international private law which should be taken into account. Absent such an agreement the arbitral tribunal applies the law it determines to be appropriate and has to determine it given the result which substantive law is most closely connected to the legal issue in question.

**Art. 26: Procedural Plan**

- (1) Within one month of its constitution the arbitral tribunal shall provide a project for a Procedural plan of the proceeding (“Procedural plan”), based on the documents presented and after consulting the parties. This period of time may be extended by the Presidency if there are extraordinary reasons.
- (2) The Procedural plan defines the competence of the arbitral tribunal and shall contain: a) the names, the addresses, the e-mail addresses and other coordinates of each of the parties and their representatives, if any, including the addresses and the e-mail addresses to which notices shall be sent during the proceedings; b) the circumstances wherefrom the claimed rights and objections arise, the legal qualification, the disputable and non-disputable circumstances; c) the claims of the parties; d) list of the questions to be determined by the arbitral tribunal, if the latter deems such a list appropriate; e) reference to the applicable procedural rules; f) the names and the addresses of the arbitrators.
- (3) The Procedural plan shall be signed by each of the parties and the arbitral tribunal within two months of constitution of the arbitral tribunal and shall

be submitted to the Secretariat of the Court of Arbitration. This time limit may be extended by the Presidency if there are extraordinary reasons. The refusal of any of the parties to participate in the Procedural plan or to sign it does not amount to an obstacle for continuing the procedural acts, if a final procedural plan is affirmed by the arbitral tribunal and a copy is sent to the parties.

- (4) After the Procedural plan has been signed none of the parties has the right to raise new claims which fall outside the scope of the already approved Procedural plan, unless the arbitral tribunal permits that in light of the nature of the raised claim and after considering the stage of the arbitration.

#### **Art. 27: Timetable**

Upon the express consent of the parties the Procedural plan may establish a timetable of the proceeding (“Timetable”) where the dates of the open hearings will be listed, as well as the time limits in which each party may present opinions or replies to opinions, may present evidence and make evidentiary requests. The time limits and the dates of the hearings, listed in the Timetable may be amended upon the express consent of the parties after approval by the arbitral tribunal. In case the Procedural plan does not establish a Timetable the arbitral tribunal decides on its own initiative the dates on which the open hearings will be held.

#### **Art. 28: Conduct of the Hearings**

- (1) Each party shall be notified for the fixing of the date of the arbitration hearings at least seven days before the fixed date of the hearing. This rule does not apply when the parties have adopted a Timetable in their Procedural plan, including fixed dates of the hearings, pursuant to the provision of Art. 27 of these Rules.
- (2) The arbitration hearing may be conducted even if a party does not attend the hearing, when this party is duly summoned and has no valid excuse for its non-attendance.

- (3) The parties may attend the hearings in person and/or through their duly authorized representatives.
- (4) The parties are free to agree, for reasons of procedural efficiency, that all the hearings will be conducted through a teleconference call.

**Art. 29: Confidentiality of the Hearings**

The arbitration hearings are conducted behind closed doors. The arbitral tribunal and the Secretariat of the Court of Arbitration are required to take the necessary measures in order to protect the trade secret and the confidential information, disclosed during the proceedings. Upon express consent of all parties the arbitration hearings may be attended by persons different than the parties and their representatives.

**Art. 30: Conclusion of the Proceedings**

- (1) After the last arbitration hearing in which the case is declared clarified in terms of factual matters or by submitting a written statement and reply to written statement, upon ruling of the arbitral tribunal in that regard, whichever fact comes second, the proceeding shall be deemed concluded concerning the matters which shall be decided in the arbitral award. Presenting additional arguments, objections or evidence in connection with the matters to be resolved in the arbitral award is precluded after the proceedings are concluded.
- (2) The arbitral tribunal shall resume the hearing of the case on its own initiative if in the period until rendering an award the tribunal finds that the case requires clarification or taking of additional evidence which are relevant for the rightful decision.

**Section II: Evidence**

**Art. 31: Burden of Proof**

- (1) The arbitral tribunal resolves the case on the basis of the admissible evidence presented by the parties.

- (2) Each party shall have the burden of proving the facts relied on to support its claim or defence.

**Art. 32: Written Evidence**

- (1) The parties together with the arbitral tribunal may approve their own rules for taking and admitting written evidence. In light of the circumstances of the case the arbitral tribunal may consider to be proved the facts in respect of which a party has created impediments to the taking of admitted evidence.
- (2) Within time limit prescribed by the arbitral tribunal or within time limit approved in the Timetable pursuant to Art. 30 each party shall present before the arbitral tribunal certified copies of the written evidence which are in its disposal. By request of each of the parties the arbitral tribunal may set a final date for presenting, submitting and requesting evidence.
- (3) If the parties have agreed in the Procedural plan on the language(s) in which evidence shall be presented, they may be presented in that language(s) without having to present them translated in the language in which the arbitration proceedings are conducted.
- (4) In case the Procedural plan is not signed by either of the parties or it does not establish language(s) in which the evidence shall be presented, the party shall present a translation of the written evidence whose language is different than the language of the arbitration proceedings. In that case each party may contest the translation within fourteen days of its presentation to the other party.
- (5) Each party may request from the arbitral tribunal to obligate the other party to produce a document in disposal thereof. The arbitral tribunal may demand from third parties documents in disposal thereof or



certifying of certain facts when this is necessary for assessing the truth of the case.

- (6) Correspondences through e-mail or electronic documents represent valid evidence. In case of dispute the authenticity of these documents and their dispatch and receipt may be established in due order through notices of the internet provider or by appointing an expert.
- (7) Each party may contest the truthfulness of a document presented by the other party. The burden of proving the falsity shall be upon the contesting party. Where the truthfulness of a private document, which does not bear the signature of the contesting party, is contested, the burden of proving the truthfulness shall be upon the party which presented the said document.
- (8) The arbitral tribunal may on its own initiative or by request of the party request from the competent state court in this country or abroad to collect particular pieces of evidence necessary for the case.

### **Art. 33: Witnesses**

- (1) The arbitral tribunal may decide to interrogate witnesses, brought by the parties if the circumstances which these witnesses are expected to prove are presented. Each party brings the witnesses on its own and covers all the costs connected to their interrogation.
- (2) Upon consent of all the parties, approved in the Procedural plan, written witness statements may be presented in the proceedings. The Permanent Court of Arbitration has no right to base its award on the latter if the witness interrogated in writing has not been cross-examined in an open hearing.

### **Art. 34: Experts**

- (1) The arbitral tribunal may hear statements by experts appointed by the parties where special knowledge is necessary for clarification of certain questions which have arisen in the case. When hearing the experts, appointed by the parties, the experts shall submit a signed declaration for independence and confirmation of the absence of any conflict of interest. Each party is guaranteed the right to reply to expert statement presented by the other party, including by additional statement presented by its expert. Each party bears the costs for the expert appointed by it.
- (2) The arbitral tribunal may on its own initiative request the appointed experts who have presented separate statements on one and the same issues to present a common statement wherein they shall include a motivated conclusion which issues of the case are disputable between the parties.
- (3) The arbitral tribunal may appoint one or more experts for issues it determines appropriate after taking into account the parties' opinions. The experts appointed by the arbitral tribunal shall submit information for its capacity and qualification, as well as declaration for independence and confirmation of the absence of any conflict of interest. The statement shall be presented to each of the parties in a reasonable period of time before the hearing. All the costs incurred in the work of the appointed experts shall be borne equally between the parties. If a party reasonably contests the statement, the arbitral tribunal may appoint another expert or more than one expert.
- (4) The arbitral tribunal may order the parties to present to the expert the necessary information or give him/her access for inspection of documents and other property when this is necessary for the submission of the statement(s).

## **V. Conclusion of the Arbitration Proceedings. Rendering Awards**

### **Art. 35: Rendering Awards**

- (1) The arbitral tribunal is bound by the parties' claims.

- (2) In reasonable cases the arbitral tribunal may render an interim or a partial award.
- (3) The arbitral tribunal must render an award within one month of conclusion of the arbitration proceedings unless another time limit is fixed in the Procedural plan. This time limit may be extended by the Presidency in cases of factual and legal complexity of the case for which the parties shall be notified.
- (4) If the arbitral tribunal is composed of more than one arbitrator, the award is rendered by a majority vote. The dissenting arbitrator shall sign the award immediately, marking his/her dissenting position and submitting in writing his/her arguments for the dissenting opinion.
- (5) The award is rendered in written and electronic form and shall state the reasons upon which it is based unless it reproduces a settlement agreed on by the parties.
- (6) The award is signed by all the arbitrators. In arbitration proceedings with more than one arbitrator the signatures of the majority of arbitrators are sufficient. The reason for lack of signature shall be stated expressly in the award.
- (7) The arbitral award is deemed to be rendered at the place of the arbitration proceedings and at the date stated in it.
- (8) The arbitral tribunal shall ensure an original of the award, a certified copy of which is given on request by the parties, as well as electronic document signed by the Secretariat of the Court of Arbitration, containing the arbitral award. The dispatch of a copy of the award and the ensuring of a signed

electronic document may not be made until the arbitration costs and fees are fully paid.

- (9) The arbitral award is final and binding upon the parties. Appellate review is inadmissible. On request of any of the parties the Secretariat of the Court of Arbitration renders a certificate for the finality of the award under standard form approved by the Presidency.
- (10) An award is rendered not only in cases of admission of the claim but also in cases of abandonment of the claim.
- (11) The award shall contain: a) the name of the Permanent Court of Arbitration; b) the date and the place of rendering the award; c) the names of the arbitrators; d) the names and the addresses of the parties and other persons participating in the case; e) the nature of the dispute and short summary of the circumstances of the case; f) the disposition of the award; g) the reasoning of the award; h) the signatures of the arbitrators.
- (12) Every rendered act, concluding the arbitration proceeding, shall be reviewed by a commission consisting of three arbitrators included in the list under Art. 18, appointed by the Presidency. The commission shall review whether the act complies with the mandatory requirements of these Rules and the Bulgarian Law on International Commercial Arbitration. The commission shall rule within one week from its appointment. The arbitral tribunal which rendered the act shall comply with the prescriptions for corrections of formal shortcomings, if any, within one week from its receipt.
- (13) After concluding the procedure set forth in para (12) above the award is inserted in a special book of the awards of the Permanent Court of Arbitration which exists in both a paper and an electronic version.

### **Art. 36: Conclusion of the Arbitration Proceedings with an Order**

The arbitral tribunal renders an order for the termination of the arbitration proceedings when:

- a) the claimant withdraws its claim unless the respondent contests and the Permanent Court of Arbitration recognizes a reasonable interest for rendering an award on the dispute;
- b) none of the parties has requested resumption of the stayed proceedings within six months of their stay pursuant to Art. 12 above;
- c) the costs and fees due under Art. 44 are not timely paid;
- d) the parties agree on the termination of the arbitration proceedings;
- e) the claimant abandons its claim;
- f) a settlement is concluded.

**Art. 37: Settlement**

(1) The arbitral tribunal shall assist the parties at any stage of the arbitration proceedings and shall be ready to help for the conclusion of a settlement for the dispute resolution.

(2) If the parties reach a settlement, it may be inserted in the protocol of the arbitration hearing. The settlement shall be signed by the parties and the arbitrator(s) and it shall have the relevance of an effective arbitral award.

**Art. 38: Award on Costs**

If the parties have not reached an agreement to the contrary, the Permanent Court of Arbitration shall rule which party is obliged to pay the costs of the proceedings, as well as the costs, incurred by the parties (“the costs”), described in part 7 of these Rules.

**Art. 39: Interpretation, Amplification and Correction of the Award**

(1) Each party may request from the arbitral tribunal:

- a) interpretation of the award;
- b) correction of a clerical, typographical or another apparent error in the award;
- c) to render additional arbitral award concerning claims that have been raised by the claimant but the arbitral tribunal has not decided on them.

- (2) If the parties have not agreed on another time limit, the interested party may submit a request to the arbitral tribunal for interpretation or amplification of the arbitral award within one month of the notification for the rendered award. The request for correction of an apparent error is not limited in time.
- (3) The arbitral tribunal gives the other party the opportunity to express its opinion on the request. If it determines it to be appropriate, the arbitral tribunal may summon the parties for an open hearing.
- (4) After the award has been rendered the arbitral tribunal may on its own initiative correct the apparent error in the arbitral award.
- (5) The award which interprets or amplifies the arbitral award or corrects its apparent error becomes an intrinsic part of the arbitral award.

## **VI. Exclusion of Liability and Confidentiality**

### **Art. 40: Exclusion of Liability**

- (1) The arbitrators shall resolve the case according to the exact meaning of the statutes and to evaluate all the evidence under the case and the arguments of the parties by inner conviction. The arbitrators are not liable when rendering arbitral awards, unless their behavior constitutes a crime from which damage has been incurred.
- (2) Any other act or omission in connection with the arbitration proceedings shall not make liable neither the arbitrators, nor the Chamber or the Permanent Court of Arbitration and other organs, including the Secretariat of the Court of Arbitration, unless they did not fulfil their obligations willfully or with gross misconduct.

### **Art. 41: Confidentiality**

- (1) The parties, the arbitrators and all the other persons who have access to the arbitration case shall keep confidentiality concerning the arbitration

proceedings, more precisely concerning the parties to the proceedings, the witnesses, experts and the evidence collected under the case. The persons intervening in the case shall keep secret.

- (2) The Presidency may publish information about the arbitration proceedings for statistical purposes, if the information published excludes identification of the participated persons.

#### **Art. 42: Publishing the Arbitral Award**

It is presumed that by subjecting their dispute to these Rules the parties have given their consent for publication of the arbitral award on the website/portal/register of the Permanent Court of Arbitration, under the condition that the information about the identification of the parties, the witnesses, the experts and the other persons mentioned in the award is removed, as well as all the data about the amount of the raised claims. In case of a reasonable interest each party may request from the Presidency not to publish or to remove the already published award, or to remove additional part of the arbitral award.

### **VII. Arbitration Costs and Fees**

#### **Art. 43:**

- (1) Each party shall pay in advance the arbitral fee due in accordance with the amount of the claims it raised. The fee shall be set by the Secretariat of the Court of Arbitration in accordance with the Tariff for arbitration costs and fees, set forth in Appendix 4 to the Rules (“the Tariff”).
- (2) When the case is factually complex, the arbitral tribunal may set an additional fee to the fee due under the Tariff.
- (3) The arbitral tribunal has the right at any stage of the arbitration proceedings to amend or overrule its decision under para (2) above.
- (4) The Permanent Court of Arbitration has the right to order an advance payment of costs besides the arbitration fee if such shall be made in

connection with the arbitration proceeding, including costs for expert statements, travel costs or other arbitrators' costs.

**Art. 44:**

- (1) Each party has the right to demand costs for legal representation, which shall be allocated by the arbitral tribunal with the arbitral award on the basis of the outcome of the case.

The arbitral tribunal may order the payment of an attorney's fee, concluded as a success fee agreement, if it is proven that such a type of fee will occur effectively after the rendering of the arbitral award.

- (2) Each party may object to the amount of the attorney's fees requested by the other party. When assessing the reasonableness of the amount the arbitral tribunal shall be guided by the rules and the standards of the bar association whose member is the representative of the perspective party.

Appendix 1: List of arbitrators

Appendix 2: Compliance Code of Conduct

Appendix 3: Tariff for the arbitration costs and fees

Appendix 4: Declaration for appointment as an arbitrator

Version: 15 June 2017