

Translated from Icelandic:

RULES FOR
THE COURT OF ARBITRATION
OF
THE ICELAND CHAMBER OF COMMERCE

Article 1

The Iceland Chamber of Commerce has an independent court of arbitration, the Court of Arbitration of the Iceland Chamber of Commerce, which assists in resolving business disputes that arise, and which the disputing parties agree to refer to the Court. An agreement between the parties concerned and these rules form a submission or arbitral agreement as defined by the act on contractual arbitration.

The Court of Arbitration of the Iceland Chamber of Commerce submits information on arbitral proceedings, appoints the chairman, and prepares cases to be referred to the fully named tribunal of arbitrators.

The Court may also appoint individual arbitrators to hand down a decision if requested by the disputing parties.

The Court is authorized to appoint a conciliator instead of an arbitrator and to set special rules of procedure and the tariff on such cases.

Article 2

The Court of Arbitration of the Iceland Chamber of Commerce consists of three members, appointed by the Chamber of Commerce for a term of three years at a time. The President of the Court shall fulfill the same qualifications as those set for a Supreme Court judge; the principal member shall be a professional attorney and the third member shall be a known party from the business sector.

The Board of the Iceland Chamber of Commerce appoints a personal alternate member for each of the members of the Court of Arbitration, who shall fulfill the same qualifications as the principal members.

In special instances, when a member of the Court of Arbitration or an alternate ceases to fulfill the requirements as stated in paragraph 1 of Article 10 on arbitrators, the Board of the Iceland Chamber of Commerce may dismiss him. Such dismissal shall be fully supported by argumentation.

If a member of the Court or his alternate retires during his term of office, the Board of the Iceland Chamber of Commerce shall appoint a replacement and said appointment shall be in effect until the end of term.

Article 3

Two members of the Court of Arbitration form a majority. If a majority cannot be reached, the decisive vote is held by the President of the Court. Decisions by the Court are final and not subject to revision by the Iceland Chamber of Commerce.

Article 4

The disputing parties may especially negotiate the appointment of and number of arbitrators. A case shall not be accepted by the Court of Arbitration of the Iceland Chamber of Commerce, however, unless one arbitrator, a chairman appointed by the Court, participates in resolving a case, and unless it is ensured that a settlement does not entail any obvious injustice to the parties in the opinion of the Court of Arbitration.

Unless otherwise agreed, the number of arbitrators in a case shall be three; one appointed by each of the disputing parties within ten (10) regular weekdays from the date a demand is made in a provable manner by the Court of Arbitration. This deadline shall apply from such point in time the demand for appointment is received by the relevant party. The Court of Arbitration shall appoint one arbitrator, who shall chair the tribunal of arbitrators.

If an arbitrator becomes permanently incapacitated for any given reason, another arbitrator shall be appointed in his place by the same party who made the initial appointment inside of the same time limits.

If a party does not comply with his duty to appoint an arbitrator in accordance with an arbitral agreement inside of the aforementioned time limits, the Court shall appoint an arbitrator. Such appointment is binding for the party.

Article 5

The party requesting an arbitral settlement shall pay a registration fee and both parties shall moreover make a deposit to the Court of Arbitration to cover expenses before a case is addressed by the Court. The Court may decide on additional deposits at any stage of a case.

The Court of Arbitration is authorized to set a tariff stipulating the registration fee and the amounts of other fees in respect of procedure before the Court.

Article 6

A demand for settlement by the Court of Arbitration of the Iceland Chamber of Commerce shall be made in writing and shall be presented at the offices of the Iceland Chamber of Commerce.

A request for an arbitral settlement shall be accompanied by:

- a) Payment of the registration fee in accordance with Article 5.
- b) The names and addresses of the disputing parties.
- c) A statement clearing describing the circumstances of the case.
- d) A clear statement of claims.
- e) A copy of the agreement upon which the demand is based or a written statement by the disputing parties stating that they will accept the judgment of the Court of Arbitration and that they regard its ruling as a final settlement of the dispute.
- f) Appointment of an arbitrator by the claimant.

Article 7

The Court of Arbitration shall investigate whether the Court holds jurisdiction over the case in question, and if not the Court shall dismiss the case.

If the submission, as specified in paragraph c) of Article 6, comes jointly from both disputing parties and in accordance with the agreement of said parties on a settlement by arbitration, the Court shall immediately appoint an arbitrator.

In other instances a request for arbitral settlement shall be presented without delay to the opposing party with a request for an answer, which shall include the following:

- a) A clear reply to the claimant's request.
- b) The appointment of an arbitrator by the opposing party.

Article 8

When articles 5 through to 7 have been complied with, and if the Court deems it holds jurisdiction, the following steps shall be taken:

- a) Appoint the chairman of the tribunal of arbitrators and, if necessary, another arbitrator (arbitrators) in accordance with Article 4.
- b) Decide on the venue of arbitration if the disputing parties have not already done so.
- c) Decide the amounts of the required deposits and the period of payment.

The disputing parties shall be informed of these decisions.

Article 9

The Court of Arbitration shall present the case to the tribunal as soon as the arbitrators have been appointed and the deposits made.

Article 10

The arbitrators shall be in sufficiently good physical and mental health to qualify as arbitrators. They shall be of legal age and in control of their finances. Their reputation shall be unblemished.

The arbitrators shall fulfill the special requirements made upon municipal court judges for ruling on individual cases. The chairman of the tribunal shall determine whether the arbitrators meet these requirements. In the event of an arbitrator succeeding another, the Court of Arbitration shall decide whether a case being heard, or which part thereof, shall be reheard.

Article 11

Claims presented to the tribunal of arbitrators shall be clearly presented. The arbitrators shall always give the disputing parties an opportunity to present their claims, and their evidence; to study the submission of a case, and to express themselves on the dispute in question. Equality between the parties to a case shall be ensured. The tribunal is authorized to provide guidance to a party to a case who does not have a degree in law, cf. the provisions of the Act on Civil Procedure no. 91/1991.

The tribunal of arbitrators shall request the claimant to confirm his claim with a statement containing the following:

- a) The particulars of the claim.
- b) The circumstances of the case, argumentation and legal grounds.
- c) Statement on the evidence to which the claimant refers.

Upon receipt of the claimant's statement, the defendant shall be notified and requested to present his defense, which shall contain the following:

- a) The particular of his claim.
- b) The circumstances of the case, argumentation and legal grounds.
- c) Statement on the evidence to which the defendant refers.

The tribunal shall decide the deadlines for the defendant and claimant presenting their statements, however, the emphasis shall be on a case being expedited to the extent possible. If a claimant does not present his statement inside of the set time limits, the tribunal is authorized to dismiss the case and to enter into a ruling on remuneration for the efforts of the defendant and on the costs of procedure by the tribunal, together with determining remuneration for the Court of Arbitration of the Iceland Chamber of Commerce. If the defendant does not present his statement inside of the set time

limits, the tribunal is authorized at its discretion to enter into a ruling after having given the claimant the option of expressing himself on the case.

Article 12

Subject to the limitations imposed by these rules and the law on contractual arbitration, the tribunal of arbitrators shall decide upon all the proceedings of a case, including efforts at conciliation and the dismissal of a case.

After giving the disputing parties the opportunity to present their views on the procedures of the arbitration, these shall immediately be decided upon and shall generally be oral. The tribunal of arbitrators shall determine the time-limit for the gathering of data and for the arbitral procedures, however, the deadlines shall not be longer than deemed necessary.

The tribunal of arbitrators may, particularly in the early stages of a case, authorize the chairman of the tribunal to take the measures necessary for advancing the case.

If the tribunal of arbitrators finds that special appraisals are required, both disputing parties shall be given the opportunity to obtain such appraisals.

Article 13

The weight of votes determines the outcome of cases. In case of a tie vote, the chairman of the tribunal of arbitrators shall have the deciding vote.

Article 14

The tribunal of arbitrators shall hand down its decision not later than six months after the nomination of the arbitrators. The Court of Arbitration may extend this time-limit at the request of the disputing parties, provided strong reasons exist for such an extension.

Article 15

A decision may be passed on an individual part of a dispute, if requested by the disputing parties.

In the instance of the disputing parties disagreeing on whether such a ruling in a part of a case should take place, the tribunal may authorize dividing up the case at hand if strong reasons exist for doing so.

Article 16

Decisions shall be in writing, clear, reasoned, and signed by all the arbitrators. If an arbitrator presents a dissenting opinion, this shall be supported by reasons and shall accompany the majority judgment.

The tribunal of arbitrators shall decide on any fees due the Court and the arbitrators, borne by the disputing parties in solidum.

The tribunal of arbitrators shall moreover state in its decision the amount payable by a disputing party to the opposing party for the expenses of arbitration.

If a settlement in a dispute is reached before a decision is handed down, the tribunal may, nonetheless, rule on appropriate remuneration for the Court and the arbitrators.

If a settlement is reached before the appointment of arbitrators, the Court of Arbitration shall decide its fee.

Article 17

The decisions by the tribunal of arbitrators are confidential. The conclusions of the tribunal and settlement between the disputing parties, entered into without a formal

decision by the tribunal, are neither public nor accessible by other parties than the disputing parties, the arbitrators and the Court of Arbitration.

Decisions or other settlements, together with a brief report, however, shall be entered into a special register. All arbitrators shall sign the register at the end of each session. Each party to a case holds the right to obtain a confirmed copy of the decision by the tribunal of arbitrators or of other entries concerning the settlement of the case.

Article 18

Decisions by the tribunal of arbitrators or settlements are binding for the disputing parties and enforceable. Spelling errors, mathematical errors, incorrectly entered names, or other obvious errors in decisions or settlements may be corrected, provided that new copies are immediately submitted by the tribunal to the parties holding the copy of the decisions or settlements. A party to a dispute holds the right to request corrections, in accordance with paragraph 2, for a period of three months after a decision is made or a settlement reached.

Article 19

The venue of arbitration shall be in Reykjavík unless otherwise decided by the disputing parties. Cases shall be heard in the Icelandic language unless otherwise decided.

Article 20

The finances and accounts of the Court of Arbitration shall be handled by the office of the Iceland Chamber of Commerce. All documents, which are to be submitted to the Court of Arbitration or the tribunal, may be submitted to the office of the Iceland Chamber of Commerce as confidential documents. Every effort shall be made to ensure that all documents pertaining to cases being addressed by the tribunal are safely kept in closed quarters. The employees of the Iceland Chamber of Commerce who have access to such documents due to their work shall be subject to confidentiality.

Article 21

Amendments to these rules shall become valid only if approved by 2/3 (two-thirds) of the votes at two consecutive meetings of the Board of the Iceland Chamber of Commerce and provided such voting is stipulated as a special item on the agendas both meetings.