

## SCC Arbitration Rules 1976

### **Organization Etc.**

#### Rule 1.

The Arbitration Institute of the Stockholm Chamber of Commerce is an organ within the Stockholm Chamber of Commerce for dealing with matters of arbitration. Its objects are:

to assist in accordance with these Rules in the final settlement of disputes which have reference to trade or industry,

to assist, pursuant to its own decision in each case, in proceedings which wholly or partly differ from those contemplated by these Rules, and

to provide information concerning arbitration matters.

#### Rule 2.

The Institute shall have a Board composed of three members who shall be appointed for a period of three years by the Executive Committee of the Chamber of Commerce. One of the members, who shall act as Chairman, shall be a judge having experience of disputes of a commercial or industrial nature, while one of the others shall be a practicing lawyer, and one a person who enjoys the confidence of the business community.

Each member shall have a personal deputy appointed by the Executive Committee for the same three-year period as the member. The deputy shall have the same qualifications as the member for whom he is a deputy

For special reasons, the Executive Committee may remove a member or a deputy.

If a member or a deputy resigns during his term of office, the Executive Committee will nominate another person to serve as member or deputy during the balance of the term.

References below to “the Chairman” or “members” apply equally to a deputy serving in the place of the Chairman or a member.

#### Rule 3.

Two members of the Board shall form a quorum. If no majority is attained, the Chairman shall have a casting vote. Decisions of the Board are final and cannot be reviewed by the Chamber of Commerce.

#### Rule 4.

The Institute shall have a secretariat composed of one or several persons employed by the Chamber of Commerce. The secretariat shall be under the direction of a Secretary who shall possess the academic qualifications prescribed for judicial posts.

### **Arbitration Rules**

#### Rule 5.

#### Applicable Arbitration Law

The Swedish law of arbitration shall apply with the additions and modifications stated in these

Rules.

#### Rule 6.

##### Arbitral Tribunal

Three arbitrators shall be appointed if the parties have not agreed on the number of arbitrators.

If the parties have agreed that the dispute is to be decided by a sole arbitrator, then the appointment shall be made by the Institute. In other cases, each party appoints an equal number of arbitrators and the Institute one arbitrator, who shall be chairman of the tribunal.

If an arbitrator appointed by a party dies, the party shall appoint another arbitrator in his place.

If an arbitrator appointed by a party resigns or is discharged by reason of disqualification, any lawful excuse or failure to perform his duties in an adequate manner, the Institute shall appoint another arbitrator after consulting the party.

If a party fails to appoint an arbitrator, then the Institute shall make the appointment.

#### Rule 7.

##### Registration Fee and Deposit

The claimant shall pay a registration fee and both parties shall deposit with the Institute a sum to cover the costs of the proceedings. The Institute may later decide that additional amounts are to be deposited.

If the registration fee and/or a requested deposit remains unpaid in whole or in part the Institute shall decide:

- a) if the opposite party shall be given an opportunity to deposit further amounts, and
- b) if the proceedings shall be stayed in whole or in part.

#### Rule 8.

##### Request for Arbitration

The request for arbitration shall be made in writing by application from a party to the Institute seeking its assistance pursuant to these Rules. At the same time the registration fee shall be paid to the Institute.

The request for arbitration should contain

- a) a statement of the names and addresses of the parties,
- b) a brief account of the dispute,
- c) a preliminary statement of the relief claimed by the claimant,
- d) transcripts of the agreement on which the claim is based and of the arbitration agreement if the latter is not included in the former, and
- e) a statement identifying the arbitrator or arbitrators appointed by the claimant (cf. Rule 6).

#### Rule 9.

##### Measures of The Institute After Request

If it is obvious that the Institute lacks jurisdiction over the dispute, the case shall be

dismissed.

If jurisdiction is assumed, the request shall be communicated to the respondent and he shall be asked to submit a reply to the Institute which shall contain:

- a) a brief statement commenting on the request made by the claimant pursuant to Rule 8, and
- b) a statement identifying the arbitrator or arbitrators appointed by the respondent (cf. Rule 6).

If the respondent desires to raise any objection concerning the validity or applicability of the arbitration agreement or alleging disqualification in any arbitrator appointed by the claimant, such objection should be made in the reply together with a statement of the grounds therefor.

If the respondent desires to make a counterclaim or plead a set-off, a preliminary statement to that effect should be made in the reply. Any counterclaim or plea by way of set-off may be based only on a legal relationship covered by the arbitration agreement.

The respondent's reply shall be communicated to the claimant who may comment on any such objections and pleas as are referred to in the third and fourth paragraphs of this rule. If the claimant desires to allege disqualification in any arbitrator appointed by the respondent, he should so state and give the reasons therefor.

#### Rule 10.

##### Amplification. Time Limits

The Institute may request a party to amplify any submission to the Institute. If a party fails to comply with such a request, the Institute may decide to impose a sanction of the kind referred to in Rule 7, second paragraph, (b).

If the Institute has requested a party to do any act within a specified time, such time may be extended by the Institute.

#### Rule 11.

##### Decision of the Institute

When the exchange of written submissions pursuant to Rules 8-10 has been concluded, then, unless it is obvious that jurisdiction is lacking, the Institute shall

- a) appoint a chairman of the arbitral tribunal and, if necessary, another arbitrator pursuant to Rule 6,
- b) determine the place of arbitration unless the parties have done so, and
- c) fix the amount of the deposit and the time within which each party shall pay his share thereof.

The decisions of the Institute shall be communicated to the parties.

#### Rule 12.

As soon as the arbitral tribunal has been appointed and the deposit paid, the Institute shall

refer the case to the arbitral tribunal.

#### Rule 13.

##### Resignation of an Arbitrator, etc.

If a party alleges disqualification in an arbitrator, the Institute shall rule on such objection. The grounds of disqualification are those specified in the Swedish Arbitration Act.

Provision is made in Rule 9, third and fifth paragraphs, regarding the proper time for alleging disqualification in an arbitrator appointed by the opposite party. If a party at a later stage desires to challenge an arbitrator appointed by a party, or if he desires to challenge an arbitrator appointed by the Institute, then he shall do so within 30 days from the time when the disqualifying circumstance became known to him.

The Institute may decide to discharge an arbitrator on the ground of disqualification, any lawful excuse or failure to perform his duties in an adequate manner

If an arbitrator dies, resigns or is discharged pursuant to the third paragraph of this rule, another arbitrator shall be appointed in accordance with the provisions of Rule 6.

When an arbitrator is replaced in the course of the proceedings, the tribunal in its new composition decides to what extent the proceedings must be repeated.

#### Rule 14.

##### Statement of Claim and Defence

The arbitral tribunal shall request the claimant to submit a statement of claim which should contain:

- a) the specific relief claimed,
- b) the circumstances which constitute the material facts on which the claimant relies in support of his claim, and
- c) a statement of the principal evidence which the claimant desires to adduce.

The statement of claim, when received, shall be communicated to the respondent who shall be requested to submit a defence, which should contain

- a) a statement as to whether and to what extent the respondent accepts or opposes the relief claimed by the claimant,
- b) the respondent's objections,
- c) a statement of the principal evidence which the respondent desires to adduce, and, where applicable,
- d) a specific counterclaim or plea by way of set-off, the material facts relied on in support thereof, and a statement of the evidence with respect thereto.

#### Rule 15.

##### The Procedure Generally

Guided by the wishes of the parties, the arbitral tribunal shall decide without delay on the

procedure to be followed. An oral hearing shall, as a rule, be arranged. The tribunal will fix time limits for taking procedural steps. The tribunal may, particularly during the preliminary proceedings, empower the chairman of the tribunal to take any necessary action for the conduct of the proceedings.

#### Rule 16.

##### Voting

When a vote is taken, that opinion shall prevail which has received more votes than any other opinion, and in the case of an equality of votes, the opinion supported by the chairman shall prevail.

#### Rule 17.

##### Time for Making Award

An award shall be made not later than one year after the appointment of the arbitral tribunal. Provided, however, that the Institute may, at the request of a party or the arbitral tribunal, for good reasons extend this period.

#### Rule 18.

##### Separate Awards

A separate issue or part of the matter in dispute between the parties may, at the request of a party, be decided by a separate award. If any party objects, such an award may be rendered only if there are special reasons therefor.

#### Rule 19.

##### Award

The award shall contain an order or declaration and the reasons therefor. It must be signed by all the arbitrators. An arbitrator may attach a dissenting opinion to the award.

The arbitral tribunal shall state in the award the amounts of compensation due to the Institute for administrative costs and to the arbitral tribunal. The parties are jointly and severally liable for the payment of such sums.

The arbitral tribunal shall further state in the award if and to what extent a party shall compensate the opposite party in respect of any amount for which he is liable pursuant to the foregoing paragraph, and his other costs in connection with the case.

Should a settlement be made before an award is rendered, the arbitral tribunal shall have power to decide that the parties are to pay a reasonable amount as compensation to the Institute and the arbitrators. If a settlement is made before the arbitral tribunal has been appointed, the Institute will determine its own compensation.

#### Rule 20.

##### Interpretation and Correction of an Award

If a party so requests within 60 days after receiving the award, the arbitral tribunal shall give a written interpretation thereof. Any obvious miscalculation or clerical error shall also be corrected by the tribunal. Each party shall be given an opportunity to state his views. Unless

the arbitral tribunal otherwise decides, the award already rendered shall be enforceable.

A decision to amend these Rules shall not be effective unless the proposed amendment has been approved by the Chamber of Commerce at an ordinary meeting.

These Rules shall enter into force on October 1, 1976 and will replace the former Statutes of the Arbitration Institute of the Stockholm Chamber of Commerce.

If a party invokes an arbitration agreement concluded prior to October 1, 1976, which refers to arbitral proceedings under the auspices of the Institute, the former Statutes shall apply unless the parties have otherwise agreed.

## **Appendix**

### Comments to Rule 7

The Institute charges a registration fee amounting to a sum not exceeding Sw. Crs. 1,000. The Institute will make a preliminary estimate of the size of the case and of the factors that influence the amount of deposition, and a decision will then be taken as to the amount. The decision will normally be based on the value of the subject-matter in dispute - see the table below, in which the lower figures are intended to be used in the less complicated disputes. It should be stressed, however, that the table does not bind the Institute. If it can be anticipated already at an early stage that the degree of difficulty of the case and accordingly the time spent thereon will differ from what would apply in normal circumstances, the Institute has to adjust the percentages indicated in the table upwards or downwards. The deposition is intended to cover the expected fees of the arbitrators, their probable expenses and the estimated costs of the Institute.

If it is impossible to specify the value of the subject-matter, a discretionary decision will be taken as to the amount of the deposition.

It should also be stressed that the amount of the deposition in no way binds the final determination of the arbitrators' fees or of the administrative costs of the Institute. In determining the fees of the arbitrators, the difficulty of the case and the time spent thereon by the arbitrators will, among other things, be taken into account. The costs of the Institute may include, for instance, the salaries of a secretary and of clerical staff, the rent of a conference room and interpretation costs.

Value of subject-matter (Unit - Sw. Crs. 1,000)	The amount of deposition in per cent of value of subject-matter. The percentages applied to each successive slice of the subject-matter are to be added together
-100	10-18
100-300	7-10
300-1,000	5-8
1,000-3,000	2-4
3000-5000	1-3
5,000-10,000	0.5-2.0
10,000-50,000	0.3-0.8

50,000 -	0.1-0.4
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3,000 - 5,000	1 - 3
5,000 - 10,000	0.5 - 1
10,000 - 25,000	0.3 - 0.5
25,000 - 50,000	0.2 - 0.3
50,000 -	0.1 - 0.4

The amount of deposition in per cent of value of subject-matter. The percentages applied to each successive slice of the subject-matter are to be added together



