

Rules
of the Permanent Court of Arbitration
“Latvian Arbitration Court”,
registration number 40003754139
(updated)

I GENERAL PROVISIONS

Clause 1. Latvian Arbitration Court

- (1) The Latvian Arbitration Court (hereinafter referred to as – the arbitration court) is the arbitration court, which operates on a permanent basis and is established to ensure the settlement of disputes subject to arbitration. The Association “Arbitration Proceedings Support Association” (*in Latvian: Biedrība “Šķīrējtiesas procesa atbalsta biedrība”*), registration number 40008237821, is the founder of the arbitration court.
- (2) The arbitration court operates pursuant to Part D “Arbitration Court” of the Civil Procedure Law, the Arbitration Law, other regulatory enactments that have effect in the Republic of Latvia, international treaties and conventions that apply to the operation of the arbitration court and the arbitration rules.
- (3) The arbitration court maintains the website where placing the basic information on the operation of the arbitration court and other important information.
- (4) Information on the arbitration court is publicly available on the following website of the arbitration court: www.skirejtiesa.lv
- (5) Name of the arbitration court in other languages:
in English – Latvian Arbitration Court;
in Russian – Латвийский арбитражный суд.

Clause 2. Rules of Procedure Applicable to Settle a Dispute

- (1) The arbitration court is bound by the rules of procedure determined in Part D of the Civil Procedure Law and the Arbitration Law, as well as the rules of procedure established by other regulatory enactments that have effect in the Republic of Latvia, international treaties and conventions wherein the Republic of Latvia is involved, the arbitration regulations, these rules and the parties’ agreements.
- (2) The arbitration proceedings are governed by the procedural rules in force at the time of the settlement of a dispute, the performance of certain procedural steps or the enforcement of arbitration awards.

Clause 3. Substantive Law Applicable to Settle a Dispute

- (1) In resolving a dispute, the arbitration court is guided by legal norms and business

practices, the application of which has been agreed by the parties, insofar as such agreement of the parties does not contravene the provisions of Sections 19, 24 and 25 of the Civil Law of the Republic of Latvia.

- (2) If the parties have not agreed under which the laws or practices their mutual relationship to be deliberated, or the arbitration court has admitted such an agreement invalid, the legal norms applicable to the legal relations of the parties shall be determined pursuant to the Introductory provisions of the Civil Law of the Republic of Latvia.

Clause 4. Disputes to Be Resolved and Jurisdiction of the Arbitration Court

- (1) Any civil dispute may be referred to the arbitration court for settlement if the parties have agreed on voluntary basis and entered into an agreement to refer a dispute to the arbitration court (the arbitration agreement), except for the dispute:
 - 1) the adjudication whereof could infringe the rights of a person who is not a party to the arbitration agreement;
 - 2) in which at least one party is the state or local government agency or whereon an arbitration award passed may affect the rights of a state or local government agency;
 - 3) which is related to entries in the register of civil status;
 - 4) relating to the rights and obligations of persons under the guardianship or trusteeship or interests protected by law;
 - 5)) in respect to the establishment, change or termination of the rights in rem relating to real estate, if the party to the dispute is a person whose rights to acquire ownership, possession or use of the real estate are restricted by law;
 - 6) on the eviction of a natural person from living premises;
 - 7) between an employee and an employer, if a dispute has arisen upon concluding, amending, terminating or implementing a contract of employment, as well as applying or interpreting legal norms, the provisions of collective contract of employment or the standing order (individual labour law dispute);
 - 8) relating to the rights and obligations of the persons to whom the insolvency proceedings have been declared.
- (2) Disputes relating to the issues to be examined in a special legal proceeding shall not be considered at the arbitration court.

Clause 5. Organization of the Work of the Arbitration Court

- (1) The work of the arbitration court shall be managed by the Chairperson of the arbitration court, who performs the functions determined in the Arbitration Rules in order to supervise and ensure the operation of the arbitration court, as well as create the arbitration panel and the operation thereof.
- (2) Where necessary, the Chairperson of the arbitration court (illness, absence, heavy workload, conflict of interests of the Chairperson of the arbitration court, etc.) may delegate the duties of the Chairperson of the arbitration court to be performed by another person for a particular period or within the scope of a specific case. The Chairperson of the arbitration court makes decision on the delegation of the duties.

II. ARBITRATION AGREEMENT

Clause 6. Concept of the Arbitration Agreement, Parties to the Agreement and the Form of Agreement

- (1) The arbitration agreement is an agreement to refer a dispute that has already arisen or may arise in the future to the arbitration court for consideration.
- (2) The arbitration agreement may be entered into by a legally capable natural person, regardless of the citizenship and place of residence, a legal person registered in Latvia or abroad, or any other subject of the private law.
- (3) The arbitration agreement shall be concluded in writing. The agreement of the parties to refer a dispute to the arbitration court (Arbitration agreement) may be set forth:
 - 1) as a separate contract;
 - 2) as a special provision in the agreement of the parties (the arbitration clause);
 - 3) when exchanging postal items or using electronic means of communication between the parties and providing that the will of the parties to refer the already arisen or potential civil disputes to the arbitration court is committed with a secure electronic signature.
- (4) If the parties have agreed to refer a dispute to the arbitration court for consideration, but have not appointed a specific arbitration court, and the claimant submitted a claim to the Latvian Arbitration Court, and if the other party does not object to it until the expiration of the term for the submission of the statement of defence, the dispute is subject to the court of arbitration.
- (5) In the arbitration agreement, the parties may agree upon the number of arbitrators, dispute settlement procedures, oral or written arbitration proceedings, place of dispute settlement, language of the arbitration proceedings, applicable law, and other matters in accordance with the Arbitration Law.
- (6) If the parties have agreed to refer a dispute arising from a particular contract to the arbitration court for consideration, it shall be presumed that the parties have agreed upon the consideration of any dispute arising out of or in relation to this contract which affects it or the infringement, termination or invalidity thereof at the arbitration court.
- (7) The parties may agree upon the validity of an arbitration agreement negotiated under the laws of any country. If the parties have not agreed upon this, the applicable law shall be determined in accordance with Sections 19 and 25 of the Civil Law of the Republic of Latvia.

Clause 7. Validity of the Arbitration Agreement

- (1) Persons who have entered into an agreement to refer a dispute for the settlement in an arbitration court shall not be entitled to withdraw from it if the arbitration

agreement has not been amended or revoked in accordance with the procedures prescribed by law or the agreement.

- (2) The arbitration agreement shall be valid until the termination of the legal relationship, for which reason it was concluded.
- (3) If the agreement to refer a dispute for consideration to the arbitration court is included as a separate provision in the agreement concluded by the parties, this agreement shall be deemed a separate agreement. If the term of the agreement has expired or the agreement has been declared invalid, the agreement on referral of the dispute to the arbitration court shall remain in force.
- (4) When assigning a claim, the right of claim passes to the assignee, but not the arbitration clause included in the agreement on the consideration of a civil dispute in the arbitration court.

III. ARBITRATORS

Clause 8. Arbitrators

- (1) An arbitrator is a natural person appointed to settle a dispute in accordance with the provisions of the arbitration agreement and these Rules. Any adult without the trusteeship established for him may be appointed as an arbitrator, regardless of his/her nationality and domicile, if this person has agreed in writing to be an arbitrator, has an impeccable reputation, acquired higher professional or academic education (except the first-level vocational education) and the qualification of a lawyer who has at least three years of practical experience serving in the capacity of the academic staff of the high school specializing in law or employed in another position specializing in law.
- (2) When giving his/ her consent to be an arbitrator of an arbitration court, the founder of the arbitration court shall verify the compliance of this person with the requirements specified in Clause 8, Paragraph one of these Rules and Sections 14 and 15 of the Arbitration Law. After the verification, the founder of the arbitration court shall decide on the appointment or refusal to appoint a person as an arbitrator of the arbitration court.
- (3) If a person is appointed as an arbitrator, the founder of the arbitration court shall draw up a written confirmation relating to the compliance of the appointed arbitrator with the requirements determined in Clause 8 of these Rules and Sections 14 and 15 of the Arbitration Law; if necessary, the founder of the arbitration court shall submit the confirmation and documents substantiating the qualification of the appointed arbitrator to the Register of Enterprises of the Republic of Latvia.
- (4) The arbitrator shall not be a representative of the party that appointed him. The arbitrator must perform his duties in good faith, without falling under someone's influence anyhow, and must be independent and impartial.

Clause 9. Arbitration Panel

- (1) The arbitration court shall settle disputes composed of three arbitrators, unless the

parties have agreed upon another number of arbitrators.

- (2) The number of arbitrators must be odd.
- (3) In case if pursuant to the law, these Rules and the agreement of the parties, a dispute is to be settled by one or three arbitrators, a party concerned is entitled to request the settlement of the dispute by an extended arbitration panel. The extended arbitration panel may not consist of more than five arbitrators.
- (4) The extended arbitration panel shall be established only if a party concerned notifies the arbitration court in writing and the other party to raise a claim or submit the statement of defence within the time limit prescribed in statement of the claim. This notification shall specify the number of arbitrators of the extended arbitration panel and the candidatures of the arbitrators appointed by it. The notification must be accompanied by the proof of payment of the extra charges to settle the dispute. In the event of a dispute, the amount of these expenses shall be determined by the arbitration court.

Clause 10. Appointment of Arbitrators

- (1) The procedure for the appointment of arbitrators shall be determined by the parties. If the parties have not agreed upon the procedure for the appointment of arbitrators, the arbitrators shall be appointed in accordance with the arbitration rules from the list of arbitrators of the permanent arbitration, respecting the equality of the parties.

The list of arbitrators shall be approved by the Chairperson of the arbitration court.
- (2) This list is available at the arbitration court and on the website of the arbitration court.
- (3) The Parties may entrust the appointment of arbitrators to any natural or legal person with legal capacity.

Clause 11. Appointment of the Arbitration Panel

- (1) If the parties have agreed that a dispute will be considered by one arbitrator, but have not agreed on a specific arbitrator, the arbitrator shall be appointed from the list of arbitrators by the Chairperson of the arbitration court.
- (2) If the parties have agreed upon three arbitrators, the claimant must specify the arbitrator of his choice when filing the action. When sending the notice of receipt of the claim referred to in Clause 32 of the Rules, the arbitration court shall inform the defendant thereof and offer to choose an arbitrator for its part. If one of the parties has not specified the arbitrator chosen by him, the arbitrator shall be appointed by the Chairperson of the arbitration court. The arbitrators chosen by the parties shall, by agreement, appoint a third arbitrator, who shall be the Chairperson of the arbitration panel. If the arbitrators selected by the parties fail to agree on the Chairperson of the arbitration panel within 5 (five) days, he shall be appointed by the Chairperson of the arbitration court.
- (3) If the parties have agreed on another (odd) number of arbitrators, each of the parties shall choose the same number of arbitrators in accordance with the foregoing

procedure, who shall agree to nominate the Chairperson of the arbitration panel from the list of arbitrators.

- (4) If the action is brought by several claimants or if the action is brought against several defendants, they must agree on the candidature of the chosen arbitrator for their part.
- (5) The arbitration panel shall be approved by the Chairperson of the arbitration court, who shall notify the parties thereof. When approving the arbitration panel, the Chairperson of the arbitration court verifies whether the requirements of the Arbitration Law and the Rules of the Arbitration Court have been met when establishing the arbitration panel.

Clause 12. Recall of an Arbitrator

- (1) If a party has appointed an arbitrator and the other party has been notified thereof, it may not recall that arbitrator without the consent of the other party.
- (2) The Chairperson of the arbitration court may, on the request of one of the parties, recall the arbitrator at any stage of the arbitration proceedings, in case the arbitrator fails to perform his duties for more than 14 days due to absence, illness or other reasons.

Clause 13. Grounds for the Rejection of an Arbitrator

- (1) A person who is required to consent to his appointment as an arbitrator shall disclose to the parties any circumstances that may cast reasonable doubt on that person's impartiality and independence. If such circumstances have become known to the arbitrator before the end of the arbitration proceedings, he shall forthwith disclose them to the parties.
- (2) An arbitrator may be dismissed if:
 - 1) there are the circumstances which cause reasonable doubts about his/ her impartiality and independence;
 - 2) his/ her qualifications do not correspond to what the parties have agreed;
 - 3) he does not comply with the requirements of the Arbitration Law, or he is subject to the restrictions determined in Section 16, Paragraph one of the Arbitration Law for the participation of an arbitrator in the hearing of a case and he has not resigned.
- (3) A party may reject an arbitrator appointed by it or whose appointment he/she took part in only if the grounds for the rejection became known to that party after the appointment of the arbitrator.

Clause 14. Procedure for the Rejection of an Arbitrator

- (1) The parties may agree on the procedure for the rejection of an arbitrator. If the

parties have not agreed on the procedure for rejection of an arbitrator, the parties may apply for rejection to the arbitrator within a period of 5 (five) days from the day when they got known of the appointment of this arbitrator or learnt of the grounds for the rejection, by submitting a written notice to the arbitration court, wherein stating which arbitrator it rejects and the grounds for the rejection.

- (2) The rejection submitted to the arbitrator shall be decided by the arbitration panel also in cases when the dispute is settled by the arbitrator alone. All members of the arbitration panel take part in the decision relating to the rejection.
- (3) If the Chairperson of the arbitration panel learns about the circumstances referred to in Clause 13 (2) of these Rules, the Chairperson of the arbitration court shall forthwith inform both parties thereof and explain their right to apply for the rejection of the relevant arbitrator.

Clause 15. Termination of the Powers of an Arbitrator

- (1) The arbitrator has the right to withdraw from the settlement of a dispute by notifying the Chairperson of the arbitration court in writing thereof.
- (2) The parties have the right to agree upon the termination of the powers of the arbitrator by making this agreement in writing and submitting it to the arbitration court.
- (3) The term of the powers of an arbitrator shall expire:
 - 1) if the challenge of the arbitrator has been accepted;
 - 2) if the arbitrator refused to settle the dispute;
 - 3) if the parties agree upon the dismissal of the arbitrator;
 - 4) with the dismissal of the arbitrator;
 - 5) with the death of the arbitrator;
 - 6) if the restrictions determined in Section 15 of the Arbitration Law apply to the arbitrator.
- (4) If the term of the powers of an arbitrator has expired, a new arbitrator shall be appointed in accordance with the procedures determined in these Rules.

Clause 16. Consequences of the Appointment of the New Arbitrator

- (1) Following the appointment of a new arbitrator, the dispute settlement proceeding shall be reopened if the dispute is settled by the arbitrator alone or if a new Chairperson of the arbitration panel is appointed.
- (2) The arbitration panel shall be entitled to reopen the dispute settlement proceeding if a new arbitrator is appointed to the arbitration court.

IV. PREPARATION OF THE ARBITRATION PROCEEDINGS

Clause 17. Jurisdiction Over a Dispute

- (1) The arbitration court shall also decide on jurisdiction over a dispute in cases when one of the parties challenges the existence or validity of the arbitration agreement.
- (2) A party may submit an application that the dispute is not subject to arbitration until the day when the term set for the submission thereof with the reference to the statement of the claim expires.
- (3) The arbitration court may decide on the jurisdiction over the dispute at any stage of the arbitration proceedings. If the jurisdiction over the dispute is contested before the appointment of the arbitration panel, the foregoing issue may be decided by the Chairperson of the arbitration court, but if the jurisdiction is contested after the appointment of the arbitration panel, this matter shall be decided by the arbitration panel.
- (4) If an objection to the fact that a part of the dispute is not subject to arbitration arises on the grounds of supplements or amendments made by the parties to the claim, the counterclaim or supplements or amendments thereto, the specified objections shall be raised immediately before the arbitration court commences consideration of these claims.
- (5) If the arbitration court finds that the dispute or a part thereof is not subject to arbitration, it shall terminate the arbitration proceedings or a part thereof in accordance with the procedures established in these Rules.
- (6) The procedure regulated in this clause for establishing jurisdiction over the dispute shall apply to the extent that it does not prevent a party from contesting the jurisdiction of the arbitration court at a court of general jurisdiction.

Clause 18. Provisional Remedy Prior to Bringing an Action at the Arbitration Court

- (1) The claimant shall be entitled to ask the court of general jurisdiction to secure the claim before bringing the action in the arbitration court. Such a request by the claimant shall not be deemed a breach of the Arbitration agreement and shall not preclude the settlement of the dispute in the arbitration court.

Clause 19. Procedural Time Limits

- (1) Procedural actions shall be taken within the time limits set in these Rules. If procedural time limits are not laid down in these Rules, they shall be determined by the arbitration court.
- (2) To take procedural actions, a precise date or time limit is set for a specific date or term (in years, months, days, or hours). If the procedural step does not have to be performed on a certain date, it can be performed throughout the specified period.
- (3) The running of a procedural period, calculated in years, months, or days, shall begin on the day following the date or event giving rise to it.

- (4) The running of a procedural time limit, which is calculated in hours, begins in the hour following the event which determines the beginning thereof.
- (5) The period, which is counted in years, shall run from the relevant month and date of the last year of the period. A period counted in months shall run on the relevant date of the last month of the period. If a period expressed in months runs in a month which does not have a relevant date, it shall elapse on the last day of that month. A time limit set for a specific date shall run from and including that particular date.
- (6) If the last day of the term is Saturday, Sunday or a public holiday determined by law, the last working day shall be deemed the next working day.
- (7) The expiring proceeding may be performed until twenty-four (12p.m.) on the last day of the period.
- (8) If the proceeding is to be taken in the arbitration court, the term shall be deemed to have expired at the hour when the arbitration court terminates its work in accordance with its internal rules of procedure. However, if the statement of the claim or other items have been handed over to the liaison office by twenty-four on the last day of the period, they shall be deemed to have been delivered within the term.

Clause 20. Consequences of the Delay of the Procedural Time Limits, Their Suspension, Renewal and Extension

- (1) The right to perform proceedings shall be forfeited upon the expiration of the term established by these Rules or the arbitration court.
- (2) Upon the suspension of the arbitration proceedings, the term running is suspended. The term shall stop running at the time when the circumstance which is the basis for the suspension of the arbitration proceedings has arisen. The running of the procedural term shall continue from the day when the arbitration proceedings are resumed.
- (3) Delayed procedural time limits may be renewed by the arbitration court upon the application of a party if it finds the grounds for the delay to be duly reasoned. When renewing the overdue term, the arbitration court simultaneously allows perform the delayed proceedings.
- (4) The time limits set by the arbitration court may be extended upon a reasoned request of a party.
- (5) If the application for extension of the term or renewal of the overdue term is submitted before the appointment of the arbitration panel, then it may be decided by the Chairperson of the arbitration court, and if the application is submitted after the appointment of the arbitration panel, it shall be decided by the arbitration panel.

Clause 21. Correspondence

- (1) The arbitration court shall send the prepared documents (judgments, decisions, notices, etc.) by post or e-mail. Documents drawn up and submitted to the arbitration court by a party (statements of claim, statements of defence, etc.) shall be sent by the arbitration court to the other party by post or e-mail or acknowledged receipt by the arbitration court and the opportunities to get acquainted with them.

- (2) The documents referred to in the first paragraph of this clause shall be sent to the natural person by registered mail to his/her declared place of residence or, if the declaration contains an additional address, to the additional address, unless the natural person has specified any other address for communication with the arbitration court and to the legal person - at the registered office.
- (3) The documents referred to in the first paragraph of this clause shall be sent by electronic mail if the party has notified the arbitration court that it agrees to use electronic mail for communication with the arbitration court. In this case, the arbitration court shall send the documents to the e-mail address provided by the party. If the arbitration court finds technical obstacles to send documents by electronic mail, they shall be sent by registered mail.
- (4) The documents referred to in the first paragraph of this clause shall be deemed received on the date of issue if they have been delivered and served on the addressee in person. If they are sent by post, they shall be deemed received on the seventh day after the date of dispatch of the postal item, but if they are sent by electronic mail, they shall be deemed received within two working days of the date of dispatch.

Clause 22. Confidentiality of Arbitration Proceedings

- (1) Unless the parties have agreed otherwise, the arbitration proceedings shall be deemed confidential.
- (2) The hearings of the arbitration court shall be closed, and the arbitration panel shall not provide information on the arbitration proceedings to other persons and shall not publish it, unless the parties have agreed otherwise. Persons who are not the parties in the arbitration proceedings may take part in the arbitration hearing with the consent of the parties only.
- (3) Information on the arbitration proceedings shall be provided to the persons who have the right to receive it for the performance of the functions laid down by law.

Clause 23. Equality and Adversarial Proceedings of Parties

- (1) The parties to the arbitration proceedings have equal procedural rights. The panel of the arbitration court shall give the parties equal opportunities to exercise the rights conferred upon them for the protection of their interests.
- (2) The parties shall exercise their procedural rights in the form of adversarial proceedings during a civil dispute. The adversarial proceedings are made public when the parties exercise their right to give evidence, give explanations and applications addressed to the arbitration panel, being involved in the examination and evaluation of evidence, as well as taking other procedural actions.

Clause 24. Arbitration Procedures (modus procedendo)

- (1) The parties have the right to freely determine the arbitration procedures.
- (2) If the parties have not agreed on the modus procedendo of the arbitration proceedings, the arbitration court shall settle a dispute in accordance with these

Rules.

- (3) If the parties have agreed only on certain rules of the arbitration proceedings, the arbitration court shall adhere to the agreement of the parties, and insofar as relevant to the other part it shall be guided by the arbitration rules.

Clause 25. Language of Arbitration Proceedings

- (1) The arbitration proceedings shall be conducted in the official language of the Republic of Latvia or in a language agreed upon by the parties. In case if the parties have not agreed upon the language of the arbitration proceedings, the language of the proceedings may be determined by the arbitration panel.
- (2) If the arbitration panel, or one of the arbitrators, or parties in the proceedings do not speak the language of the proceedings, the arbitration court shall involve an interpreter. The procedure for payment for the services of an interpreter shall be determined by the arbitration court.
- (3) The arbitration court may request the parties to provide translation of any written evidence or notarised translation into the language of the proceedings or into the official language.

Clause 26. Representation of the Parties

- (1) Natural persons conduct their cases in the arbitration court themselves or through authorised representatives. Representation of natural persons shall be executed with a notarised power of attorney.
- (2) Cases of legal persons in the arbitration court are conducted by their officials who act within the scope of the powers granted by law, the articles of association or the regulations, or by other authorised representatives of legal persons. Representation of legal persons shall be executed with a written power of attorney or documents that certify the right of the official to represent the legal person without special authorisation.
- (3) Any natural person may be an authorised representative, except a person:
 - 1) who has not come of age;
 - 2) for whom the trusteeship was established;
 - 3) who was deprived of the right to conduct the cases of other persons by adjudication;
 - 4) who is in a kinship relationship up to the third degree or in affinity relationship up to the second degree with an arbitrator who resolves a civil dispute;
 - 5) who provided legal assistance to the other party to a civil dispute in this or any other related matter;
 - 6) who took part in the mediation in this or any other related case.
- (4) Upon stating the circumstances referred to in Paragraph three of this Section, the arbitration panel shall not allow such a person to settle a civil dispute.
- (5) A person who is or has been on the list of arbitrators of the relevant permanent court of arbitration for the last five years may not be a representative of a party and may not be called upon to provide legal assistance in the proceedings of this permanent court of arbitration.

- (6) The parties to arbitration proceedings may involve lawyers to provide legal assistance.

Clause 27. Venue for the Settlement of a Dispute

- (1) The parties are free to agree upon the venue for the settlement of a dispute. If the parties have not agreed upon the venue for the settlement of the dispute, it shall be determined by the arbitration court.
- (2) The arbitration court may meet at any place it deems appropriate for the purpose of examining the evidence, informing the parties to the arbitration proceedings thereof.
- (3) If the parties agree upon the venue for the settlement of a dispute outside Riga, the parties shall cover the travel charges and subsistence allowance of the arbitrators.
- (4) If the venue for the settlement of a dispute is Riga, but one of the parties has appointed an arbitrator whose place of practice is outside Riga, the travel charges and subsistence allowance of the respective arbitrator during the arbitration proceedings shall be covered by the party who has appointed the arbitrator.

Clause 28. Initiation of Arbitration Proceedings

- (1) The arbitration proceedings shall begin at the time of the submission of the statement of claim.
- (2) The statement of claim shall be submitted to the arbitration court in writing at the registered office of the arbitration court.

Clause 29. Statement of Claim

- (1) The statement of claim shall specify:
 - 1) information on the parties:
 - a) for legal persons: the name, registered office and registration number and phone and fax number, if known to the claimant.
 - b) for natural persons: given name, surname, declared place of residence or, failing that, the place of residence and personal identity number as well as the phone number, if known to the claimant.
 - c) if an action is brought by a representative: the given name, surname, personal identity number and address of the claimant's representative for communication with the arbitration court; for a legal person - its name, registration number and the registered office.
 - 2) the subject of the claim, the amount, calculation of the amount claimed;
 - 3) the basis of the claim and the evidence that prove it;
 - 4) the law the claim is based on;

- 5) claims of the applicant;
 - 6) in claims for recovery of the amount of money — name of the credit institution and the account number where to pay money, if such account is available;
 - 7) a list of attached documents.
- (2) The following shall be annexed to the statement of claim:
- 1) the arbitration agreement, unless it is included in the agreement whereupon the dispute has arisen;
 - 2) the contract whereupon the dispute has arisen;
 - 3) the documents whereto the claimant refers in the statement of claim;
 - 4) as many copies of the statement as there are defendants in the case;
 - 5) the proof relating to the payment of the fee for arbitration court proceedings and the arbitrator's fee.
- (3) The statement of claim shall be signed and submitted by the claimant or his representative. If the action is brought on behalf of the claimant by a representative, the statement of claim shall be accompanied by a power of attorney or other document certifying the binding authority of the representative to bring the action.

Clause 30. Action of the Arbitration Court Upon the Receipt of the Statement of Claim

- (1) If the statement of claim and the documents annexed thereto comply with the requirements of the Rules, the arbitration court shall promptly send an acknowledgment of receipt to the defendant, inviting the defendant to file the statement of defence, stating the objections, if any, and supporting it with documents, as well as where there are three arbitrators to specify the arbitrator chosen on own part.
- (2) The parties may get acquainted with the supplemental statements of claim and other materials of the case within the period of the reception of visitors to the arbitration court.

Clause 31. Action of the Arbitration Court, if the Statement of Claim Does not Comply with the Requirements of the Rules

- (1) If the statement of claim and the documents attached thereto do not comply with the requirements of these Rules, the Chairperson of the arbitration court shall leave the statement of claim without progress and inform the claimant thereof, giving him/her time to rectify the deficiencies.
- (2) If the deficiencies are eliminated within the term specified by the Chairperson of the arbitration court, the statement of claim shall be deemed to have been submitted and the arbitration proceedings shall be initiated.

- (3) If the deficiencies are not remedied within the term specified by the Chairperson of the arbitration court, the statement of claim shall be returned to the applicant without examination.

Claim 32. Statement of Defence

- (1) The defendant shall submit a statement of defence to the arbitration court within 15 (fifteen) days from the date of sending the notice on the receipt of the statement of claim.
- (2) Subject to the location of the defendant, the complexity of the dispute, the number of defendants, the Chairperson of the arbitration court or the arbitration panel may, at its own discretion, set a longer term for giving the statement of defence, but it may not be longer than reasonable required and may not exceed 30 (thirty) days.
- (3) The defendant specifies in the statement of defence:
 - 1) whether he/she acknowledges the claim in full or in part;
 - 2) own objections to the claim and the substantiation thereof;
 - 3) evidence confirming his/her her objections to the claim and the substantiation thereof, as well as the law on which basis they are raised;
 - 4) motions to receive or request the evidence;
 - 5) other circumstances which he/ she deems relevant in the hearing of important case;
 - 6) if the number of arbitrators is three or more, to specify the arbitrator (s) chosen by him / her;
 - 7) his/ her phone number or electronic mail address, if he/ she agrees to use telephone or electronic mail in addition to the communication with the arbitration court.
- (4) The defendant must attach the evidence to the statement of defence whereon his opposition is based. The statement of defence should be accompanied by as many copies of the statement of defence as there are the parties in the case.
- (5) Upon the receipt of the statement of defence, the Chairperson of the arbitration panel, or one of the arbitrators, shall notify the claimant without delay.

Clause 33. Counterclaim

- (1) A defendant may file a counterclaim.
- (2) The counterclaim to be submitted in writing. The counterclaim shall be subject to the same provisions of the Rules as apply to the statement of claim.
- (3) A counterclaim may be lodged within the time limit set for submitting the statement of defence. If the defendant has missed the time limit by good reasons, the defendant may request the arbitration court to renew the expired time limit.

- (4) The arbitration court shall accept a counterclaim if the subject matter of the counterclaim is covered by the arbitration agreement and:
 - 1) meeting of the counterclaim completely or partially excludes satisfaction of the initial claim;
 - 2) the counterclaim and the original claim are inter-related and joint examination thereof will facilitate a faster and more correct adjudication in the case.
- (5) The decision on the acceptance of the counterclaim shall be made by the Chairperson of the arbitration court.
- (6) The counterclaim accepted by the arbitration court shall be considered together with the original claim.

Clause 34. Determining the Arbitration Hearing

- (1) After the statement of defence has been received from the defendant or the time limit set for the defendant to submit the statement of defence has expired and/ or the arbitration panel has been appointed, the arbitration panel shall determine the date and time of the arbitration hearing.
- (2) After the determination of the arbitration hearing, the arbitration court shall without delay notify the parties in the case and the arbitration panel of the date and time of hearing.
- (3) The notice of the first arbitration hearing provided for in Paragraph 2 of this Clause shall be served on the parties against signature or sent by registered letter not later than 15 days prior to the hearing, unless the parties have agreed on a shorter period. A notice of the regular (second and subsequent) arbitration hearing is handed over to the parties against a signature or sent by registered mail at least 5 days before the arbitration hearing.

V. SETTLEMENT OF A DISPUTE

Clause 35. Types of Hearing a Dispute and its Course

- (1) Subject to the arbitration agreement entered into by the parties, the arbitration court shall hold sessions to hear the parties' explanations and objections and to examine the evidence (oral proceedings) or to settle the dispute solely on the basis of the written evidence and materials provided (written proceedings). The arbitration court shall also hold an oral hearing even if the parties have agreed upon a written proceeding, and unless any of the parties requests an oral hearing until the arbitration proceedings are terminated by an award.
- (2) Subject to the provisions of these Rules and as agreed by the parties, the arbitration court may hold the dispute settlement proceedings in such manner as it deems appropriate, provided that the dispute is settled without undue delay and the parties are given equal rights to present their views, give evidence and protect their rights. The dispute settlement proceeding is chaired by the Chairperson of the arbitration panel.

Clause 36. Familiarization of the Parties with the Received Materials and Evidence

- (1) The arbitration court shall communicate to the parties any applications, documents and other information received by it, as well as expert examination opinions and other evidence.

Clause 37. Consequences, if a Party Fails to Take Part in the Arbitration Proceedings

- (1) If the defendant fails to file a statement of defence within the time limit specified in these Rules, the arbitration court shall continue the proceedings without considering such the non-submission to be a recognition of the claim, unless otherwise determined in the arbitration agreement.
- (2) If the parties do not appear at the oral hearing of the arbitration court without a justified reason or do not give written or other evidence, the arbitration court shall continue the proceedings and settle the dispute on the basis of the evidence at its disposal.

Clause 38. Amendment and Supplement to the Claim

- (1) Any party may, during the arbitration proceedings, may amend and supplement its claim, counterclaim, or plea to the merits until the substantive settlement of the dispute is initiated.
- (2) If in amending or supplementing a claim or a counterclaim, the amount thereof is increased, the party shall additionally pay the relevant expenses of the arbitration proceedings.
- (3) A claim or a counterclaim may not be amended to the degree it exceeds the limits of the arbitration agreement.
- (4) If the basis of the claim is amended or supplemented, the defendant has the right to submit a written statement of defence within the term set by the arbitration panel. The time-limit for submitting a written statement of defence must correspond to the time-limit laid down in Clause 32 of the Rules for submitting a statement of defence to the claim raised.

Clause 39. Records of the Proceedings

- (1) If one of the parties wishes to place on records of the arbitration hearing, it must submit a written application 2 days prior to the arbitration hearing, enclosing the proof of payment of the court clerk's fees in accordance with the instructions in Annex No. 1 to the Rules.
- (2) The records shall be made by a court clerk appointed by the arbitration court. The records of the arbitration hearing shall be signed by all arbitrators and the court clerk. The records of the arbitration hearing to be signed within 3 (three) days after the arbitration hearing.
- (3) The records shall specify:

- 1) name of the arbitration court;
 - 2) case number;
 - 3) place and date of examination;
 - 4) parties;
 - 5) notes relating to the involvement of the parties in the settlement of the dispute;
 - 6) given names and surnames of the arbitrators, court clerk, experts, interpreters and other parties in the case;
 - 7) a brief description of the dispute resolution process;
 - 8) claims of the parties and other important statements presented by the parties;
 - 9) the reasons for adjourning or terminating the settlement of the dispute.
- (4) The parties have the right to get acquainted with the records and within 5 (five) days from signing the records to submit written objections or remarks, specifying the deficiencies established in the records. The arbitration panel shall decide on the merits of the objections or the conformity of the remarks to the events taken place at the hearing.

Clause 40. Evidence, its Procurement and Evaluation

- (1) Evidence is information on the basis whereof the arbitration panel determines the existence or absence of facts that are relevant to the resolution of a civil dispute.
- (2) Evidence shall be provided by the parties. Each party must prove the circumstances on which it bases its claims or objections.
- (3) The evidentiary basis in the arbitration court may include explanations of the parties, written evidence (written documents, audio recordings, videotape tapes, electronic data carriers, digital video discs, etc.), material evidence and expert examination opinions.
- (4) The documents shall be submitted as the original or duly certified copy or excerpt. If a party submits a document in the form of a copy or excerpt, the arbitration panel may itself or on the request of the other party claim the presentation of the original document. On the request of the person who submitted the document the original document shall be returned by the arbitration panel to the submitter, attaching a certified copy or excerpt to the materials of the arbitration proceedings in the order established.
- (5) Upon the reasoned request of a party, the arbitration panel shall have the right to request the other party to adduce written evidence at its disposal.
- (6) The party requesting the arbitration panel to give written proof must describe that evidence and state the reasons why it deems that the evidence is on the opposite side.

- (7) If a party refuses to submit the requested written evidence to the arbitration panel within the time limit set by it, without denying that such evidence is available, the arbitration panel may recognise the facts proved, to acknowledge which the opposing party referred to such written evidence.
- (8) No evidence whatever shall have the pre-determined force that is related to the arbitration panel.
- (9) The arbitration panel must state in the grounds of the award why it has given preference to one piece of evidence over another and found some facts to be proved and other facts - unproven.

Clause 41. Expert Examination

- (1) The arbitration court may, upon a duly reasoned written request of a party, order an expert examination. Expert examination is determined in cases when special knowledge in science, technology, art, or any other field is required to elucidate the facts relevant to the dispute.
- (2) If the arbitration court finds the request of a party to be duly reasoned, the arbitration court shall decide on the appointment of an expert examination or on the involvement of experts. The expert examination shall be determined only if the party has paid the expenses necessary to carry out the expert examination within the term specified by the arbitration court. This amount shall be determined by the arbitration court based on the information provided by the relevant expert.
- (3) In the motion for an expert examination, the party must specify the issues whereon, in her opinion, the expert should give an opinion. The other party has the right to submit to the arbitration court issues whereon the expert must give an opinion. Matters requiring an expert opinion shall be determined by the arbitration court. The arbitration court shall give the reasons for rejecting the questions raised by the parties.
- (4) The arbitration award regarding the determination of the expert examination shall specify in which matters the opinion of the expert is required and who is assigned to carry out the expert examination.
- (5) The expert examination shall be carried out by experts of the relevant expert examination institutions or other specialists. The expert shall be appointed as mutually agreed by the parties, but if such agreement is not reached within the term specified by the arbitration court, the expert shall be appointed by the arbitration court. If necessary, the arbitration court shall appoint several experts.
- (6) If several experts are selected, they shall be entitled to consult each other. If the experts reach a joint opinion, it shall be signed by all the experts. If the experts do not agree, each expert writes a separate opinion.
- (7) On the request of the arbitration court, the parties shall provide the expert with the necessary information or documents, present goods, or other objects.
- (8) On the request of a party, the arbitration court shall involve the expert, after he has given the opinion, to participate in the hearing of the arbitration court in order to give explanations and answer questions of the parties relating to the opinion.

Clause 42. Rejection of Expert, Interpreter and Clerk of Court

- (1) On the request of a party, an expert interpreter or court clerk may be dismissed in the cases provided for in Clause 13 of these Rules. Rejection must be applied for as soon as the party becomes aware of the grounds for the rejection. The issue of rejection shall be decided by the arbitration court.

Clause 43. Procedural Consequences of the Withdrawal of the Party

- (1) The fact that a natural person who is a party has died or a legal person who is one of the parties has ceased to exist does not in itself terminate the arbitration agreement, unless the parties have agreed otherwise and the disputed legal relationship allows for undertaking of the rights. In this case, the arbitration court shall suspend the arbitration proceedings until the successor is determined.
- (2) The assignment of a claim or the transfer of a debt may be the basis for the termination of the arbitration proceedings unless the parties have renegotiated the settlement of the civil dispute in the arbitration court.

Clause 44. Right to Object

- (1) If any provision of the arbitration proceedings is infringed or is not complied with, the party involved in the arbitration proceedings shall, as soon as he/she becomes aware or should become aware of the infringement, submit a written objection to the arbitration court and the other party.
- (2) The validity of the opposition shall be decided by the arbitration panel.
- (3) If a party does not object, it shall be deemed to have waived its right to raise such objections, unless the party has not objected for the reasons being beyond its control.

Clause 45. Storage of Documents of Proceeding Upon the Completion of Arbitration Proceedings

- (1) Upon the completion of the arbitration proceedings documents of the proceeding shall remain in the custody of the arbitration court. The arbitration court shall store the documents in accordance with the procedure established by the Arbitration Law.

Clause 46. Making of Awards

- (1) All awards (decisions and judgments) of the arbitration court, if it is composed of more than one arbitrator, shall be made by a simple majority of votes, except in cases when the Chairperson of the arbitration panel may independently decide on procedural issues if entrusted to him by the parties or other arbitrators.
The arbitrator may not abstain from voting.
- (2) The arbitration panel shall on its own option make decision in the courtroom or deliberation room.
- (3) The arbitration panel may decide to suspend the settlement of a civil dispute and

other procedural issues without adjudicating the civil dispute on the merits.

- (4) The arbitration award shall be made in writing and shall be signed by all arbitrators, but if any of the arbitrators does not sign the award, he shall state the reason why he has not signed.
- (5) Signatures of the arbitrators on the award shall be certified by the stamp of the arbitration court.
- (6) The arbitration award shall come into force on the date of adoption thereof. It is not subject to appeal and cannot be objected to.

Clause 47. Settlement

- (1) A settlement shall be permitted in any civil dispute, except in the case referred to in Paragraph two of this Clause.
- (2) A settlement is not admissible if the terms thereof infringe the rights of another person or the interests protected by law.
- (3) If the parties reach an amicable settlement during the arbitration proceedings, the arbitration panel shall terminate the arbitration proceedings and, if the parties so request and the arbitration panel so agrees, shall draw up the settlement in the form of an arbitration award, including the terms agreed upon.
- (4) Such an arbitration award shall have the same status and legal force as any other arbitration award which has settled the civil dispute on the merits.

Clause 48. Judgment

- (1) The arbitration court shall specify in the award:
 - 1) case number;
 - 2) arbitration panel;
 - 3) date and place of making the award;
 - 4) information relating to the parties;
 - 5) subject matter of the dispute;
 - 6) motivation for the award, unless the parties have agreed otherwise;
 - 7) conclusion regarding the full or partial satisfaction of the claim, or relating to the total or partial dismissal thereof and the essence of the arbitration award;
 - 8) the amount to be recovered, if an award has been made relating to the recovery of money;
 - 9) the specific property and the value thereof, which is to be recovered in the event of the absence of property, if the award has been made on the return of the

property in kind;

10) who, what actions and within what term must take actions if the award imposes an obligation to take certain actions;

11) which part of the award applies to each of the defendants if the award was made in favour of several defendants, or which part of the award to be enforced from each of the defendants if the award was made against several defendants;

12) expenses of the arbitration proceedings, as well as the distribution of these expenses and expenses for the legal aid between the parties.

- (2) The arbitration panel shall render its award within a period of 14 days after the examination of the civil dispute on the merits.
- (3) When making award on the recovery of the amount of money, the arbitration court shall specify in the operative part thereof the type of claim and the amount to be recovered, indicating separately the principal debt and interest, the time for which the interest has been awarded, and the amount thereof.
- (4) When rendering an award on the return of property in kind, the arbitration court shall indicate the specific property in its operative part, as well as determine that in the absence of property, the value thereof shall be recovered from the defendant, specifying a particular amount.
- (5) In an award imposing the obligation to take certain actions, the arbitration court shall determine who should take actions, what actions to be taken and within what period.
- (6) In rendering the award imposing the obligation on the defendant to take certain actions which are not related to the transfer of property or sums of money, the arbitration court may determine in the award that if the defendant fails to comply within a specified period, the claimant shall be entitled to take these actions at the expense of the defendant and then to recover the necessary expenses from him.
- (7) In the award in favour of several claimants, the arbitration court shall specify which part of the award applies to each of them or that the right of recovery is joint and several.
- (8) In an award against several defendants, the arbitration court shall specify which part of the award is to be enforced from each of them or the fact that their liability is joint and several.
- (9) A repetitive copy of the arbitration court shall be served on the parties. A true copy of the award shall be sent to the party on his request.
- (10) The award of the arbitration court shall be sent to the parties within three working days from the date of adjudicating on it unless the parties have previously received a true copy of the award at the Office of the Clerk.

Clause 49. Correction, Explanation of the Award and Additional Adjudication

- (1) The arbitration panel may, on its own initiative or at the request of a party, correct clerical, and mathematical calculation errors in the award. Such errors may be corrected without involving the parties.

- (2) Unless the parties have agreed otherwise, one party may, by notifying the other party, within 30 days of the date of dispatch of true copy of the award or the date of receipt of true copy of the award, if served in person, request the arbitration panel to interpret the award without changing its content. The explanation of the award becomes an integral part of the award from the time of adjudication.
- (3) Unless the parties have agreed otherwise, one party may, by notifying the other party, within 30 days of the date of dispatch of true copy of the award or the date of receipt of true copy of the award, if served in person, request the arbitration panel to render an additional award, if not decided yet on any of the submitted claims whereof the evidence was procured and on which the parties gave explanations. If the arbitration panel considers the request to be justified, it shall render an additional award. The arbitration panel shall render additional awards pursuant to Clause 49 of the Rules.

Clause 50. Adjournment of Dispute Settlement

- (1) The arbitration court is obliged to adjourn the settlement of a dispute if any of the parties in the case does not appear at the hearing of the arbitration court and has not been notified of the time and place of the arbitration hearing.
- (2) The arbitration court may adjourn the settlement of a dispute:
 - 1) if it is recognised that it is not possible to resolve the dispute due to the absence of a party in the case, as well as a court clerk, expert, or interpreter;
 - 2) at the request of a party in the case to give him/ her the opportunity to adduce additional evidence;
 - 3) on its own initiative for resolving procedural issues.
- (3) The arbitration court shall notify the parties in the case of the date and time of the next hearing against a signature or serving a subpoena.

Clause 51. Suspension of Arbitration Proceedings

- (1) The arbitration court is obliged to suspend the arbitration proceedings if:
 - 1) a natural person has died or a legal person which is a party to a dispute has ceased to exist, and if the contested legal relationship allows the transfer of rights;
 - 2) the party has lost legal capacity;
 - 3) a mutual agreement of the parties made in writing relating to the suspension of the arbitration proceedings has been submitted to the arbitration court.
- (2) The arbitration court may, upon the request of a party in the case or on its own initiative, suspend the proceedings if:
 - 1) the party is unable to take part in the settlement of the dispute due to illness or other justifiable reason;
 - 2) the arbitration court shall determine the expert examination upon the request of the parties.
- (3) The arbitration proceedings are suspended:
 - 1) in cases provided for in Sub-paragraph 1, Paragraph 1 of this clause - until

the determination of a successor in title or the appointment of a legal representative;

2) in cases provided for in Sub-paragraph 2, Paragraph 1 of this clause - until the appointment of a legal representative;

3) in cases provided for in Sub-paragraph 3, Paragraph 1 of this clause – until the term set as agreed by the parties;

4) in cases provided for in Sub-paragraphs 1 and 2, Paragraph 2 of this clause - until the time when the circumstances referred to in these sub-paragraphs have been revealed.

(4) The arbitration court shall make decision on the suspension of the arbitration proceedings, which is drawn up in the form of a separate procedural document. The decision shall specify the circumstances until the time of the initiation or termination of the arbitration proceedings or the term for which the arbitration proceedings have been suspended.

(5) The arbitration proceedings shall be resumed by the decision of the arbitration court on own initiative or at the request of the parties in the case.

Clause 52. Dismissal of Claim Without Prejudice

(1) The arbitration court is obliged to dismiss the claim without prejudice if:

1) the statement of claim has been submitted by an incapacitated person or a person for whom guardianship has been established pursuant to the provisions of Section 365 of the Civil Law;

2) the action has been brought on behalf of the claimant by a person who is not authorised to do so in accordance with the procedures prescribed by law;

3) in the case determined in Clause 31, Paragraph 3 of these Rules.

(2) The arbitration court may dismiss the claim without prejudice:

1) at the request of the claimant;

2) if the claimant does not reappear at the arbitration hearing and has not requested the settlement of the dispute in his/ her absence.

(3) The arbitration court shall decide on the dismissal of the claim without prejudice in the form of a separate procedural document.

(4) If the claim is dismissed without prejudice, the claimant shall be entitled to resubmit the statement of claim to the arbitration court, adhering to the procedures established by law and these Rules.

Clause 53. Termination of Arbitration Proceedings

(1) The arbitration panel shall decide on the termination of the arbitration proceedings if:

1) the claimant has waived the claim;

2) as agreed by the parties upon the settlement;

- 3) the arbitration agreement lost its force in accordance with the procedures prescribed by law or the agreement;
 - 4) it recognises that the civil dispute is not within the jurisdiction of the arbitration court;
 - 5) the natural person who is one of the parties has died or the legal person who is one of the parties has ceased to exist and the disputed legal relationship does not allow the transfer of rights or the parties have agreed that the arbitration proceedings shall be terminated in such a case.
- (2) If the arbitration proceedings have been terminated for the reasons specified in Sub-paragraphs 1 or 2, Paragraph one of this clause, the repeated recourse to the arbitration court or the District (City) Court in a dispute between the same parties, on the same subject matter and on the same grounds is not admissible.
 - (3) (3) If the arbitration proceedings have been terminated due to the reasons referred to in Sub-paragraph 3, 4 or 5 of Paragraph one of this clause, the statement of claim may be submitted to the District (City) Court.

Clause 54. Enforcement of the Arbitration Award

- (1) An arbitration award shall be binding upon the parties and shall be executed on voluntary basis within the term set in this award. The arbitration court shall set a time limit of not less than ten days for the voluntary execution of the award.
- (2) If the arbitration award is enforceable in Latvia and is not executed on voluntary basis, the party concerned shall be entitled to apply to the District (City) Court at the debtor's declared place of residence or location (legal address) with an application for the enforcement of the arbitration award. The procedure for taking the specified actions is regulated by the Civil Procedure Law.

VI. EXPENSES OF ARBITRATION PROCEEDINGS

Clause 55. Expenses of Arbitration Proceedings

- (1) The expenses of the arbitration proceedings include the court fee and the arbitrator's fee, which are specified in Annex No. 1 to the Rules of the Court of Arbitration and which are payable upon the submission of a claim to the arbitration court, unless the Chairperson of the arbitration court decides otherwise.
- (2) The amount of the expenses of the arbitration proceedings specified in Annex No. 1 to the Rules of the Court of Arbitration, may be modified by the decision of the Chairperson of the arbitration court, taking into account the complexity of the dispute, the time required to resolve the dispute. The Chairperson of the arbitration court may independently determine discounts on the calculated litigation fee and / or the arbitrator's fee.
- (3) In addition, the expenses of the arbitration proceedings shall not include the fees for the services of an interpreter, court clerk and expert, as well as the travel charges and subsistence allowance of the arbitrator, as well as other possible expenses related to the settlement of the dispute. During the arbitration proceedings, the arbitration court may request to pay extra charges of the arbitration proceedings.

- (4) The court clerk, interpreter or expert in the arbitration proceedings shall be summoned only after the party has paid the remuneration determined by the arbitration court for the services of these persons. If it is necessary to involve an interpreter, to order an expert examination or to involve an expert, but the party who has requested it has not paid the fee for the services of an interpreter or expert within the term set by the arbitration court, the other party may pay the fee.
- (5) If a party has paid a fee for the services of a court clerk, interpreter, expert, but the said services have not been provided, the amount paid shall be refunded to the party who paid it.
- (6) During the arbitration proceedings, upon establishing the relevant circumstances, the arbitration court may request to pay extra charges of the arbitration proceedings.

When ruling on a dispute, the arbitration court shall decide on the distribution of the cost of the arbitration proceedings between the parties as well as the cost of legal assistance in the case (up to 20% of the amount of the satisfied or rejected claim, if the arbitration court finds such the amount of expenses reasonable).
- (7)
- (8) If the statement of claim is dismissed without prejudice or the claimant withdraws his/her claim until the arbitration panel is appointed, the Chairperson of the arbitration court may decide on the refunding of the paid arbitrator's fee.

Expenses of the arbitration proceedings and the remuneration paid for the services of
- (9) the court clerk, interpreter and / or expert may be reimbursed provided that the party in whose interest the payment was made submitted a written application for the refunding of these amounts of money. Such application to be made within six months of the date of payment of the amount, failing which no refund will be made.

Clause 56. Amount of Claim

- (1) The amount of claim includes:
 - 1) in claims for the recovery of money – the amount to be recovered;
 - 2) in claims relating to the claim of property - the value of the property claimed;
 - 3) in claims for the recovery of the maintenance benefit - in the total amount of payments;
 - 4) in claims for term payments and contributions - the total amount of all payments and contributions;
 - 5) in claims for open-ended or lifetime payments and contributions - the total amount of all payments and contributions;
 - 6) in claims for the reduction or increase of payments or contributions - the amount by which payments or contributions are reduced or increased;
 - 7) in claims for the termination of payments or contributions - the total amount of remaining payments or contributions;
 - 8) in claims relating to the premature termination of a property lease agreement -

the total amount of payment for the use of the property during the remaining term of the agreement;

9) in claims relating the ownership of real estate - the market value thereof, but not less than its cadastral value;

10) in claims constituting several independent actions in rem - the total amount of all claims.

- (2) The amount of the claim shall be specified by the claimant. If the specified amount of the claim obviously does not correspond to the market value of the property claimed, the amount of the claim shall be determined by the arbitration court.

Clause 57. Reimbursement of the Expenses of Arbitration Proceedings

- (1) The parties may agree on the distribution of the expenses of arbitration proceedings between them. Unless otherwise agreed by the parties, the reimbursement of the costs of the arbitration proceedings shall be determined in accordance with the provisions of this paragraph.
- (2) The arbitration court shall, on the other hand, order the party in whose favour the award is rendered to pay all expenses of the settlement of the dispute. If the claim is partially satisfied, the amounts specified in this part shall be turned to the claimant pro rata to the amount of the claims satisfied by the arbitration court, and to the defendant – pro rata the part of the claims in which the claim was rejected.
- (3) If the claimant waives the claim, he/she shall reimburse the defendant for the expenses related to the settlement of the dispute. In this case, the defendant shall not reimburse the costs incurred by the claimant relative to the settlement of the dispute. However, if the claimant does not sustain his claims because the defendant satisfied them on voluntary basis after the claim had been filed, the arbitration court shall, at the request of the claimant, order the defendant to pay the expenses related to the settlement of the dispute.
- (4) If the claim is dismissed without prejudice, the arbitration court shall, at the request of the defendant, order the defendant to pay the expenses related to the settlement of the dispute.
- (5) Expenses related to prosecuting the case shall be reimbursed in the following amounts:
- 1) expenses for legal aid in a case up to 20% (twenty percent) of the amount of the satisfied or rejected claim, if the arbitration court finds the amount of such expenses to be reasonable;
 - 2) in non-pecuniary claims, expenses for legal aid shall be reimbursed in the actual amount thereof, however, not more than EUR 2850, if the arbitration court finds the amount of such expenses to be reasonable.
 - 3) expenses related to the collection of evidence - in the actual amount of expenses.
- (6) The arbitration court may set a lower amount of reimbursable expenses for legal aid, adhering to the fairness and proportionality principle, as well as assessing the objective circumstances of the case, in particular the degree of complexity and the scope of the case, the number of court hearings during the consideration of the case.

- (7) Expenses shall be awarded to the defendant in favour of the claimant if his/her claim has been upheld in whole or in part, as well as if the claimant did not sustain own claims because the defendant met them on voluntary basis after the action had been brought.
- (8) If the action is dismissed or the claimant waives the claim, except in the case referred to in Paragraph 3 of this clause, the proceedings-related expenses shall be awarded to the claimant in favour of the defendant.

Riga, 19 February 2020

For and on behalf of the Founder
of the Association “Arbitration Proceedings Support Association”
Member of the Board

Anna Priščepa

The document is signed with a secure electronic signature and contains a time stamp.

**LITIGATION FEE
OF THE LATVIAN ARBITRATION COURT**

if the case is adjudicated by an arbitration court composed of one arbitrator

Amount of claim (EUR)	Litigation fee
up to EUR 1 423	EUR 214
from EUR 1 424 to EUR 7 116	EUR 285 + 2,5% of the amount of claim exceeding EUR 1 423
from EUR 7 116 to EUR 28 460	EUR 356 + 1,6% of the amount of claim exceeding EUR 7 115
from EUR 28 460 to EUR 142 290	EUR 712 + 1% of the amount of claim exceeding EUR 28 459
from EUR 142 290 to EUR 711 442	EUR 1 836 + 0,3% of the amount of claim exceeding EUR 142 289
from EUR 711 442 to EUR 1 422 882	EUR 3 543 + 0,2% of the amount of claim exceeding EUR 711 441
from EUR 1 422 882 and more	EUR 4 511 + 0,1% of the amount of claim exceeding EUR 1 422 881
Non-pecuniary claims	EUR 356

FEE OF THE ARBITRATOR OF THE LATVIAN ARBITRATION COURT

for consideration of a case at the Latvian Arbitration Court

Amount of claim (EUR)	Litigation fee
up to EUR 1 423	EUR 171
from EUR 1 424 to EUR 7 116	EUR 214
from EUR 7 116 to EUR 28 460	EUR 356
from EUR 28 460 to EUR 142 290	EUR 641
from EUR 142 290 to EUR 711 442	EUR 997
from EUR 711 442 to EUR 1 422 882	EUR 1 423
from EUR 1 422 882 and more	EUR 2 125
Non-pecuniary claims	EUR 356

Payments of the proceeding expenses:

Biedrība "Šķīrējtiesas procesa atbalsta biedrība" (in English: Association "Arbitration Proceedings Support Association")

Reg. No. 40008237821

AS Luminor banka Latvian Branch

Account: LV47RIKO0002930213574

If several claimants and/or several defendants are involved in the proceedings, the litigation fee shall be increased by 10% for each additional claimant or defendant.

If the dispute is settled by an arbitration panel of three or five arbitrators, the litigation fee of the arbitration court shall be increased by 50 or 100 per cent, respectively.

A party who wishes that records of the arbitration hearing to be kept, must pay to the arbitration court a fee for the services of the court clerk in the amount of EUR 143 (for each

hearing). If the arbitration hearing lasts for more than three hours, the remuneration for the services of the court clerk shall be determined in the amount of 50 euros per hour, payable in addition to the arbitration court.

Remuneration for the services of an interpreter shall be determined being governed by the estimate made by sworn translator, interpreter, or translation agency.

Remuneration for the services of an expert shall be determined based on the estimate made by an expert, an expert's office or any other institution carrying out the expert examination.

The amount of the arbitrator's travel charges, and subsistence allowance shall be determined based on the calculation submitted by the arbitrator and the supporting documents.

The fee for copying services is set in the amount of EUR 1.43 per A4 page format.

The proceeding expenses are shown excluding the value added tax (VAT).

Riga, 19 February 2020

For and on behalf of the Founder
of the Association "Arbitration Proceedings Support Association"
Member of the Board

Anna Priščepa

The document is signed with a secure electronic signature and contains a time stamp.