

Arbitration Chamber of Georgia Ltd

Standing Arbitration

REGULATIONS

Article 1. Definitions

1. Arbitration Chamber of Georgia Ltd – a limited liability company incorporated in compliance with the Law of Georgia on Entrepreneurs.
2. Arbitration – the Standing Arbitration of Arbitration Chamber of Georgia.
3. Chairman of Arbitration – the Chairman of the Standing Arbitration of Arbitration Chamber of Georgia who assigns incoming arbitration cases for hearing. At the same time, he may participate in an arbitration hearing.
4. Arbitrator – a person having a working relationship with Arbitration Chamber of Georgia who may hear any incoming arbitration case.
5. Arbitration Tribunal – the arbitration board comprising a sole arbitrator or three arbitrators authorized to hear property disputes of private nature in accordance with the rules laid down by the Law of Georgia on Arbitration and these Regulations.
6. Laws – the laws of Georgia and/or the substantive law of any country that the parties have chosen to resolve the dispute accordingly.
7. The Regulations – the Regulations of the Standing Arbitration of Arbitration Chamber of Georgia Ltd.
8. Dispute – a property dispute of private nature based on equality of arms, the hearing of which has been subjected to arbitration by agreement of the parties.
9. Parties – the Claimant, the Respondent, and the third person with an independent arbitration claim.
10. Claimant – a person with the right of claim.
11. Respondent – a person who is to respond to any arbitration claim.

12. Third person with an independent arbitration claim – a person raising an independent arbitration claim to the subject of dispute or a part thereof and exercises all the rights of a Claimant and bears all the obligations of a Respondent.

13. Third person – any interested person involved in a proceeding on the arbitration’s initiative or at the request of a party who raises no independent claim to the subject of dispute or any part thereof and whose rights and obligations may be affected by an arbitral award.

14. Evidence – any document, material evidence or witness statement, on which the parties build their claims and defences.

15. Arbitration hearing – the rules for arbitration to hear disputes as provided for by these Regulations and the Law of Georgia on Arbitration.

16. Arbitration Agreement (Arbitration Clause) – an agreement made between the parties in the form and manner defined by Article 8 of the Law of Georgia on Arbitration.

Article 2. Principles of proceeding

1. The Arbitration may hear, based on equality of arms, the property disputes of private nature that the parties can settle between each other.

2. The Arbitration hears disputes having regard to equality of arms, with parties to an arbitration proceeding exercising equal rights to substantiate their claims, deny or refute the claims, opinions or evidence of the other party. Each party shall determine on their own on what facts to base their claims and with what evidence to prove the facts. Each party shall be given full opportunity to state their positions.

3. The Arbitration shall be independent in its activity and follows the arbitration hearing procedures defined in these Regulations under the Law of Georgia on Arbitration. In addressing any issue not provided for by these Regulations, the Arbitration follows the Law of Georgia on Arbitration. To swiftly and objectively resolve disputes, the Arbitration may perform procedural acts not prohibited or not expressly provided for by these Regulations and the Law of Georgia on Arbitration.

4. The parties commence a proceeding by filing with the Arbitration an arbitration claim in accordance with the rules laid down in these Regulations and the Law of Georgia on Arbitration. The Claimant may withdraw his claim, the Respondent may admit the Claim. The Parties can end the proceeding by a settlement at any time during the arbitration hearing before the

award is issued or reach a settlement after the award has been issued and submit the deed of settlement to the Arbitration for approval.

5. The written agreement of the parties setting forth the rules for hearing and resolving a dispute different from those set forth by these Regulations shall be binding upon the Arbitration only if the parties are granted the right to such agreement by law.

Article 3. Composition of the Arbitration

The Arbitration shall be composed of a sole arbitrator or three arbitrators. The Chairman of the Arbitration shall determine the number of and appoint the arbitrator(s) depending on the complexity of a case.

Article 4. Recusal of an arbitrator and grounds of recusal, ceasing to be an arbitrator

1. A party may petition for recusal of an arbitrator if there are any circumstances that may lead to a reasonable suspicion over the arbitrator's independence and impartiality. The party intending to request the recusal of an arbitrator shall submit a written application for recusal to the Arbitration within no later than 7 days from the day such party became aware of the appointment of such arbitrator or of the circumstance that serves as the basis for recusal of the arbitrator.

2. Throughout the entire arbitration hearing period, the arbitrator shall give the parties and the Arbitration a prompt notice of the circumstances that raise suspicion over his independence and impartiality.

3. If there are any grounds for recusal, the arbitrator shall resign.

Article 5. Costs of arbitration proceedings

1. The costs of arbitration proceedings comprise arbitration costs and out-of-arbitration costs.

2. Arbitration costs include the arbitration fee, including any value added tax, and costs relating to the hearing.

3. Out-of-arbitration costs include attorney expenses, expenses incurred for the production of evidence as well as any other necessary costs of the parties.

4. Costs relating to the hearing:

- (a) costs incurred to hire specialists, experts and interpreters;
- (b) costs relating to the conduct of onsite inspection;
- (c) costs relating to the execution of the Arbitral Award;
- (d) costs relating to the conduct of any examination/assessment.

5. Any costs relation to the arbitration proceeding shall be borne by the interested party. The Arbitration shall not be required to bear any costs relating to the hearing or the finalization of the award;

6. The arbitration fee shall be paid for:

- (a) Arbitration Claim;
- (b) Arbitration Counterclaim;
- (c) Arbitration Claim of the third person with an independent arbitration claim;
- (d) application for security of the Arbitration Claim;
- (e) application for injunctive relief.

Article 6. Amount of arbitration fee

1. The amount of arbitration fee shall be calculated from the value of the subject of dispute and account for:

- (a) 5%, gross of VAT, of the subject of dispute but not less than GEL 100 for any subject of dispute valued up to GEL 10 000;
- (b) GEL 500 plus 4%, net of VAT, of the subject of dispute above GEL 10 001 for any subject of dispute valued from GEL 10 001 to GEL 100 000;
- (c) GEL 4 100 plus 2%, net of VAT, of the subject of dispute for any subject of dispute valued from GEL 100 001 to GEL 500 000;
- (d) GEL 12 100 plus 1.5%, net of VAT, of the subject of dispute for any subject of dispute valued from GEL 500 001 to GEL 1 000 000;

(e) GEL 19 600 plus 0.5%, net of VAT, of the subject of dispute for any subject of dispute valued above GEL 1 000 001.

2. The amount of the arbitration fee for the applications referred to in subparagraphs (d) and (e) of Article 5.6 of these Regulations shall be GEL 150 net of VAT.

3. The maximum amount of the arbitration fee GEL 30 000, net of VAT.

Article 7. Procedure for calculating the price of the subject of dispute

1. The price of the subject of dispute shall be:

(a) the amount payable – in any Arbitration Claim for collection of money;

(b) the market value of the property – in any Arbitration Claim for transfer of the property.

2. The Claimant shall determine the value of the subject of dispute on his own. If the value indicated by the Claimant is manifestly inconsistent with the real value of the subject of dispute, the price of the subject of dispute shall be determined by the arbitrator.

3. If one Claim contains several claims arising from a variety of obligations (contracts), such claims shall be summed up and the value of the subject of dispute shall be determined thereafter.

4. The subject of dispute shall be evaluated having regard to the prices applicable when the Arbitration Claim was filed.

5. If the value of the subject of dispute cannot precisely be determined at the moment of the Claim is filed, the amount of the arbitration fee shall be predetermined by the Arbitration, with any overpayment to be refunded or underpayment to be collected subsequently.

Article 8. Payment and deferment of the costs of arbitration proceedings

1. Arbitration costs (the arbitration fee and the costs relating to hearing) shall be prepaid by the party having requested the performance of the relevant act by the Arbitration. If such act is performed on the initiative of the Arbitration, such amount shall be paid equally by both parties.

2. The Arbitration may, having regard to the financial status of the parties, grant one or both of the parties deferment of the payment of the costs of arbitration proceedings if the party has submitted irrefutable evidence to the Arbitration.

Article 9. Allocation of the costs of arbitration proceedings between parties

Unless the parties otherwise agree, the costs of arbitration proceedings incurred by the prevailing party shall be awarded to the prevailing party. Where the Arbitration Claim is allowed in part, then the Claimant shall be awarded the amount referred to in this article pro rata to the part of the Claim allowed and the Respondent – pro rata to the part of the Claim disallowed by the Arbitral Award.

Article 10. Reduction of the amount of arbitration fee

1. If the Claimant withdraws the Arbitration Claim or the parties reach a settlement, the Claimant is entitled to a 50% refund of the arbitration fee paid to the account of the hearing. If the parties reach a settlement after the Arbitral Award has been issued, the Claimant is not entitled to any refund of the arbitration fee.
2. If in reaching a settlement the parties themselves have determined the amount and the terms of allocation of the arbitration fee and the costs relating to the proceedings, the Arbitration shall decide the matter according to their agreement.
3. If the Claimant withdraws the Claim, the costs incurred by the Claimant shall not be incurred by the Respondent but if the basis for withdrawing the Claim is the fact that the Respondent voluntarily allowed the Claim after the Claim had been filed, at the Claimant's request the Arbitration shall award the Claimant the costs incurred by it.
4. If the Claim is withdrawn only in part, the obligation to pay the arbitration fee shall be determined according to the outstanding part.
5. If the Claim is dismissed without prejudice, the Claimant shall be refunded 80% of the arbitration fee paid to the account of the hearing.

Article 11. Calculation, prolongation and restoration of the timeframes of arbitration proceedings

1. The flow of the period of time prescribed by these Regulations or by the Arbitration for the performance of a certain act shall commence from the day following the calendar day or the occurrence of the event that defines its commencement.
2. If the last day of the period of time coincides with a holiday or day-off, the date of expiry shall be the next first business day.

3. The period of time prescribed by the Arbitration may be prolonged by the Arbitration at the request of the parties or of its own motion.

4. Unless otherwise determined by law, the period of time defined by the Arbitration for the performance of a certain act may be restored by the Arbitration if it finds that the act has not been performed for a valid reason. A valid reason shall be illness, the death of a close relative, or any other special circumstance that is beyond the control of the party affected and prevents the performance of the act. Illness shall be confirmed with a document signed by the director of a medical institution and expressly indicating the act could not have been performed.

Article 12. Security of Arbitration Claim

1. Before the commencement of an arbitration hearing or on any stage of the hearing, until the final Arbitral Award is issued, a party may apply to the Arbitration for injunctive reliefs. The application shall contain a reference of the circumstances, for which the failure to grant injunctive reliefs would make it difficult or impossible to enforce the Arbitral Award as well as a reference to the particular relief sought by the Claimant.

2. Injunctive reliefs can be for:

(a) maintaining the original condition or restitution until the final Arbitral Award is issued;

(b) taking actions to prevent harm to the other party or the Arbitration;

(c) taking actions to preserve the assets, out of which the subsequent Arbitral Award is to be enforced;

(d) keeping and maintaining the evidence that could be related to the arbitration dispute and its resolution.

3. The party applying to the Arbitration for injunctive reliefs shall show that:

(a) failure to grant injunctive reliefs securing the Arbitration Claim can cause the damages that cannot be avoided by awarding the seeking party such damages;

(b) the damages caused by failure to grant injunctive reliefs securing the Arbitration Claim significantly exceed the damages that can be incurred to the party, against which such reliefs are sought, if such reliefs are applied;

(c) there is a reasonable cause to believe that the Claim has been allowed.

Article 13. Hearing an application for injunctive relief securing the Arbitration Claim

1. Any application for injunctive reliefs securing the Arbitration Claim shall be heard by the Arbitration without notice to the Respondent within 2 days after the application is filed.
2. The Arbitration shall issue an order allowing or disallowing the application for injunctive relief. The order shall state which injunctive relief(s) has/have been granted and indicate that if any injunctive reliefs granted have proven unreasonable due to the fact that the Claimant's Claim was dismissed, then the party whose application for such reliefs was granted shall reimburse the other party of any damages that such other party has suffered as a result of the measures implemented to secure the Claim.
3. The Arbitration can demand that the party seeking injunctive reliefs present the appropriate performance bond relating to such relief.

The Arbitration order for injunctive reliefs shall be binding and enforced immediately, without applying to court.

Article 14. Vacation, modification or suspension of injunctive relief securing the Arbitration Claim

1. The party, against which injunctive reliefs are directed, may apply to the Arbitration, within 10 days of the service of the Arbitration order, for vacation of the reliefs if such party proves that:
 - (a) a party to the Arbitration Agreement was capable of contracting;
 - (b) the Arbitration Agreement is void;
 - (c) the relief has been in a dispute, on which there is no Arbitration Agreement;
 - (d) the dispute cannot be a subject of arbitration hearing;
 - (e) the Arbitration decision for the production of the performance bond has not been complied with.
2. At the request of the party, on all the stages of the proceeding, one type of relief can be substituted for the other.
3. If the Claim is disallowed, recalled, dismissed without prejudice or if the proceeding is terminated, with its decision the Arbitration vacates any relief granted in connection with the Claim.

Article 15. Arbitration hearing and preparing for hearing

1. Arbitration hearings are conducted orally except where the parties do not object to such form of hearing.

1¹. If the parties so agree, an arbitration hearing may be held, inter alia, the operative part may be announced, remotely by video conference (as amended 07.04.2020).

2. Unless otherwise provided for by law or by agreement of the parties, the arbitration hearing shall proceed at chambers. No produced documents, evidence, written or verbal statements may be made public or transferred to and used in any other judicial or administrative proceeding.

3. All statements, documents or information produced to the Arbitration by one party shall be communicated to the other party no later than the next day.

Article 15¹. Hearing without oral proceedings

1. Arbitration Claims up to GEL 10 000 may be heard by the Arbitration without oral proceedings.

2. The parties shall be given a prior notice of the hearing without oral proceedings.

Article 16. Notice and summoning

1. The parties to and any other persons participating in the proceeding shall be given a prior reasonable written notice of every arbitration session and hearing. A written notice shall be deemed to have been received if served upon the addressee in person or any working address or email address. If such place cannot be identified, written notice shall be deemed to have been served if sent to the addressee's last known legal, residential, working or email address by registered mail or any other facility confirming attempted delivery and service of the notice. The notice may be served upon the addressee at the working address of the Arbitration, too.

2. The service of a notice sent by a technical facility is confirmed:

(a) In the case of a telephone – by a written report of summoning by the telephone facility;

(b) In the case of email or fax – by confirmation delivered by the relevant technical facility and by a written report of summoning by the technical facility;

(c) If summonsed by telegram – the service of the notice shall be confirmed by the notice of the service of telegram.

3. If the server of the notice fails to find the addressee at the address indicated by the party, he shall serve the notice upon any family member of age residing with the party but where the notice is served at the workplace – upon the administration of the workplace except where they are involved as adversaries in the dispute. The service of notice to the person identified by this paragraph shall be deemed as service of notice to the addressee and confirmed with the recipient's signature on the other copy of the notice or on a special form of the courier (mail).

4. If the notice cannot be served upon the addressee when sent for the first time, it shall be re-sent to the same address or another address known to the Arbitration. The notice need not be re-sent if found, in sending the notice for the first time, that the addressee does not live or does not work at the address, to which the notice was sent and the addressee has not informed the Arbitration of another address. In such case, the notice shall be deemed served on the day of attempted service of it at the addressee's last known address.

5. A written notice of the Arbitration session and hearing may also be served upon the party's representative. In such case, the notice shall be deemed to have been served upon the party and the representative shall inform the party of having been served with the notice.

6. If the addressee or the person referred to in this article refuses to accept the written notice, the person delivering the notice shall make the relevant note and return it to the Arbitration. In such case, the written notice shall be deemed served on the day of attempted service to the addressee and the Arbitration may proceed with the hearing.

7. If the representation in the Arbitration is entrusted to one of the co-participants, a written notice of the Arbitration session and hearing may be served upon him. He shall give the other co-participant a notice thereon. The service of a written notice to the co-participant having been granted the representation authority shall amount to the service of the notice to all the co-participants.

8. The parties and their representatives shall inform the Arbitration of any change in their address (including their telephone, fax, email) in the course of the proceeding. Where such information is lacking, a notice shall be sent to the address last known to the Arbitration and be deemed to have been served even if the addressee were no longer at such address.

9. If a party having been warned in the manner provided for by this article fails to appear at the hearing for an invalid reason without having informed the Arbitration of the valid reason for such failure, also does not present its position and evidence, the Arbitration may proceed with the hearing

and issue the award based on the evidence at its disposal, unless the other party requests an adjournment of the hearing.

Article 17. Public notice

1. If the whereabouts of a party are unaccounted for or the the notice of arbitration cannot otherwise be served upon it and the Arbitration's attempt to deliver and serve the notice under Article 16 of these Regulations fails, the Arbitration may make a decision of a public dissemination of the notice of arbitration. The public notice shall be made by means of the newspaper of mass circulation in the administrative-territorial unit relevant to the party's residential address.

2. In the case provided for by the first paragraph of this article, the notice of arbitration shall be deemed to have been served on the 7th day from the publication in the newspaper.

Article 18. Rights of the parties

1. In the arbitration proceeding, the parties shall have equal rights. They may have access to the case file, make copies, request recusals, produce evidence, take part in the examination of evidence, question witnesses, experts, specialists, raise petitions before the Arbitration, give the Arbitration verbal and written statements, submit their reports and express their opinions on all the matters arising in the course of the hearing, apply to the court where so provided for by law, and exercise any other rights vested in them under these Regulations and the Law of Georgia on Arbitration.

2. The Claimant may amend the ground or subject of the Claim, complement the facts and evidence indicated in the Claim, increase or decrease the amount of the Claim before the main Arbitration session, with the Arbitration's notice thereon to the Respondent.

3. At the main session, the ground or subject of the Arbitration Claim may be amended only by a prior consent of the Respondent. In the case of such consent, the Respondent may request an adjournment of the hearing for another time.

4. Elaboration, specification and addition of the circumstances indicated by the Claimant in the Claim or reduction of the amount of the claims, or the claiming of one thing instead of the other or the payment of the cost of such thing shall not amount to an amendment to the Arbitration Claim.

Article 19. Claimant's recalling the Claim

1. The Claimant may recall the Claim without waiving his claim. The Claim may be recalled on any stage of the hearing before the Arbitral Award is issued.
2. If the Claim is recalled, the Arbitration shall issue an order dismissing the Claim without prejudice and returning it to the Claimant.

Article 20. Co-participation in arbitration

1. The Arbitration Claim may be filed jointly by several Claimants or against several Respondents if:
 - (a) The subject of the Claim is a shared property;
 - (b) The claims arise out of the same grounds;
 - (c) The claims are homogenous irrespective of whether their grounds or subject are homogenous or not.
2. Each Claimant or Respondent shall act independently from the other party in the proceeding.

Article 21. Rights of co-participants

1. Co-participants shall have all the rights vested in the parties under these Regulations and the Law of Georgia on Arbitration.
2. Co-participants may grant the representative authority to one of the co-participants except where a co-participant is underage or has a guardian or a custodian.
3. The act of granting the representative authority to one of the co-participants shall be documented in a power of attorney.

Article 22. Third persons with an independent Arbitration Claim

1. Each interested person raising an independent claim over the subject of dispute or any part thereof may raise, before the beginning of the pleadings stage, a claim against both or one of the parties. The Arbitration Claim of the third person shall be accepted and heard according to the rules established

to accept and hear ordinary claims. The claims of the third person and the original Claimant shall be resolved concurrently.

2. The third persons with an independent Arbitration Claim shall have all the rights of the Claimant and bear all the obligations of the Respondent.

Article 23. Third persons without an independent Arbitration Claim

1. Any interested person not raising an independent claim over the subject of dispute or any part thereof may apply to the Arbitration for admitting him as the third person for the Claimant or the Respondent, as the Arbitral Award in the case may subsequently affect his rights and obligations before either Party.

2. If the Arbitration finds, in light of the circumstances of the case or based on the evidence in the case file, that the award may affect the rights and obligations of another person not being a party, the Arbitration shall involve such person in the case as a third person without an independent Arbitration Claim.

Article 24. Competence of the Arbitration

1. The Arbitration may issue an order of its competence, including the existence or validity of the Arbitration Agreement. For this purpose, the Arbitration Clause that is part of the contract, shall be deemed to be an Arbitration Agreement; it shall not depend on any other terms of an independent contract and the Arbitration's finding the contract void shall not render the Arbitration Clause void.

2. A statement of the competence of the Arbitration can be made before the Arbitration Defence is filed. Such statement by a party shall be submitted to the Arbitration within 7 days of becoming aware of the relevant circumstances or even after the expiry of such period of time, if the Arbitration finds the expiry valid.

3. If the Arbitration determines that it has the relevant competence, the parties may appeal the determination in court within 30 days of issue. The court shall make a reasoned judgment regarding the competence of the Arbitration within 14 days after the application is filed. Before the court makes a decision on the matter, the arbitration hearing may commence, continue and the Arbitral Award may be issued.

Article 25. Arbitration hearing

1. The arbitration hearing shall commence on the first arbitration session on the case. The arbitration hearing shall proceed according to the procedures laid down by these Regulations and the Law of Georgia on Arbitration, unless the parties otherwise agree.
2. The arbitration hearing may be held at any place designated by the Arbitration.
3. The Chairman of the arbitration session shall open and preside over the session, announce the composition of the Arbitration, who is present of the persons having been summoned, and inform the parties of the right of recusal.
4. The applications and petitions of the parties for production or disclosure of new evidence as well as on any other matter arising in connection with the hearing may be allowed by the Arbitration if such applications and petitions are not aimed at drawing the proceeding out. In such case, at the request of the parties or on the Arbitration's initiative, the hearing may be adjourned.
5. The hearing on merits shall commence with the Chairman's (or, in the event of a panel, one of the members') brief of the merits of the case, after which the Arbitration shall hear the statements of the Claimant and the third person involved on his side. After the Claimant, the Claimant and the third person involved on his side shall present their statements.
6. After the statements have been heard, a questions stage shall proceed. Questions are asked by first the Claimant, then the Respondent. If any question is irrelevant and objectionable and does not serve the examination and establishment of any fact of the case, the Arbitration may, at the request of a party or of its own motion, dismiss the question. The Arbitration may ask questions to the parties at any time.
7. Following the questions, the Arbitration may, at the request of a party or of its own motion, publish and investigate the evidence in the case file, after which the pleadings stage commences. First the Claimant and its representatives, then the Respondent and its representatives are given the floor for opening submissions. The third person with an independent Arbitration Claim and his representative shall be given the floor thereafter. The third person without an independent Arbitration Claim and his representative shall be given the floor after the Claimant or Respondent, on whose side the third person is involved in the case.
8. After all those participating in pleadings have presented their submissions, they can present their closing submissions.

9. After the pleadings between the parties, the Arbitration shall retire to issue an award. The operative part of the award issued shall be announced at the session. The Arbitration can postpone the announcement of the award by maximum 14 days, with a notice to the parties.

Article 26. Grounds for commencement of arbitration proceedings

1. A written Arbitration Claim filed by the Claimant with the Arbitration shall serve as the basis for the commencement of an arbitration proceeding.

2. The Claimant shall indicate in the Claim the names and addresses of the parties, the request, the circumstances and the evidence confirming the request. The Arbitration Claim shall be appended with the copies of the documents indicated in the annex. If necessary, the Arbitration may instruct the Claimant to produce original documents to be returned to the Claimant after the hearing is over.

3. The Claimant and the documents appended thereto shall be submitted to the Arbitration in as many copies as the number of the Respondent and the third person(s) in the case.

4. The Claim along with the document appended thereto shall be communicated to the Respondent who may submit, within the period of time set by the Arbitration, his Defence to the facts and circumstances indicated in the Claim. The period of time set for the submission of a Defence shall not be less than 7 days and more than 14 days. The Respondent's failure to submit his Defence shall amount of the admission of the Arbitration Claim.

Article 27. Waiver of objections

If in the course of the arbitration hearing any of the requirements of the Law of Georgia on Arbitration, these Regulations or the Arbitration Agreement is breached and the party continues participating in the arbitration proceeding without submitting immediately or, if any relevant period of time is set by the Law of Georgia on Arbitration or by the Arbitration, within such period of time, his defence against such breach, the Respondent shall be deemed to have waived his right to raise objections.

Article 28. Arbitral Award

1. The Arbitral Award shall be issued within 180 days following the commencement of the arbitration hearing. If necessary, the arbitrator may prolong the term by not more than 180 days.

2. The Arbitral Award shall be binding upon the parties to the Arbitration Agreement. It shall be made in writing and signed by the arbitrator(s). For any hearing by the panel of several arbitrators, the Award shall be signed by a majority of the arbitrators. If the arbitrator refuses to sign the Arbitral Award and/or has a dissenting opinion, a note of this shall be made in the Award. The Arbitral Award shall indicate the date and place of issue.

3. The Award shall include a statement of motivation making references to the motives, based on which the arbitrator has issued the award except where the Arbitration Agreement provided for lack of any statement of motivation or where the Arbitral Award on approval of a settlement between the parties is issued.

4. Signed counterparts of the Arbitral Award shall be communicated to the parties within 14 days of issue.

5. The Arbitral Award shall become final (effective) upon issue.

6. Where the parties reach a settlement, the arbitrator may, within 14 days of the application of the parties, consider the approval of the settlement without an oral proceeding or, if the arbitrator finds it necessary, invite the parties and decide on the approval of the settlement at an arbitration session with participation of such parties.

Article 29. Vacation of the final Arbitral Award and resumption of arbitration hearing

1. The parties may request vacation of the final Arbitral Award and resumption of the arbitration hearing on the following grounds:

(a) if the court refuses to recognize and execute the final Arbitral Award where the court refers as the basis for such refusal to subparagraphs (a.c), a.) (and/or (b.b) of Article 45 of the Law of Georgia on Arbitration;

(b) the party had not been duly informed of the appointment of the arbitrator or of the arbitration hearing or had not taken part in the arbitration hearing for another valid reason;

(c) the party became aware, after the Arbitration had approved the settlement, of the existence of a circumstance that if such party had been aware of it during the settlement, the arbitration proceeding would not have terminated;

(d) if the parties reach a settlement after the Arbitral Award has been issued;

(e) there is a reasonable cause to believe that the court will not allow the application for the recognition and execution of the Arbitral Award.

2. If the final Arbitral Award is vacated, the hearing shall renew and the case, in which the Award has been issued, will be retried.

Article 30. Correction and clarification of Arbitral Awards; additional Arbitral Awards

1. Within 30 days after the issue of the Arbitral Award, the parties may request that the Arbitration correct any mistake made in the calculations performed in the Arbitral Award as well as any written, printing or other similar errors.

2. The Arbitration shall review the application and make a decision within 30 days. In finding the request reasonable, the Arbitration shall make the relevant corrections in the Arbitral Award or reject the applicant request.

3. The Arbitration may, within 30 days after having issued the Award, correct any written, printing or other similar errors in the Arbitral Award of its own motion.

4. The parties may apply to the Arbitration for clarifications toward any ambiguous questions in the Award without modifying the operative part. The application for clarifications toward the Award shall be admissible if the Award has not been executed yet and the period of time for the execution of the award has not expired yet.

5. The Arbitration may decide on the clarifications toward the Award without an oral proceeding.

6. Within 30 days after the issue of the Arbitral Award, the parties may request that the Arbitration issue an additional award regarding the claims, which were made in the course of the arbitration hearing but were not reflected in the Award. The Arbitration shall review the application and make the relevant decision within 30 days.

Article 31. Suspension of proceedings

1. The Arbitration shall suspend the proceeding in the following cases:

(a) upon the death of a citizen if the disputed legal relation allows for succession, or if the legal entity being a party to the proceeding has ceased to exist;

(b) if the proceeding finds that one of the parties is incapable of contracting and has no legal representative. The arbitration hearing shall be resumed after the legal representative has been appointed;

(c) If the hearing cannot proceed until another case pending hearing under civil, criminal or administrative procedure has been resolved;

2. Either at the request of the parties or of its own motion, the arbitrator may suspend the proceeding in the following cases:

(a) there is a court decision or another arbitral award that has been issued in connection with a dispute between the same parties, on the same subject and grounds;

(b) the Claimant has withdrawn the Claim except where the Respondent objects to the termination of the arbitration hearing and the Arbitration finds that the Respondent has a legal interest toward the resolution of the arbitration dispute;

(c) the parties have reached a settlement;

(d) one of the parties to the case has passed away or ceased to exist and the disputed legal relation disallows succession;

(e) if the Arbitration finds that the continuation of the arbitration hearing is unnecessary or impossible for another reason.

2. At the request of a party or of its own motion, the Arbitration may dismiss the Claim without prejudice if:

(a) the Claim was filed by a person incapable of contracting but the Arbitration did not find it advisable to appoint a representative for him;

(b) the Claim was filed on behalf of an interested person by the person not having the representative authority;

(c) the Claimant was absent at the hearing and the Respondent agrees with the motion for dismissing the Arbitration Claim without prejudice;

(d) neither party was present;

(e) a case between the same parties, on the same subject and grounds is pending hearing before court or another arbitration;

(f) in the Claim, the Claimant gave a wrong address for him or for the Respondent;

(g) the Claimant's application for recalling the Claim and the documents appended thereto has been granted.

3. If the circumstances, based on which the Claim was dismissed without prejudice, are remedied, the interested person may re-apply to the Arbitration in compliance with the rules set forth by these Regulations.

Article 33. Final provisions

1. The Regulations shall be published in printed media.
2. The Regulations shall come into force from the day of their publication in printed media.