

**SHENZHEN COURT OF
INTERNATIONAL ARBITRATION**

ARBITRATION RULES

Effective as from 1 December 2016

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SHENZHEN COURT OF INTERNATIONAL ARBITRATION ARBITRATION RULES

CHAPTER I GENERAL PROVISIONS

Article 1 Arbitration Institution

1. Shenzhen Court of International Arbitration (also known as the South China International Economic and Trade Arbitration Commission, formerly known as the China International Economic and Trade Arbitration Commission South China Sub-commission, and the China International Economic and Trade Arbitration Commission Shenzhen Sub-commission) (hereinafter, the “SCIA”) is an arbitration institution established in Shenzhen, China.
2. Where all the parties to an arbitration agreement agree to submit their dispute to the SCIA for arbitration, or the name of the arbitration institution agreed by the parties is one of the former names of the SCIA’s, or it can be inferred that the SCIA is the arbitration institution, the parties shall submit their dispute to the SCIA for arbitration.
3. Where the parties to an arbitration agreement agree to submit their dispute to the Qianhai

Maritime and Logistics Arbitration Centre, the High-technology & Intellectual Property Rights Arbitration Centre, the Free-trade-zone Financial Arbitration Centre or any other industrial arbitration centre established by the SCIA or any sub-commission of the SCIA for arbitration, such arbitral case shall be accepted and administrated by the SCIA.

4. The Rules hereunder are called “Shenzhen Court of International Arbitration Arbitration Rules”, also known as the “South China International Economic and Trade Arbitration Commission Arbitration Rules” (hereinafter, the “Rules”).

Article 2 Jurisdiction

1. The SCIA accepts arbitration cases related to contractual disputes and other disputes over property rights and interests, including:
 - (a) international or foreign-related disputes;
 - (b) disputes related to the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan Region; and
 - (c) Chinese Mainland disputes.
2. The SCIA accepts arbitration cases related to investment disputes between states and nationals of other states.

Article 3 Scope of Application

1. Where the parties agree to submit their dispute

to the SCIA for arbitration, unless otherwise agreed, the parties shall be deemed to have agreed to arbitration in accordance with the Rules.

2. Where the parties agree to refer their dispute to arbitration in accordance with the Rules, they shall be deemed to have agreed to refer their dispute to arbitration by the SCIA.
3. Where the parties agree to refer their dispute to the SCIA for arbitration but have agreed on the application of other arbitration rules or have agreed on a modification of the Rules, the parties' agreement shall prevail unless such agreement cannot be implemented or is in conflict with a mandatory provision of the law as it applies to the arbitration proceedings. Where the parties have agreed on the application of other arbitration rules, the SCIA shall perform the relevant functions of the administrative authority under those arbitration rules.
4. Where the parties agree that dispute referred to under Article 2, Paragraph 1(a) or (b) of the Rules be governed by the "Arbitration Rules of the United Nations Commission on International Trade Law" (hereinafter the "UNCITRAL Arbitration Rules"), the SCIA shall administrate the case in accordance with the UNCITRAL Arbitration Rules and the "SCIA Guidelines for the Administration of Arbitration under the

‘UNCITRAL Arbitration Rules’”.

5. Where the parties submit their dispute referred to under Article 2, Paragraph 2 of the Rules to the SCIA for arbitration, the SCIA shall administer the case in accordance with the UNCITRAL Arbitration Rules and the “SCIA Guidelines for the Administration of Arbitration under the ‘UNCITRAL Arbitration Rules’”.
6. Where there is any inconsistency between any special arbitration rules or guidelines stipulated by SCIA and the Rules, the special arbitration rules or guidelines shall prevail. As to matters not covered in those special arbitration rules or guidelines, the relevant provisions in the Rules shall apply.

Article 4 Place of Arbitration

1. Where the parties have agreed on the place of arbitration, the parties’ agreement shall prevail.
2. Where the parties have not agreed on the place of arbitration, the place of arbitration shall be the domicile of the SCIA. The SCIA may also determine the place of arbitration to be a location other than the domicile of the SCIA in regard of the circumstances of the case.
3. The arbitral award shall be deemed to be made at the place of arbitration.

Article 5 Language of Arbitration

1. Where the parties have agreed on the language of arbitration, their agreement shall prevail.
2. In the absence of such agreement, prior to the formation of the arbitral tribunal, the SCIA shall determine the initial language to be used in the arbitration proceedings, due regard being given to the relevant circumstances including the language of the contract. After the formation of the arbitral tribunal, the language shall be determined by the arbitral tribunal.
3. Where the parties have agreed to use more than one language, the arbitral tribunal may, upon obtaining consent from the parties, determine to adopt one language. If the parties fail to reach an agreement thereon, the arbitral proceedings may be conducted in multiple languages agreed by the parties, in which case the resulting additional costs shall be borne by the parties.
4. Where a party or its representative or witness requires interpretation at an oral hearing, the party shall provide or request the SCIA to provide an interpreter(s).
5. The arbitral tribunal or the SCIA may, if it considers it necessary, require the parties to submit a corresponding translation or an abstract of the translation of their documents and

evidence in the language(s) of the arbitration.

6. The arbitral award shall be made in the language(s) determined under the Paragraph 1, 2 or 3 of this Article.

Article 6 *Bona Fide* Cooperation

1. All the parties and their representatives shall proceed with the arbitration in *bona fide* and cooperative manner.
2. Where one party or its representative breaches the Rules, the agreements between the parties or the decisions of the arbitral tribunal such that the scheduled procedures are delayed or additional costs are incurred, the arbitral tribunal shall have the power to determine that such party shall bear the consequences therefrom.
3. All the parties and their representatives shall ensure the authenticity of their statements, submissions and documents, otherwise such party shall bear the consequences therefrom.

CHAPTER II ARBITRATION AGREEMENTS AND JURISDICTION

Article 7 Arbitration Agreements

1. An arbitration agreement means an arbitration

clause in a contract or any other form of written agreement concluded between the parties providing for arbitration.

2. An arbitration agreement may be concluded between the parties either before or after the occurrence of the dispute.
3. An arbitration agreement shall be in writing, which includes but not limited to, a memorandum of contract, letter or electronic message (including telex, facsimile, electronic mail and electronic data interchange), etc. which is capable of expressing its contents in a tangible form.
4. It shall be deemed that there is an arbitration agreement in writing:
 - (a) where its existence is asserted by one party and not denied by the other during the exchange of the Request for Arbitration and the Statement of Defence;
 - (b) where one party submits the dispute to the SCIA for arbitration and the other party expresses its agreement on arbitration in writing;
 - (c) where one party undertakes in writing to submit the dispute to the SCIA for arbitration and the other party submits the dispute to the SCIA for arbitration; or
 - (d) where the parties sign the record of oral hearings or other documents jointly during

the arbitration proceedings, stating their agreement to arbitrate in the SCIA.

Article 8 Independence of Arbitration Agreements

An arbitration clause contained in a contract or an arbitration agreement attached to a contract shall be treated independent and separate from all other clauses of the contract. The validity of an arbitration agreement shall not be affected by non-existence, ineffectiveness, invalidity, expiry, rescission, modification, cancellation, suspension, termination, transfer or impossibility of performance of the underlying contract.

Article 9 Objection to Jurisdiction and Decision on Jurisdiction

1. A party may raise its objection to jurisdiction over an arbitral case to the SCIA on grounds such as the existence or validity of an arbitration agreement.
2. An objection to jurisdiction shall be raised in writing before the first oral hearing. Where a case is to be decided on the basis of documents only, such objection shall be raised in writing before the expiry of the time-limit for the submission of the first defence. If a party fails to raise such objection, it shall be deemed to have agreed to the jurisdiction of the SCIA.

3. The SCIA or the arbitral tribunal authorised by the SCIA, shall have the power to decide on the jurisdiction. The arbitral tribunal may make its decision on jurisdiction either during the arbitration proceedings or in the arbitral award.
4. The arbitration shall proceed notwithstanding an objection to jurisdiction.
5. The SCIA or the arbitral tribunal authorised by the SCIA shall decide to dismiss the case upon finding that the SCIA has no jurisdiction. Where a case is to be dismissed before the formation of the arbitral tribunal, the decision shall be made by the SCIA. Where the case is to be dismissed after the formation of the arbitral tribunal, the decision shall be made by the arbitral tribunal.

CHAPTER III COMMENCEMENT OF ARBITRATION PROCEEDINGS

Article 10 Request for Arbitration

1. A party applying for arbitration shall submit a Request for Arbitration.
2. The Request for Arbitration shall include:
 - (a) the names and addresses, telephone and facsimile numbers, electronic mail addresses and other contact details of the parties and of their representative(s);
 - (b) a reference to the arbitration agreement that

- is relied upon;
- (c) the statement of claim;
 - (d) the facts and grounds on which the claim is based; and
 - (e) the signature and/or the seal affixed by the Claimant or its authorised representative(s).
3. Evidentiary materials in support of the claim and for the identification of the Claimant shall also be attached to the Request for Arbitration.
4. The arbitration proceedings shall commence on the day on which the SCIA receives the Request for Arbitration.

Article 11 Acceptance of a Case

After the Claimant submits a Request for Arbitration and its attachments, and makes advance payment of arbitration fees under Article 20 of the Rules, the SCIA shall accept the case if it finds the required formalities complete. Otherwise, the SCIA may request the Claimant to complete them within a specified time period. If the formalities remain incomplete upon the expiry of the specified time period, it shall be deemed that no request for arbitration has been made.

Article 12 Notice of Arbitration

After the SCIA accepts the Request for Arbitration, the SCIA shall send a Notice of Arbitration to the

parties together with one copy of each of the Rules and the SCIA's Panel of Arbitrators, and the Request for Arbitration and its attachments submitted by the Claimant shall be forwarded to the Respondent simultaneously.

Article 13 Statement of Defence

1. The Respondent shall file the Statement of Defence in writing within thirty (30) days from the date upon receipt of the Notice of Arbitration.
2. The Statement of Defence shall include:
 - (a) the names and addresses, telephone and facsimile numbers, electronic mail addresses and other contact details of the Respondent and its representative(s);
 - (b) the defence, setting forth the facts and grounds on which the defence is based; and
 - (c) the signature and/or the seal affixed by the Respondent or its authorised representative(s).
3. Evidentiary materials in support of the defence and for the identification of the Respondent shall also be attached to the Statement of Defence.
4. Where the Respondent applies for an extension of time, if the arbitral tribunal deems any justified reasons exist, the arbitral tribunal may decide to grant an extension. Where the arbitral tribunal has not yet been formed, the decision on

whether to grant the extension of the time period shall be made by the SCIA.

5. Failure by the Respondent to file a Statement of Defence shall not affect the conduct of the arbitration proceedings.

Article 14 Counterclaim

1. The Respondent shall submit a counterclaim, if any, in writing within thirty (30) days from the date of receipt of the Notice of Arbitration. If the Respondent fails to submit a counterclaim within the above period, the decision on whether to accept the counterclaim shall be made by the SCIA before the formation of the arbitral tribunal or by the arbitral tribunal after it is formed.
2. The provisions of Articles 10-11 of the Rules shall apply *mutatis mutandis* to the submission and acceptance of a counterclaim.
3. The SCIA shall send a Notice of Acceptance of Counterclaim to the parties if it finds the required formalities for the counterclaim submitted by the Respondent complete.
4. The provision of Article 13 of the Rules shall apply *mutatis mutandis* to the defence of counterclaim by the Claimant.

Article 15 Amendments to the Claim or Counterclaim

1. Any party may apply in writing to amend its claim or counterclaim.
2. The decision to grant the application for such amendments shall be made by the SCIA before the formation of the arbitral tribunal or by the arbitral tribunal after it is formed. The SCIA or the arbitral tribunal has the power to reject such amendments if it considers that the amendments will delay the arbitration proceedings, be unfair to the other party or result in other circumstances that may not be appropriate for such amendments.
3. Amendments to the claim or the counterclaim shall not affect the conduct of the arbitration proceedings.
4. The provisions of Articles 10-13 of the Rules may apply *mutatis mutandis* to the submission of, acceptance of, and defence to the amendments to the claim or the counterclaim.

Article 16 Single Arbitration on Multiple Contracts

1. Claims arising from more than one contract, a principal contract and its subordinate contract(s), or a contract and its related contract(s) between the same parties may be jointly made in a single arbitration, if it is agreed under all arbitration

agreements of the multiple contracts to refer the disputes to arbitration by the SCIA and the relevant disputes arise from the same transaction or a series of transactions.

2. Where an objection is raised by the Respondent, the decision shall be made by the SCIA or the arbitral tribunal authorised by the SCIA.

Article 17 Consolidation of Arbitrations

1. With the written consent by all parties, the SCIA may consolidate two or more pending arbitrations into a single arbitration to be decided by one arbitral tribunal.
2. Unless otherwise agreed by all the parties, the arbitrations shall be consolidated into the arbitration that commenced first.
3. Following the consolidation of arbitrations, decisions on procedural matters shall be made by the SCIA before an arbitral tribunal is formed or by the arbitral tribunal after it is formed.
4. Where the arbitrations are consolidated, the arbitral tribunal shall have the discretion to either render a joint arbitral award on disputes between the parties, or render several arbitral awards separately.

Article 18 Joinder of Additional Parties

1. Any party in a pending arbitration may apply in writing to join an additional party under the same arbitration agreement to the arbitration. The decision on whether to grant such joinder shall be made by the SCIA before an arbitral tribunal is formed or by the arbitral tribunal after it is formed.
2. Where such joinder is granted, arbitrator(s) shall be re-appointed to form the arbitral tribunal according to the provisions of Articles 26-29, unless all the parties agree that the original arbitral tribunal shall continue the proceedings.
3. Subject to the unanimous consent of the parties and the additional party, the additional party may apply in writing to join the arbitration proceedings. The decision on whether to accept such application shall be made by the SCIA before an arbitral tribunal is formed or by the arbitral tribunal after it is formed.

Article 19 Claim between Multiple Parties

1. Where there are two or more Claimants or Respondents in a single arbitration, or an additional party is joined in the arbitration proceedings, any party can raise claims against any other party under the same arbitration agreement. The decision to accept such claims

shall be made by the SCIA before an arbitral tribunal is formed, or by the arbitral tribunal after it is formed.

2. The provisions of Articles 10-15 shall apply *mutatis mutandis* to the submission and acceptance of, defence(s) to, and amendments of claims raised under this Article.

Article 20 Advance Payment of Arbitration Fees and Costs

1. A party making claims, counterclaims or amendments thereof shall pay the arbitration fees and costs in advance within the required time-limit in accordance with the notice of the SCIA.
2. If a party requests for a set-off of any claim and such request leads to additional matters to be taken into account by the arbitral tribunal, the request for set-off shall be regarded as an independent claim when calculating the amount of arbitration fees and costs.

Article 21 Submission of Documents

1. When submitting the Request for Arbitration, the Statement of Defence, the Statement of Counterclaim, the evidentiary documents, and other written documents to the SCIA, the parties shall ensure that each tribunal arbitrator, each

party, and the SCIA will have a copy of the same, unless otherwise agreed by the parties or required by the SCIA.

2. When a hard copy of the above documents is being submitted, the SCIA or the arbitral tribunal may request the parties to submit the electronic version of the same simultaneously; the parties may also agree that the relevant arbitral documents shall be submitted electronically.

Article 22 Representatives

A party may be represented by its authorised representative(s) including but not limited to the counsel from the Chinese Mainland or from jurisdictions outside the Chinese Mainland, in handling matters relating to the arbitration. In such a case, a Power of Attorney specifying the matters and scope of authorization shall be submitted to the SCIA.

CHAPTER IV INTERIM MEASURES

Article 23 Preservation

1. A party may apply for preservation of property or to require the other party to perform or to refrain from performing a specific act before the commencement of or during the arbitration proceedings if, due to emergency, the legitimate

interests of the party applying for preservation may suffer irreparable damages without an immediate preservation, or if the other party's acts or some other circumstances may render the arbitral award impossible or difficult to be enforced.

2. A party may apply for preservation of evidence before the commencement of or during the arbitration proceedings, where it is likely that the evidence may be destroyed, lost, or become difficult to obtain later on.
3. If the place of arbitration is in Chinese Mainland, the party that applies for preservation before the commencement of the arbitration proceedings may directly submit the application to a competent court; if a party applies for preservation during the arbitration proceedings, the SCIA shall forward the application for preservation to a competent court. If the place of arbitration is in other countries or regions, the party that applies for preservation shall, according to the applicable laws, submit the application to a competent court or an arbitral tribunal for determination.

Article 24 Emergency Arbitrator

1. Where it is permissible under the applicable laws to the arbitration proceedings, a party who needs to apply for interim measure(s) due

to any emergency may, during the time period between the commencement of the arbitration proceedings and the formation of the arbitral tribunal, submit a written application to the SCIA for the appointment of an emergency arbitrator. The decision on whether to grant such application for appointment shall be made by the SCIA.

2. The written application shall include:
 - (a) the names and addresses, telephone and facsimile numbers, electronic mail addresses and other contact details of the relevant parties and their representative(s);
 - (b) the interim measure(s) being sought and the grounds of the application; and
 - (c) opinions on the place, language, and applicable laws on the emergency arbitration proceedings.
3. If the SCIA determines that the emergency arbitration proceedings shall be commenced, the SCIA shall appoint an emergency arbitrator within two (2) days after receipt of both the application and the payment of fees required for the emergency arbitrator, and notify all the parties of such appointment. The SCIA shall forward the application documents and its attachments submitted by the applicant to the other party simultaneously.
4. The provisions of Articles 30-31 shall apply *mutatis mutandis* to the disclosure by and

challenge to an emergency arbitrator. A party wishing to challenge the arbitrator on the basis of the matters disclosed by the arbitrator shall submit the challenge in writing within two (2) days after the written disclosure by the arbitrator is received. If a party fails to submit a challenge within the above time-limit, the party shall not subsequently challenge the arbitrator on the grounds of the matters disclosed by the arbitrator.

5. Unless otherwise agreed by the parties, the emergency arbitrator shall not act as an arbitrator for any such arbitration relating to the application of such interim measure(s).
6. The emergency arbitrator shall have the power to review the interim measure(s) applied for by any party in such a manner as the arbitrator considers appropriate, and ensure that each party shall have a reasonable opportunity to be heard.
7. The emergency arbitrator shall make the decisions with the grounds within fourteen(14) days from the date of appointment. The parties shall comply with such decisions made by the emergency arbitrator.
8. A party wishing to object to the decisions made by the emergency arbitrator may apply to the arbitrator for modification, suspension, or revocation of such decisions within three (3)

days upon the receipt of such decisions. Whether to grant such application shall be decided by the arbitrator.

9. The arbitral tribunal, after being formed, may modify, suspend, or revoke the decisions made by the emergency arbitrator.

CHAPTER V ARBITRAL TRIBUNAL

Article 25 Independence and Impartiality

Every arbitrator shall be and remain impartial and independent of the parties involved in the arbitration.

Article 26 Panel of Arbitrators

1. The SCIA establishes a Panel of Arbitrators. The parties shall appoint arbitrators from the Panel of Arbitrators.
2. Where an arbitration is governed by the UNCITRAL Arbitration Rules, the parties may appoint arbitrator(s) from the Panel of Arbitrators. The parties may also nominate candidate(s) outside the Panel of Arbitrators. The candidate(s) so nominated by the parties may act as an arbitrator after being confirmed by the SCIA.

Article 27 Number of Arbitrators and Composition of Arbitral Tribunal

1. The parties may reach an agreement on the

number of arbitrators, which may be one (1) or three (3) persons.

2. Unless otherwise agreed by the parties or provided by the Rules, an arbitral tribunal shall be composed of three arbitrators.
3. Parties may agree on the means of appointing arbitrators, unless such agreement cannot be implemented or is in conflict with a mandatory provision of the law as it applies to the arbitration proceedings.

Article 28 Arbitral Tribunal of Three Arbitrators

1. Unless otherwise agreed by the parties, within fifteen (15) days from the date of receipt of the Notice of Arbitration, the Claimant and the Respondent shall each appoint, or entrust the President of the SCIA to appoint, an arbitrator, failing which, the arbitrator shall be appointed by the President of the SCIA. Where there are two or more Claimants and/or Respondents in an arbitration, the Claimant side and/or the Respondent side shall each jointly appoint or jointly entrust the President of the SCIA to appoint one arbitrator, failing which, the arbitrator shall be appointed by the President of the SCIA.
2. Unless otherwise agreed by the parties, within fifteen (15) days from the date of

the Respondent's receipt of the Notice of Arbitration, the parties shall jointly appoint or jointly entrust the President of the SCIA to appoint the presiding arbitrator, failing which, the presiding arbitrator shall be appointed by the President of the SCIA. Where any party expressly waives in writing the right to jointly appoint or jointly entrust the President to appoint the presiding arbitrator, the presiding arbitrator shall be appointed by the President of the SCIA, not subject to the above time-limit.

3. In the alternative, the parties may agree, and the President of the SCIA may also decide that the presiding arbitrator shall be appointed jointly by the two appointed arbitrators under Paragraph 1 of this Article. Unless otherwise agreed by the parties, where the two appointed arbitrators fail to appoint the presiding arbitrator within ten (10) days from the date of the determination of the second arbitrator, the presiding arbitrator shall be appointed by the President of the SCIA.
4. At the request of or with the consent of the parties, the President of the SCIA may recommend some candidates for the presiding arbitrator for the parties to make a list in the order of their respective preferences within the time period specified in the preceding Paragraph 2 of this Article. Out of the recommended candidates, a candidate placed in the highest ranking in the lists of both parties shall be

deemed to be jointly appointed by both parties as the presiding arbitrator. If there is more than one candidate being placed in the highest ranking, the President of the SCIA shall choose one of them as the presiding arbitrator jointly appointed by the parties.

5. At the request of or with the consent of the parties, the President of the SCIA may recommend some candidates from which the parties may each choose one as the presiding arbitrator within the time period stipulated under Paragraph 2 of this Article. Where a candidate is chosen by both parties, such candidate shall be deemed to have been jointly appointed by both parties as the presiding arbitrator. If more than one candidate are chosen by both parties, the President of SCIA shall decide one of them as the presiding arbitrator, who shall be deemed to have been jointly appointed by the parties. If the candidate chosen by the respective parties is not the same person, the President shall appoint an arbitrator other than those recommended candidates to be the presiding arbitrator.

Article 29 Arbitral Tribunal of a Sole Arbitrator

Where the arbitral tribunal is composed of a sole arbitrator, the sole arbitrator shall be appointed pursuant to the procedures stipulated in Article 28, Paragraph 2, 4 or 5 of the Rules.

Article 30 Disclosure by Arbitrators

1. Upon being appointed, each arbitrator shall sign a Declaration to undertake to conduct arbitration independently and impartially.
2. The arbitrator shall disclose in the Declaration any circumstances he/she is aware of that are likely to give rise to reasonable doubts as to his/her impartiality or independence.
3. Where any circumstance occurs during the arbitration proceedings after the Declaration is signed which is necessary to be disclosed, the arbitrator shall disclose in writing immediately after such circumstance takes place.

Article 31 Challenge of Arbitrators

1. A party wishing to challenge the arbitrator on the grounds of the information disclosed by the arbitrator shall forward the challenge in writing within ten (10) days from the date of such receipt. Failing to file a challenge within the above time period, the party may not subsequently challenge the arbitrator on the grounds of the information disclosed by the arbitrator.
2. A party which has justifiable doubts as to the impartiality or independence of an arbitrator may challenge that arbitrator in writing and shall

state the reasons on which the challenge is based and provide supporting evidence.

3. The challenge by one party shall be promptly communicated to the other party and all the members of the arbitral tribunal.
4. Where an arbitrator is challenged by one party and the other party agrees to the challenge, or the arbitrator being challenged voluntarily withdraws from his/her office, such arbitrator shall no longer be a member of the arbitral tribunal. However, in neither case shall it be implied that the reasons for the challenge are sustained.
5. In circumstances other than those specified in the preceding Paragraph 4, the President of the SCIA shall make a final decision on the challenge. An arbitrator who has been challenged shall continue to serve on the arbitral tribunal until a final decision on the challenge has been made by the President of the SCIA.
6. A party who, after the formation of the arbitral tribunal, engages its representative, which may give rise to grounds for the challenge of any arbitrator, shall have no right to challenge the arbitrator on those grounds; the right of the other party to challenge the arbitrator shall not, however, be affected. Consequences including but not limited to additional costs due to any

resultant delay in the arbitration proceedings under these circumstances shall be borne by the party responsible for giving rise to the grounds for challenge.

Article 32 Replacement of Arbitrators

1. An arbitrator shall be replaced if he/she becomes unable to fulfil his/her functions due to, *inter alia*, being challenged or voluntary withdrawal from his/her office or other specific reasons.
2. Where an arbitrator is prevented *de jure* or *de facto* from fulfilling his/her functions, or fails to fulfil his/her functions in accordance with the requirements of the Rules, the President of the SCIA shall have the power to replace the arbitrator and the parties and all the members of the arbitral tribunal shall be given opportunity to opine in writing.
3. If the arbitrator to be replaced was appointed by a party, the party shall appoint a substitute arbitrator in the same manner as that of appointing the original arbitrator within seven (7) days from the date of the receipt of the notice of replacement; if the arbitrator to be replaced was appointed by the President of the SCIA, the substitute arbitrator shall be appointed by the President of the SCIA.
4. Unless otherwise agreed by the parties, after the

replacement of the arbitrator, the arbitral tribunal shall determine whether all or part of the arbitration proceedings having been conducted shall be restarted. If the arbitral tribunal decides to restart all the proceedings, the time-limit for the arbitral award under the Article 47 of the Rules shall be recalculated to start from the date when the arbitral tribunal decides to restart all the proceedings.

Article 33 Continuation of Arbitration by Majority Arbitrators

After the conclusion of the last oral hearing, if an arbitrator of a three-member tribunal is unable to participate in the arbitration proceedings due to certain reasons, the President of the SCIA may replace that arbitrator pursuant to Article 32 of the Rules. Upon the approval of the parties and the President of the SCIA, the other two arbitrators may also continue the arbitration proceedings and render decisions or arbitral awards.

CHAPTER VI HEARING PROCEEDINGS

Article 34 Conduct of Hearing Proceedings

1. Unless otherwise agreed by the parties, the arbitral tribunal shall have the power to decide procedural matters, and conduct the arbitration in such a manner as it considers appropriate. Under all circumstances, the arbitral tribunal

shall act independently and impartially, treat the parties fairly and equitably, and shall afford reasonable opportunities to all parties to make submissions and arguments.

2. Where the arbitral tribunal cannot reach consensus over procedural matters, the arbitration proceedings shall be conducted in accordance with the opinion of a majority of the arbitrators. Where the arbitral tribunal cannot reach a majority opinion, the arbitration proceedings shall be conducted in accordance with the presiding arbitrator's opinion.
3. The arbitral tribunal may, if it considers it necessary, issue procedural orders or question lists, hold pre-hearing conferences, produce terms of reference, require pre-hearing exchange of evidence or discovery of relevant documents by the parties, request submission of agreed list of issues by the parties, and exercise the power of interpretation to the extent permissible under the governing law.
4. Unless otherwise stipulated by the Rules, the arbitral tribunal shall hold oral hearings. However, the arbitral tribunal may hold online oral hearings or conduct the arbitration only on the basis of documents if the arbitral tribunal deems that oral hearings are unnecessary and the parties so agree.

5. Where the parties agree to conduct the arbitration on the basis of documents only or hold online oral hearings, their agreement shall prevail. Where the arbitral tribunal deems that oral hearings are necessary and the parties so agree, the arbitral tribunal may hold oral hearings.
6. The parties may agree to adopt inquisitorial, adversarial or other approaches in the oral hearings.

Article 35 Notice of Hearing

1. Where an arbitration is to be conducted by way of an oral hearing, the parties shall be notified of the date of the first oral hearing at least twenty (20) days prior to the oral hearing. A party having justified reasons may request a postponement of the oral hearing. However, such request must be communicated in writing to the arbitral tribunal at least ten (10) days prior to the fixed oral hearing date. The arbitral tribunal shall decide whether or not to postpone the oral hearing.
2. Where a party has justified reasons for failure to submit a request for a postponement of the oral hearing within the time period specified in the preceding Paragraph 1, the arbitral tribunal shall decide whether or not to accept the request.
3. A notice of a subsequent oral hearing and a

notice of a postponed oral hearing shall not be subject to the time period specified in the preceding Paragraph 1.

4. Where the parties have agreed, the arbitral tribunal may hold the hearing earlier than the scheduled time.

Article 36 Place of Hearing

1. Unless otherwise agreed by the parties, the place of oral hearings shall be the domicile of the SCIA, or if the arbitral tribunal considers it necessary and with the approval of the SCIA, at another location.
2. Where the parties have agreed to hold an oral hearing at a place other than the domicile of the SCIA, the additional costs so generated shall be borne by the parties. The parties shall deposit in advance for such additional costs in accordance with the proportion agreed by them or decided upon by the SCIA. If such deposit is not made, the hearing shall be held at the domicile of the SCIA.

Article 37 Default

1. If the Claimant fails to appear at an oral hearing without valid excuses, or withdraws from an ongoing oral hearing without the permission of the arbitral tribunal, the Claimant shall be deemed

to have withdrawn its Request for Arbitration. In such a case, if the Respondent has filed a counterclaim, the arbitral tribunal shall proceed with the hearing of the counterclaim.

2. If the Respondent fails to appear at an oral hearing without valid excuses, or withdraws from an on-going oral hearing without the permission of the arbitral tribunal, the arbitral tribunal shall make a default hearing, and proceed with the arbitration. In such a case, if the Respondent has filed a counterclaim, the Respondent shall be deemed to have withdrawn its counterclaim.

Article 38 Record of Hearing

1. The arbitral tribunal shall make a written record of the oral hearings, and may make an audio or video record of the oral hearings.
2. Arbitrators, parties and/or their representatives, witnesses and/or other persons involved are required to sign the written record. If the parties or other participants to the arbitration consider that the record has omitted a part of their statements or is incorrect in some respect, they may request for correction thereof. Such request shall be recorded if the arbitral tribunal does not grant the rectification.
3. Upon a joint request by both parties, or a request

by one party that has been approved by the arbitral tribunal, or a decision of the arbitral tribunal, the SCIA may appoint one or more stenographers for the arbitral tribunal to record the oral hearing. The arbitral tribunal may provide the stenographic record to the parties upon their application with the stenographic service costs being borne by the parties.

Article 39 Evidence

1. The arbitral tribunal may specify a time period for the parties to produce evidence and the parties shall produce evidence within the specified time period. The arbitral tribunal shall have the power to refuse to admit any evidence produced after that time period.
2. Each party shall bear the burden of proving the facts upon which its claims, defences or counterclaims are based. The arbitral tribunal shall have the power to assign the burden of proof between the parties.
3. If a party bearing the burden of proof fails to produce evidence within the specified time period, or if the produced evidence is not sufficient to support its claims, defences or counterclaims, it shall bear the consequences thereof.
4. Where a party applies to produce a witness in the

oral hearings, it shall notify in its application to the arbitral tribunal the identity information of the witness, the witness statement and language to be used by the witness.

5. As to the law and other professional issues, the parties may engage an expert witness on such relevant issues to provide written submissions and/or testify in the oral hearings.
6. Where the parties have an agreement specifying the applicable evidence rules, their agreement shall prevail, unless the agreement cannot be implemented or is in conflict with a mandatory provision of the law as it applies to the arbitration proceedings.

Article 40 Examination of Evidence

1. Unless otherwise agreed by the parties, the evidence shall be produced at the hearing and may be examined by the parties.
2. Where a case is to be decided on the basis of documents only, or where the evidentiary materials are to be submitted after the hearing, and the parties agree to examine the evidentiary materials in writing, the parties shall submit their written opinions on the documents or the evidentiary materials within the time period specified by the arbitral tribunal.

3. Evidence that the parties have jointly recognised or have no objection to shall be considered as examined evidence.
4. A party who provides forged evidence shall bear the consequences accordingly, and the arbitral tribunal shall have the power to reject the claims or counterclaims submitted by the party so concerned.

Article 41 Investigation by the Arbitral Tribunal

1. Where the arbitral tribunal considers it necessary, or where a party so requests and the arbitral tribunal agrees, the arbitral tribunal may undertake investigations and collect evidence on its own initiative.
2. When investigating and collecting evidence at site, the arbitral tribunal shall notify the parties to be present in a timely fashion when it thinks necessary. In the event that the parties fail to be present after being notified, the investigation and collection of evidence shall proceed without being affected.
3. Information investigated or evidence collected by the arbitral tribunal shall be forwarded to the parties for their comments.

Article 42 Expert Report

1. Where the arbitral tribunal considers it necessary, or where a party so requests and the arbitral tribunal agrees, the arbitral tribunal may appoint experts for, *inter alia*, appraisal, audit, evaluation, testing or consultancy to produce expert report.
2. The arbitral tribunal may notify the parties to jointly nominate an expert within a time period specified by the arbitral tribunal. If the parties fail to do so, the expert shall be appointed by the arbitral tribunal.
3. The parties shall pay advance deposits for the expert costs in accordance with the proportion agreed by them or decided by the arbitral tribunal. The arbitral tribunal may decide not to conduct the arbitral proceeding provided in Paragraph 1 if the parties do not deposit in advance.
4. Copies of the expert report shall be forwarded to the parties for their comments. The arbitral tribunal may notify the expert to participate at an oral hearing to explain the expert report if the arbitral tribunal considers it necessary, or if a party so requests.

Article 43 Suspension of the Arbitration Proceedings

1. Where parties request a suspension of the arbitration proceedings, or under circumstances where such suspension is necessary pursuant to relevant law or provisions of the Rules, the arbitration proceedings may be suspended by the arbitral tribunal. Where the arbitral tribunal has not yet been formed, such decision shall be made by the SCIA.
2. The arbitration proceedings shall resume as soon as the reason for the suspension no longer exists.

Article 44 Withdrawal and Dismissal

1. A party may withdraw its claims or counterclaims in its entirety. In the event that the Claimant withdraws its claims in its entirety, the arbitral tribunal shall proceed with its examination of the counterclaims and render an arbitral award thereon. In the event that the Respondent withdraws its counterclaims in its entirety, the arbitral tribunal shall proceed with the examination of the claims and render an arbitral award thereon.
2. A case shall be dismissed by the arbitral tribunal if the claims and counterclaims have been withdrawn in their entirety. Where a case is to be dismissed prior to the formation of the arbitral tribunal, the SCIA shall make a decision on the

dismissal. The SCIA or the arbitral tribunal shall have the power to determine that the relevant arbitration fees and costs be borne by the party that withdraws the claims or counterclaims, unless otherwise agreed by the parties where the agreement of the parties shall prevail.

3. Where a party requests to withdraw its claims or counterclaims in its entirety after the oral hearings, the arbitral tribunal may give the other party a reasonable opportunity to express its opinion. Should the other party make a reasonable objection, and the arbitral tribunal considers that there is a justified reason to resolve the dispute through rendering the arbitral award, the arbitral tribunal shall have the power to continue the arbitration proceedings.

CHAPTER VII MEDIATION AND SETTLEMENT

Article 45 Mediation by the Arbitral Tribunal

1. Where the parties wish to mediate, the arbitral tribunal may conduct mediation during the arbitration proceedings. If the parties agree that the arbitrator(s) conduct the mediation, the arbitrator(s) who have conducted the mediation can continue to serve on the arbitral tribunal in the subsequent arbitration proceedings, unless otherwise agreed by the parties or provided by the applicable laws.

2. The arbitral tribunal may mediate in a manner it considers appropriate. With the consent of each party, the mediation may be conducted by all or some members of the arbitral tribunal.
3. During the mediation, the arbitral tribunal shall terminate the mediation if either party so requests or if the arbitral tribunal deems that further mediation would be futile.
4. Where mediation reaches a settlement, the parties may withdraw their claims or counterclaims, or may request the arbitral tribunal to render an arbitral award or a mediation statement in accordance with the terms of the settlement agreement.
5. Where mediation fails, acceptance or opposition, expressed in any statement, view, opinion, proposal or proposition, by either party or by the arbitral tribunal in mediation, cannot be invoked by either party as grounds for supporting any claims, defences or counterclaims in the subsequent arbitration proceedings, judicial proceedings, or any other proceedings.

Article 46 Settlement, Mediation and Negotiation Facilitation

1. The parties may reach a settlement agreement by themselves, or apply to the SCIA Mediation Centre, or other mediation institutions recognised

by the SCIA for mediation, or may apply for negotiation to the SCIA Negotiation Facilitation Centre.

2. Where a settlement agreement is reached in accordance with Paragraph 1, the parties may apply to the arbitral tribunal for rendering an arbitral award or a mediation statement in accordance with the terms of the settlement agreement or apply to withdraw the arbitration case. In the event the parties have not requested arbitration or the arbitral tribunal has not yet been formed, and the parties apply for rendering an arbitral award or a mediation statement in accordance with the settlement agreement, unless otherwise agreed by the parties, the President of the SCIA shall appoint a sole arbitrator to form the arbitral tribunal to conduct the arbitration in appropriate procedures and render an arbitral award or a mediation statement in due course. The specific procedures and time-limit shall not be subject to other provisions of the Rules.
3. The SCIA or the arbitral tribunal shall have the power to request the parties to make statements to ensure the legitimacy and authenticity of the settlement agreement, and to promise not to harm the interest of third persons to the case or the public interest, and other relevant circumstances. If the arbitral tribunal has reasonable doubts on the legitimacy and authenticity of the settlement agreement, or believes that rendering

an arbitral award or a mediation statement in accordance with such settlement agreement may be prejudicial to the interest of third persons to the case or the public interest, it shall reject the application to render an arbitral award or a mediation statement in accordance with the terms of the settlement agreement.

CHAPTER VIII ARBITRAL AWARD

Article 47 Time–limit for the Final Award

1. For cases under Article 2, Paragraph 1(a) and (b), the arbitral tribunal shall render an arbitral award within six (6) months from the date on which the arbitral tribunal is formed.
2. For cases under Article 2, Paragraph 1(c), the arbitral tribunal shall render an arbitral award within four (4) months from the date on which the arbitral tribunal is formed.
3. For cases under Article 2, Paragraph 1, applying the Summary Procedure specified in Chapter IX, the arbitral tribunal shall render an arbitral award within three (3) months from the date on which the arbitral tribunal is formed.
4. Where there are special circumstances or adequate reasons justifying an extension of the duration of the arbitration, the SCIA may approve an appropriate extension upon the request of the arbitral tribunal.

5. The following periods shall be excluded when calculating the time-limit in the preceding Paragraphs:
 - (a) any period of appointing experts for, *inter alia*, appraisal, audit, evaluation, testing, expert consultancy pursuant to Article 42;
 - (b) any period of mediation and negotiation facilitation pursuant to Article 45 and Article 46;
 - (c) any suspension period pursuant to relevant provisions of law and the Rules.

Article 48 Rendering of the Arbitral Award

1. The arbitral tribunal shall independently and impartially render an arbitral award based on the facts, in accordance with the law and the principles of fairness and reasonableness, and with reference to commercial practices.
2. Where the parties have agreed on the law as it applies to the merits of their dispute, the parties' agreement shall prevail. In the absence of such an agreement or where such agreement is in conflict with a mandatory provision of the law of the place of arbitration, the arbitral tribunal shall determine which law is applicable.
3. The arbitral tribunal shall state in the arbitral award the claims, the facts of the dispute, the reasons on which the arbitral award is based, the decision on the claims, the allocation of the arbitration costs,

the date of the arbitral award, and the place of the arbitration. The facts of the dispute and the reasons on which the arbitral award is based may not be stated in the arbitral award if the parties have so agreed, or if the arbitral award is rendered in accordance with the terms of a settlement agreement between the parties. The arbitral tribunal has the power to determine the specific time period for the parties to carry out the arbitral award and the liabilities for failure to do so within the specified time period.

4. Where a case is arbitrated by an arbitral tribunal formed of three arbitrators, the arbitral award shall be rendered by all three arbitrators or a majority of the arbitrators. A written dissenting opinion shall be kept with the file and may be notified to the parties together with the arbitral award. Such dissenting opinion shall not form a part of the arbitral award. Where the arbitral tribunal cannot reach a majority opinion, the arbitral award shall be rendered in accordance with the presiding arbitrator's opinion. The written opinions of the other arbitrators shall be kept with the file and may be notified to the parties together with the award. Such written opinions shall not form a part of the award.
5. The arbitral award shall be signed by arbitrators. An arbitrator who has a dissenting opinion may or may not sign his/her name on the arbitral award.

6. The date on which the arbitral award is rendered shall be the date on which the arbitral award comes into legal effect.
7. The seal of the SCIA shall be affixed to the arbitral award.
8. The arbitral award is final and binding upon the parties.

Article 49 Interlocutory Award

1. Where the arbitral tribunal considers it necessary, or where a party so requests and the arbitral tribunal agrees, the arbitral tribunal may render an interlocutory award on related procedural issues, interim measures or issues to be interpreted before the final arbitral award.
2. The rendering, implementation or non-implementation of an interlocutory award, shall not affect the arbitration proceedings, nor shall it prevent the arbitral tribunal from rendering the final arbitral award.

Article 50 Partial Award

Where the arbitral tribunal considers it necessary, or where a party so requests and the arbitral tribunal agrees, the arbitral tribunal may render a partial award on any part of the claim before rendering the final arbitral award. A partial award is final and binding upon the parties.

Article 51 Scrutiny of the Draft Award

The arbitral tribunal shall submit its draft award to the SCIA for scrutiny before signing. The SCIA may suggest modifications on the form of the draft award and may also draw the attention of the arbitral tribunal to substantive issues without affecting its independence.

Article 52 Correction of the Award and Additional Award

1. Within thirty (30) days after its receipt of the arbitral award, either party may request the arbitral tribunal in writing for a correction of any clerical, typographical or computational errors, or any errors of a similar nature contained in the award. If such an error does exist in the arbitral award, the arbitral tribunal shall make a correction in writing within thirty (30) days of receipt of the written request for the correction.
2. Either party may, within thirty (30) days from its receipt of the arbitral award, request the arbitral tribunal in writing for an additional award on any claim which was advanced in the arbitration proceedings but was omitted from the arbitral award. If such an omission does exist, the arbitral tribunal shall render an additional award within thirty (30) days of receipt of the written request.

3. The arbitral tribunal may, on its own initiative, make corrections of the arbitral award or render additional award in writing, within a reasonable time period after the arbitral award is rendered.
4. Such correction of award in writing or additional award shall form a part of the arbitral award.

Article 53 Re-arbitration

1. Where a competent court notifies the case be re-arbitrated in accordance with provisions of law, the case shall be arbitrated by the original arbitral tribunal. Where the member(s) of the original arbitral tribunal is/are unable to fulfil his/her duties due to being challenged or voluntary withdrawal from his/her office or other specific reasons, a substitute arbitrator shall be appointed under Article 32.
2. The arbitral tribunal shall decide on the specific procedures for the case to be re-arbitrated.
3. The arbitral tribunal shall render an arbitral award after the re-arbitration in accordance with the Rules.
4. The re-arbitral award shall replace the original award. The parties shall carry out the re-arbitral award.

CHAPTER IX SUMMARY PROCEDURE

Article 54 Application

1. Unless otherwise agreed by the parties, Summary Procedure shall apply to any case where the amount in dispute does not exceed RMB1,000,000 Yuan; or to any case where the amount in dispute exceeds RMB1,000,000 Yuan, yet the parties agree in writing that the Summary Procedure shall apply.
2. Where the amount in dispute is not clear, the SCIA shall determine whether or not to apply the Summary Procedure after a full consideration of relevant factors, including but not limited to the complexity of the case and the interests involved.

Article 55 Formation of Arbitral Tribunal

Unless otherwise agreed by the parties, the arbitral tribunal of a sole arbitrator shall be formed in accordance with Article 29 to hear a case under the Summary Procedure.

Article 56 Defence and Counterclaim

1. The Respondent shall submit its Statement of Defence and evidentiary materials within twenty (20) days after receipt of the Notice of Arbitration.

2. The Respondent shall submit its counterclaim (if any) in writing within twenty (20) days after receipt of the Notice of Arbitration. The Claimant shall submit its Statement of Defence to the Respondent's counterclaim within twenty (20) days after receipt of the Notice of Acceptance of Counterclaim.
3. If the arbitral tribunal considers there is a justified reason, it shall decide to grant an extension of the above time-limit. Where the arbitral tribunal has not yet been formed, such decision shall be made by the SCIA.

Article 57 Conduct of Hearing Proceedings

The arbitral tribunal may conduct the arbitration in the manner it considers appropriate. The arbitral tribunal may decide whether to conduct the arbitration solely on the basis of the written materials and evidence submitted by the parties or to hold an oral hearing or online oral hearing.

Article 58 Notice of Hearing

1. For an arbitration conducted by way of an oral hearing, after the arbitral tribunal has fixed a date for oral hearing, the parties shall be notified at least ten (10) days prior to the oral hearing. A party having justified reasons may request a postponement of the oral hearing. However, such request shall be communicated in writing to the

arbitral tribunal at least seven (7) days prior to the fixed oral hearing date. The arbitral tribunal shall decide whether or not to postpone the oral hearing.

2. Where a party has justified reasons for failure to submit a request for a postponement of the oral hearing within the time period specified in the preceding Paragraph 1, the arbitral tribunal shall decide whether or not to accept the request.
3. A notice of a subsequent oral hearing, as well as a notice of a postponed oral hearing, shall not be subject to the time-limit specified in the preceding Paragraph 1.

Article 59 Change of Procedure

1. The application of Summary Procedure shall not be affected by any amendment to the claim or by the filing of a counterclaim.
2. Where the amount in dispute of the amended claim or that of the counterclaim exceeds RMB 1,000,000 Yuan, upon one of the parties' request or the suggestion of the arbitral tribunal, and if the SCIA considers necessary, the Summary Procedure may be changed to the general procedure by the SCIA .

Article 60 Other Provisions

The relevant provisions in the other Chapters of the Rules shall apply to matters not covered in this Chapter.

CHAPTER X MISCELLANEOUS

Article 61 Arbitration Fees and Costs

1. The parties shall pay the arbitration fees and costs in advance to the SCIA in accordance with the “Schedule of Fees and Costs of Arbitration” stipulated by the SCIA.
2. Where the parties agree to submit to other arbitration rules, schedule of fees and costs of arbitration stipulated by other arbitration rules may apply. If those other arbitration rules lack such schedule, the Schedule of Fees and Costs of Arbitration adopted by the SCIA may apply *mutatis mutandis*.
3. During the course of the arbitration proceedings, where the parties fail to pay in advance the relevant fees and costs as required, the SCIA shall so inform the parties in order that one or another of them may make the required payment. If such payment is not made, the SCIA may order the suspension of the arbitration proceedings or continue with the proceedings on such basis as it sees fit.

4. The Schedule of Fees and Costs of Arbitration which is attached hereto forms an integral part of the Rules.

Article 62 Allocation of Fees

1. The arbitral tribunal has the power to determine in the arbitral award the arbitration fees and other expenses to be borne by the parties. Such fees and other expenses include fees and actual expenses payable under the Schedule of Fees and Costs of Arbitration, and the reasonable legal fees and other expenses incurred by the parties for conducting the arbitration.
2. Unless otherwise agreed by the parties or stipulated in the Rules, the arbitration fees and costs shall in principle be borne by the losing party. However, the arbitral tribunal may apportion such fees and expenses between the parties in appropriate proportion, taking into account the relevant circumstances of the case. If the parties reach a settlement either on their own initiative or as a result of mediation by the arbitral tribunal, the parties may reach an agreement upon the percentages of their respective shares in the fees and costs.
3. In case of any breach of the Rules or failure to carry out the arbitral tribunal's decisions by any party which causes delay in the arbitration proceedings, the allocation of arbitration fees

and costs to such party shall not be subject to the provisions under the preceding paragraph. Where other costs are incurred or increased due to delay in the arbitration proceedings, such party shall also bear the costs so incurred or increased.

4. The arbitral tribunal shall, at the request of a party, have the power to determine in the arbitral award that the losing party bears the reasonable costs and expenses of the successful party incurred in relation to the arbitration proceedings, including but not limited to the attorney's fees, the costs of preservation measures, travel and accommodation expenses, notarial fees and witness expenses. While determining the amount of these costs and expenses, the arbitral tribunal shall take into account the outcome and complexity of the case, the actual workload of the parties or their representatives, the monetary amount in dispute and any other relevant factors.

Article 63 Calculation of Time-limits

1. Periods of time specified in or fixed under the Rules shall start to run on the day following the date a notification or communication is deemed to have been made.
2. When the day next following such date is a public holiday, or a non-business day in the

country where the notification or communication is deemed to have been made, the period of time shall commence on the first following business day. Public holidays and non-business days within the period concerned are included in the calculation of the period of time. If the last day of the relevant period of time is a public holiday or a non-business day, the period of time shall expire at the end of the first following business day.

3. If a party breaches a time-limit because of *force majeure* events or other justifiable reasons, it shall inform the SCIA within a reasonable time period and may apply for an extension of time within ten(10) days after such reasons no longer exist. The arbitral tribunal shall decide on the request. Where the arbitral tribunal has not yet been formed, such decision shall be made by the SCIA.

Article 64 Service

1. Where the parties have agreed upon the means of service, the parties' agreement shall prevail.
2. Unless otherwise agreed by the parties, all written documents, notices and materials in relation to the arbitration proceedings may be delivered in person or sent by mail, facsimile, electronic mail, or any other means of electronic data interchange that can provide a record

of delivery, or by any other means the SCIA considers appropriate.

3. Any arbitral document, notice or material sent by the SCIA to a party or its representative shall be deemed to have been properly delivered if:
 - (a) delivered to the place of business, place of registration, place of residence, address indicated on household registration or on the identification card, address confirmed with the SCIA orally or in writing, any effective address for external use, address provided under the parties' agreements of the addressee's or any other mailing address the SCIA considers appropriate;
 - (b) delivered to the addressee's last known mailing address by post or by any other means that provides a record of delivery, if none of the foregoing addresses can be found after reasonable inquiries; or
 - (c) the subsequent arbitral documents, notices or materials are delivered to the original service address of the addressee if a party or its representative changes its address after having received the arbitral documents, notices or materials sent by the SCIA yet did not notify the SCIA of such change.
4. The time of delivery shall be the earliest time the document, notice or material reaches the addressee by any of the foregoing means of delivery.

Article 65 Confidentiality

1. The arbitration proceedings shall not be open to the public.
2. Where all the parties agree that an oral hearing be open to the public, the arbitral tribunal shall decide whether the oral hearing shall be open to the public.
3. Where an oral hearing is not to be open to the public, the parties and their representatives, witnesses, interpreters, arbitrators, experts consulted or appraisers appointed by the arbitral tribunal, persons recording the oral hearings, staffs of the SCIA and other relevant persons shall keep any substantive or procedural matters relating to the case confidential, unless otherwise stipulated under the laws.

Article 66 Waiver of Objection

A party shall be deemed to have waived its right to object where it knows or should have known that any provision of the Rules, other arbitration rules applicable to the arbitration proceedings, decisions of the arbitral tribunal or any term under the arbitration agreement has not been complied with and yet participates in or proceeds with the arbitration proceedings without promptly submitting its objection in writing to such non-compliance.

Article 67 Online Arbitration

1. The SCIA shall establish a safe and user-friendly online arbitration system for the use of the parties.
2. The parties may agree that all or part of the arbitration proceedings conducted in accordance with the Rules shall be conducted online.
3. Where the parties have agreed to conduct arbitration online, the parties shall be deemed to have the necessary equipment and technical capacity required to conduct arbitration online in accordance with the Rules, including but not limited to those with respect to sending and receiving electronic mails, using mobile communication devices and attending online video hearings.
4. Where the parties have agreed to conduct arbitration online, any arbitral documents, notices or materials sent to the email address designated by the respective parties or downloaded from the SCIA online arbitration system by the parties shall be deemed to have been duly delivered.
5. Where the parties have agreed to conduct arbitration online, the arbitral tribunal may decide whether to conduct the arbitration solely on the basis of the written documents and

evidence submitted by the parties or by way of hearing through the SCIA online hearing system.

6. The arbitral award or the decision for online arbitration cases maybe signed by the arbitrator(s) by way of digital signatures and the SCIA may affix its digital seal to the same.
7. The online arbitral procedures shall be in accordance with the special guidelines on online arbitral procedures separately stipulated by the SCIA.

Article 68 Interpretation of the Rules

1. The headings of the articles in the Rules shall not be construed as interpretations of the contents of the provisions contained therein.
2. The Rules shall be interpreted by the SCIA.
3. Unless otherwise stated, other documents issued by the SCIA shall not constitute integral parts of the Rules.

Article 69 Coming into Force

The Rules shall be effective as from 1 December 2016. For cases administered by the SCIA before the Rules come into force, the Arbitration Rules effective at the time of acceptance shall apply, or where the parties agree, the Rules shall apply.

Appendix

Schedule of Fees and Costs of Arbitration

Article 1 Arbitration Fees and Costs for the International and Foreign-related Cases and Cases related to the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan Region

Schedule I

Amount in Dispute(“AID”) (“RMB”)	Arbitration Fees and Costs(“RMB”)
1,000,000 and below	3.5% of the AID, minimum 10,000
1,000,000 to 5,000,000 (inclusive of 5,000,000)	35,000 plus 2.5% of the AID above 1,000,000
5,000,000 to 10,000,000 (inclusive of 10,000,000)	135,000 plus 1.5% of the AID above 5,000,000
10,000,000 to 50,000,000 (inclusive of 50,000,000)	210,000 plus 1% of the AID above 10,000,000
above 50,000,000	610,000 plus 0.65% of the AID above 50,000,000

- (1) This Schedule I applies to the international and foreign-related arbitration cases and those related to the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan Region under Article 2, Paragraph 1(a) and (b) of the Rules.

- (2) A registration fee of RMB 10,000 Yuan shall be payable upon application for arbitration, for the purposes of examining the application for arbitration, initiating the arbitration proceedings, computerizing management, filing management and correspondence. The registration fee is non-refundable.
- (3) The parties shall pay the arbitration fees and costs in advance in accordance with the rates under this Schedule I for their respective claim or counterclaim. The AID referred to in this Schedule I shall be on the basis of the amount of money claimed by the parties. Where no monetary claim is specified or the amount in dispute is not clear, the amount of arbitration fee shall be determined by the SCIA in consideration of the specific rights and interests involved in the disputes.
- (4) If the arbitration fee is charged in a foreign currency, an amount of the foreign currency equivalent to the corresponding RMB value specified in this schedule shall be paid.
- (5) The SCIA may charge for other disbursements reasonably incurred in accordance with the relevant provisions under the Rules.
- (6) The remuneration of the arbitrator(s) shall be decided by the SCIA and shall be payable by the SCIA out of the arbitration fees and costs

collected by the SCIA under this Schedule I. While determining the remuneration of the arbitrator(s), the SCIA shall take into account of factors such as the time spent by the arbitrator(s) to handle the case, the AID the complexity of the case, and the due diligence and efficiency of the arbitrator(s). The personal fee rate of any arbitrator (if any) shall only be for SCIA's reference, and is not binding on the SCIA.

Article 2 Arbitration Fees and Costs for Chinese Mainland Arbitration Cases

Schedule II

Schedule of Case-acceptance Fee

Amount in Dispute ("AID")("RMB")	Case-acceptance Fee ("RMB")
1,000 and below	100
1,000 to 50,000 (inclusive of 50,000)	100 plus 5% of the AID above 1,000
50,000 to 100,000 (inclusive of 100,000)	2,550 plus 4% of the AID above 50,000
100,000 to 200,000 (inclusive of 200,000)	4,550 plus 3% of the AID above 100,000
200,000 to 500,000 (inclusive of 500,000)	7,550 plus 2% of the AID above 200,000
500,000 to 1,000,000 (inclusive of 1,000,000)	13,550 plus 1% of the AID above 500,000
above 1,000,000	18,550 plus 0.5% of the AID above 1,000,000

Schedule of Case-handling Fee

Amount in Dispute(“AID”)(“RMB”)	Case-handling Fee (“RMB”)
200,000 and below	5,000
200,000 to 500,000 (inclusive of 500,000)	5,000 plus 2% of the AID above 200,000
500,000 to 1,000,000 (inclusive of 1,000,000)	11,000 plus 1.5% of the AID above 500,000
1,000,000 to 3,000,000 (inclusive of 3,000,000)	18,500 plus 0.5% of the AID above 1,000,000
3,000,000 to 6,000,000 (inclusive of 6,000,000)	28,500 plus 0.45% of the AID above 3,000,000
6,000,000 to 10,000,000 (inclusive of 10,000,000)	42,000 plus 0.4% of the AID above 6,000,000
10,000,000 to 20,000,000 (inclusive of 20,000,000)	58,000 plus 0.3% of the AID above 10,000,000
20,000,000 to 40,000,000 (inclusive of 40,000,000)	88,000 plus 0.2% of the AID above 20,000,000
Above 40,000,000	128,000 plus 0.15% of the AID above 40,000,000

- (1) The Schedule II, adopted in accordance with the Notice of the General Office of the State Council on the Measures Regarding Arbitration Fees of Arbitration Commissions (Guo Ban Fa No.44 (1995)), apply to the arbitration cases related to Chinese Mainland disputes under Article 2, Paragraph 1(c) of the Rules, including case-acceptance fee and case-handling fee.

- (2) The parties shall pay the case-acceptance fee and case-handling fee in advance in accordance with the rates under this Schedule II for their respective claim or counterclaim. The AID referred to in this Schedule II shall be on the basis of the amount of money claimed by the parties. Where no monetary claim is specified or the AID is not clear, the amount of arbitration fee shall be determined by the SCIA in consideration of the specific rights and interests involved in the disputes.
- (3) The SCIA may charge for other disbursements reasonably incurred in accordance with the relevant provisions under the Rules.
- (4) The remuneration of the arbitrator(s) shall be decided by the SCIA and shall be payable by the SCIA out of the arbitration fees and costs collected by the SCIA under this Schedule II. While determining the remuneration of the arbitrator(s), the SCIA shall take into account of factors such as the time spent by the arbitrator(s) to handle the case, the amount in dispute, the complexity of the case, and the due diligence and efficiency of the arbitrator(s). The personal fee rate of any arbitrator (if any) shall only be for SCIA's reference, and is not binding on the SCIA.

Article 3 Advance Payment of Arbitration Fees and Costs in Installments

- (1) In cases whereby a large amount of arbitration fees and costs is payable under Article 1 or 2 of this Appendix or there are special circumstances in any arbitration case, the SCIA may, at the request of the parties, agree to allow the party to make the advance payment of the arbitration fees and costs in installments, provided that:
- (a) no less than one-third of the total arbitration fees and costs is paid upon request for arbitration;
 - (b) no less than half of the total arbitration fees and costs is paid by the time the arbitral tribunal is formed; and
 - (c) the total arbitration fees and costs shall be paid in full by the time of the hearing.
- (2) Such installments shall not include the registration fee stipulated under Article 1 of this Appendix.

Article 4 Arbitration Fees and Costs in relation to Arbitral Cases Governed by UNCITRAL Arbitration Rules

As for the international and foreign-related arbitration cases and those related to the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan Region governed by the UNCITRAL Arbitration Rules under Article 3, Paragraph 4 of the Rules, and for arbitral cases

related to the investment disputes under Article 2 ,Paragraph 2 of the Rules, the arbitration fees and costs shall be charged by the SCIA in accordance with the “SCIA Guidelines for the Administration of Arbitration under the ‘UNCITRAL Arbitration Rules’” (hereinafter, the “Guidelines”) as follows:

(1) Registration Fee

The registration fee shall be RMB 5,000 Yuan, which is non-refundable under any circumstance.

(2) Administrative Fee

The administrative fees shall include the costs and expenses incurred from providing the services under Article 4(1) of the Guidelines in relation to the following:

(a) Appointment of Arbitrators (“RMB”)

	1 arbitrator appointed	2 arbitrators appointed	3 arbitrators appointed
Fees payable by the parties	10,000	15,000	18,000

(b) Decision on the Challenge of Arbitrator

An amount of RMB 20,000 Yuan shall be charged for each decision on the challenge of arbitrator(s).

(c) Financial Management of Arbitration Cases

The SCIA shall charge a financial management fee, being 0.1% of the total amount of fees in custody of the SCIA. The minimum financial management fee chargeable shall be RMB

1,000 Yuan and shall be capped at a maximum of RMB 100,000 Yuan.

(d) Services under Article 4(2) of the Guidelines

The SCIA shall charge disbursements incurred from services provided by SCIA under Article 4(2) of the Guidelines or from other administrative services requested by the parties or the arbitral tribunal, which shall be charged on actual costs basis.

**Article 5 Arbitration Fees and Costs in relation to
Application of other Arbitration Rules**

Schedule III

Amount in Dispute(“AID”) (“RMB”)	Administrative Fee (“RMB”)
1,000,000 and below	1.4% of the AID, minimum 4,000
1,000,000 to 5,000,000 (inclusive of 5,000,000)	14,000 plus 1% of the AID above 1,000,000
5,000,000 to 10,000,000 (inclusive of 10,000,000)	54,000 plus 0.6% of the AID above 5,000,000
10,000,000 to 50,000,000 (inclusive of 50,000,000)	84,000 plus 0.4% of the AID above10,000,000
Above 50,000,000	244,000 plus 0.2% of the AID above 50,000,000

(1) This Schedule III shall apply if the parties agree to submit to the SCIA for arbitration in accordance with the arbitration rules other than

the SCIA Rules and the UNCITRAL Arbitration Rules, and that the SCIA shall provide the administrative services for the arbitration proceedings.

- (2) A registration fee of RMB 10,000 Yuan shall be payable upon application for arbitration, for the purposes of examining the application for arbitration, initiating the arbitration proceedings, computerizing management, filing management and correspondence. The registration fee is non-refundable.
- (3) The parties shall pay the arbitration fees and costs in advance in accordance with the rates under this Schedule III for their respective claim or counterclaim. The AID referred to in this Schedule III shall be on the basis of the sum amount of money claimed by the parties. Where no monetary claim is specified or the amount in dispute is not clear, the amount of administrative fee shall be determined by the SCIA in consideration of the specific rights and interests involved in the disputes.
- (4) If the arbitration fee is charged in a foreign currency, the foreign currency shall be payable at an amount equivalent to the corresponding amount in RMB under this Schedule III.
- (5) The SCIA may charge for other disbursements reasonably incurred in accordance with the

relevant provisions under the Rules.

- (6) The administrative fee payable to the SCIA shall not include the remuneration of the arbitrator(s), which may be agreed upon between the parties and the arbitrator(s) concerned.

**Article 6 Provisions as to Fees of Arbitrators
Determined in accordance with the Fee
Arrangements between Parties and
Arbitrators**

- (1) The allocation of the fees and expenses of arbitrators determined in accordance with the fee arrangements agreed between the party or parties and the arbitrator shall be decided by arbitral tribunal pursuant to the applicable arbitration rules and the relevant provisions of this Appendix.
- (2) The fees and expenses of arbitrators determined in accordance with the fee arrangements shall be reasonable in amount, taking into account the AID, the complexity of the subject-matter, the time spent by the arbitrators and any other relevant circumstances of the case. According to the above circumstances, the SCIA shall have the power to make any necessary adjustment to the fees and expenses of arbitrators, which will be binding upon the arbitral tribunal.

**Article 7 Arbitration Fees and Costs in relation to
Appointment of Emergency Arbitrator**

Schedule IV

Application for Interim Measures	Amount Charged (“RMB”)
One single interim measure	RMB 10,000
Multiple interim measures	$\text{RMB } 10,000 + (n-1) \times \text{RMB } 2,000$

(where “n” refers to the number of interim measures applied by the parties)

This Schedule IV shall apply if a party applies to the SCIA for appointment of an emergency arbitrator for the interim measure(s) under Article 24 of the Rules.