

SCIA Rules of Maritime and Logistics Arbitration

Effective as from 21 February 2019

MODEL ARBITRATION CLAUSE

Any dispute arising from or in connection with this contract shall be submitted to the Shenzhen Court of International Arbitration (the SCIA) for arbitration in accordance with the SCIA Rules of Maritime and Logistics Arbitration.

Shenzhen Court of International Arbitration Rules of Maritime and Logistics Arbitration

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Shenzhen Court of International Arbitration Rules of Maritime and Logistics Arbitration

Article 1 Qianhai Maritime and Logistics Arbitration Centre

The Qianhai Maritime and Logistics Arbitration Centre (hereinafter the “SCIA Maritime Arbitration Centre”) is established by the Shenzhen Court of International Arbitration (also known as the Shenzhen Arbitration Commission and 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”) in Shenzhen, China, for the resolution of maritime, logistics and related disputes between the parties.

Article 2 Jurisdiction

The SCIA accepts the following types of arbitration cases in accordance with the agreement between the parties:

1. Disputes related to the transportation of cargo, the transportation of passengers, charter-party, and shipping documents.
2. Disputes related to the sale, construction, reconstruction, repair and charter of, mortgage, security by, management, operations, supply of fuel or personnel to, mariner labour, performance or service(s) provided to any vessel, cruise ship, yacht, aircraft or any other vehicles and ocean facilities of whatsoever kind.
3. Disputes concerning finance, financial lease and insurance issues related to shipping and logistics.

4. Disputes related to maritime and air accidents, including, but not limited to, collision, allision, salvage at sea, casualty, grounding, stranding, fire, explosion, sinking, airplane crashes, ocean and air risks, salvage, obstacle clearance, and general average, etc.
5. Disputes related to ocean exploitation, and the construction, operation, management, maintenance and service of ports, fairway, anchorage, bridge approach, dock, artificial island and airports.
6. Disputes related to ocean and aviation pollution of any kind.
7. Disputes related to the logistics, logistical operations, warehousing, distribution, express service, supply chain, Internet of things (IoT), rail transit, multimodal transport, pipeline transportation, railway and high-speed railway, etc.
8. Disputes related to fishery, aquatic farming and fishing.
9. Any other relevant disputes.

Article 3 Scope of Application

1. As regards the dispute covered by the jurisdiction prescribed in Article 2 hereof:
 - (a) unless otherwise agreed, the parties shall be deemed to have agreed to arbitration in accordance with these Rules where they have agreed to arbitration by the SCIA Maritime Arbitration Centre;
 - (b) where the parties agree to refer their dispute to arbitration in accordance with these Rules without providing for the name of the specific arbitration institution, they shall be deemed to have agreed to refer the dispute to arbitration by the SCIA under these Rules;
 - (c) where the parties agree to refer their dispute to the SCIA for arbitration but have not specified for the application of these

Rules, the arbitration shall be conducted in accordance with the SCIA Arbitration Rules.

2. Where the parties have agreed to the application of these Rules or the SCIA decides that these Rules shall be applied, any matter not specifically provided for herein shall be subject to the SCIA Arbitration Rules.

Article 4 Interim Measure(s)

1. Unless otherwise agreed by the parties, the arbitral tribunal or the emergency arbitrator may grant the interim measure(s) requested by a party in light of the applicable law of the place of arbitration.
2. In light of the applicable law of the place of arbitration, a party may request the SCIA and/or the competent court to take one or more of the interim measures as prescribed below:
 - (a) the preservation of property;
 - (b) the preservation of evidence;
 - (c) to order a party to perform and/or refrain from performing a specific conduct;
 - (d) any other interim measures provided by law.
3. Where a party requests the competent court to take interim measure(s), it shall not be deemed that it is inconsistent with the arbitration agreement, or that the party has in any way abandoned the arbitration agreement.

Article 5 Interim Measure(s) Prior to Arbitration

1. Before applying for arbitration, a party may request the competent

court to take an interim measure(s), or request the SCIA to assist it with requesting the competent court to take an interim measure(s).

2. When requesting the SCIA to provide assistance, the party applying for the interim measures shall provide arbitration agreement and the application for interim measures as prescribed in Article 6, paragraph 1 of these Rules. The SCIA shall forward the documents to the competent court and notify the requesting party when, and whether or not the requested assistance is deemed to be proper after reviewing the documents.
3. The requesting party shall, after the court takes interim measure(s), apply to the SCIA for arbitration within the statutory period as prescribed by the applicable law of the place of arbitration.

Article 6 Interim Measure(s) during Arbitration

1. After the SCIA accepts the case, a party shall, in order for the SCIA to take interim measures, submit an application for interim measures. The application shall clearly set forth the following items:
 - (a) the names and addresses of the parties;
 - (b) the basis for taking the interim measures;
 - (c) the specific interim measures requested;
 - (d) the place for taking the interim measures and the competent court; and
 - (e) the relevant legal provisions of the place for taking the interim measures.
2. The SCIA shall forward the application for interim measures to the competent court for the ruling, or submit the application to

the arbitral tribunal for the decision, or the emergency arbitrator established under Article 7 hereof for the decision.

Article 7 Emergency Arbitrator

1. The party applying for interim measures after the case is accepted by the SCIA but before the arbitral tribunal is formed may request the SCIA to appoint an emergency arbitrator by submitting an application in writing. The application shall indicate the basis for appointing the emergency arbitrator. Whether the emergency arbitrator is appointed shall be decided by the President of the SCIA.
2. Where the President of the SCIA agrees to appoint the emergency arbitrator, the requesting party shall pay in advance the fee in accordance with these Rules. When the application for appointing an emergency arbitrator is complete, the President of the SCIA shall appoint one (1) arbitrator from the SCIA Panel of Arbitrators within two (2) days to be the emergency arbitrator for disposing of the application for interim measure(s). The SCIA shall notify the parties of the appointment of the emergency arbitrator.
3. The parties may, within two (2) days after the receipt of the notice regarding the appointment of the emergency arbitrator, challenge the arbitrator appointed above, and the President of the SCIA shall make a final decision on the challenge.
4. The emergency arbitrator shall make his/her decision on the application for interim measures pursuant to Article 8 of these Rules.

5. The appointment of the emergency arbitrator shall be terminated on the date when the arbitral tribunal is formed, and shall transfer all of the files to the arbitral tribunal.
6. Unless otherwise agreed by the parties, the emergency arbitrator shall not act as an arbitrator of the dispute related to the application for interim measures.
7. The procedure prescribed in this Article shall not affect the conduct of any other procedure.
8. Any matter related to the emergency arbitrator appointment shall be governed by the other relevant provisions of these Rules if they are not prescribed herein.

Article 8 Decision on Interim Measure(s)

1. The party requesting interim measure(s) shall satisfy the emergency arbitrator or the arbitral tribunal that:
 - (a) loss may not be adequately covered by an award of damages if the measure is not ordered, and such possible loss substantially outweighs the harm that is likely to result to the party against whom the measure is directed if the measure is granted; and
 - (b) there is a reasonable possibility that the requesting party will succeed on the merits of the claim. The determination on this possibility shall not affect the discretion of the arbitral tribunal in making any subsequent determination.
2. The emergency arbitrator or the arbitral tribunal may, before making a decision, require the party requesting an interim

measure(s) to provide appropriate security on the basis of the interim measure(s) requested.

3. A decision on the interim measures in accordance with this Article shall be made by the emergency arbitrator within fourteen (14) days upon appointment, or by the arbitral tribunal within fourteen (14) days upon its receipt of the application for interim measures. The emergency arbitrator or the arbitral tribunal shall make a decision on interim measures within ten (10) days upon the date the security is provided pursuant to Paragraph 2 of this Article.
4. The decision on the interim measure(s) shall indicate the basis, be signed by the emergency arbitrator or the arbitral tribunal and affixed with the SCIA's seal.
5. None of the emergency arbitrator, the arbitral tribunal, the SCIA or its staffs shall be responsible for any loss caused to the parties in the event the emergency arbitrator or the arbitral tribunal decides to take or not to take any requested interim measure.

Article 9 Change of the Decision on Interim Measure(s)

1. The parties may challenge the decision on interim measure(s) by submitting a notice in writing to the SCIA within three (3) days after the party's receipt of the decision on the interim measure(s), and the SCIA shall forward the notice of challenge to the emergency arbitrator or the arbitral tribunal in order to decide whether to maintain, modify, suspend or terminate the interim measure(s) it has granted. If the appointment of the emergency arbitrator is terminated, the arbitral tribunal formed subsequently shall make the decision on whether to maintain, modify, suspend

or terminate the interim measure(s).

2. The emergency arbitrator or the arbitral tribunal may modify, suspend or terminate the interim measure(s) it has granted on its own initiative. The arbitral tribunal may also modify, suspend or terminate the interim measure(s) granted by the emergency arbitrator on its own initiative.
3. The emergency arbitrator or the arbitral tribunal may require any party to promptly disclose any material change in the circumstances that formed the basis on which the interim measure(s) was/ were requested or granted.
4. The party requesting the interim measure(s) may be liable to any party for any cost and damage caused by the measure(s) if the emergency arbitrator or the arbitral tribunal later determines that, in the circumstances then prevailing, the measure(s) should not have been granted. The emergency arbitrator or the arbitral tribunal may award such costs and damages at any time during the proceeding.

Article 10 Performance of the Decision on Interim Measure(s)

The parties shall abide by the decision on interim measure(s) issued by the emergency arbitrator and/or the arbitral tribunal.

Article 11 Composition of Arbitral Tribunal

1. Unless otherwise agreed by the parties or provided by these Rules, an arbitral tribunal shall be composed of three (3) arbitrators.

2. Unless otherwise agreed by the parties, within ten (10) 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.
3. Unless otherwise agreed by the parties, within ten (10) 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.
4. In the alternative, the parties may agree that the presiding arbitrator is to be appointed jointly by the two (2) appointed arbitrators. Unless otherwise agreed by the parties, where the two (2) appointed arbitrators fail to appoint the presiding arbitrator within five (5) days from the date of the determination of the second (2nd) arbitrator, the presiding arbitrator shall be appointed by the President of the SCIA.
5. Unless otherwise agreed by the parties, the arbitration shall be conducted by a sole arbitrator where the amount in dispute does not exceed RMB 5,000,000 Yuan, or where the parties agree so in writing although the amount in dispute exceeds RMB 5,000,000 Yuan.
6. Where no monetary claim is specified or the amount in dispute is not clear, the SCIA shall determine whether or not to appoint a sole arbitrator after a full consideration of relevant factors, including, but not limited to, the complexity of the case and the interests involved.

Article 12 Appointment of Arbitrators

The SCIA establishes a Panel of Arbitrators. The parties may appoint arbitrators from the Panel, or appoint, either separately or jointly, arbitrators of any nationality from outside the SCIA's Panel of Arbitrators. The party (or parties) appointing an arbitrator from outside the SCIA's Panel of Arbitrators shall be confirmed by the President of the SCIA.

Article 13 Defence and Counterclaim

1. The Respondent shall submit its Statement of Defence and evidentiary materials within twenty (20) days of the receipt of the Notice of Arbitration.
2. The Respondent shall submit a counterclaim, if any, in writing within twenty (20) days from the date of receipt of the Notice of Arbitration. The Claimant shall submit its Statement of Defence to the counterclaim in writing within twenty (20) days from the date of receipt of the Notice.
3. If the arbitral tribunal considers there is justified reason(s) for an extension, it may decide to grant an extension of the above time limits. Where the arbitral tribunal has not yet been formed, such decision shall be made by the SCIA.

Article 14 Conduct of Arbitration 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.

Article 15 Oral Hearing

1. For a case involving an oral hearing, after the arbitral tribunal has fixed a date and time for the first oral hearing, the parties shall be notified at least ten (10) days prior to the oral hearing. A party having justified reason(s) 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 scheduled date of the oral hearing. The arbitral tribunal shall decide whether or not to postpone the oral hearing.
2. Where a party has justified the reasons for its failure to submit a request for a postponement of the oral hearing within the time period specified in Paragraph 1 of this Article, the arbitral tribunal shall decide whether or not to postpone the oral hearing.
3. A notice regarding the date and time of a subsequent oral hearing, as well as a notice regarding the date and time of a postponed oral hearing, shall not be subject to the time limit specified in Paragraph 1 of this Article.

Article 16 Time Limit for the Final Award

1. The arbitral tribunal shall render its arbitration award within three (3) months from the date on which the arbitral tribunal is formed.
2. Upon the request of the arbitral tribunal, the President of the SCIA may extend the time limit if he/she considers it necessary and the reasons for the extension are deemed justified.

3. The following period shall be excluded when calculating the time limit in the preceding Paragraphs:
 - (a) tperiod for appointing experts for, inter alia, appraisal, audit, evaluation, testing, expert consultancy pursuant to the SCIA Arbitration Rules;
 - (b) tperiod for mediation pursuant to the SCIA Arbitration Rules;
 - (c) tperiod of suspension pursuant to the relevant law, these Rules or the SCIA Arbitration Rules.

Article 17 Arbitration Fees and Costs

1. The parties shall pay the arbitration fees and costs in accordance with the applicable provisions in the Schedule of Fees and Costs of Arbitration.
2. The Schedule of Fees and Costs of Arbitration attached hereto shall constitute an integral part of these Rules.

Article 18 Interpretation

1. The headings of the articles in these Rules shall not be construed as interpretations of the meanings of the provisions contained therein.
2. These Rules shall be interpreted by the SCIA.

Article 19 Implementation

These Rules shall be effective as from 21 February 2019.

Appendix

Schedule of Fees and Costs of Arbitration

Article 1 Registration Fee

A registration fee of RMB 5,000 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.

Article 2 Schedule of Arbitration Fees and Costs

Amount in Dispute (“AID”) (RMB)	Case Handling Fee (RMB)
1,000,000 Yuan or less (Including 1,000,000 Yuan)	2.5% of the amount in dispute
1,000,000 Yuan to 5,000,000Yuan (Including 5,000,000 Yuan)	25,000 Yuan plus 1% of the amount above 1,000,000 Yuan
5,000,000 Yuan to 10,000,000Yuan (Including 10,000,000 Yuan)	65,000 Yuan plus 0.8% of the amount above 5,000,000 Yuan
10,000,000 Yuan to 50,000,000Yuan (Including 50,000,000 Yuan)	105,000 Yuan plus 0.6% of the amount above 10,000,000 Yuan
50,000,000 Yuan or more	345,000 Yuan plus 0.55% of the amount above 50,000,000 Yuan

1. The parties shall pay the arbitration fees and costs in advance in accordance with the rates under this Schedule above for their respective claim or counterclaim. The AID referred to in this Schedule 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.

2. 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.
3. The SCIA may charge for other disbursements reasonably incurred in accordance with the relevant provisions under the SCIA Rules.
4. Unless otherwise stipulated by the SCIA Arbitration Rules and agreed by all the parties, 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. 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 3 Miscellaneous

Other fees and costs, including, but not limited to, the appointment fee for an emergency arbitrator, shall be governed by the SCIA Arbitration Rules if there are no provisions stipulated under these Rules.