

Updated rules following the Arbitration Council Resolution of November 29th
2016, in force from December 6th 2016 exclusively for arbitration
requests filed as of the abovementioned date.

ARTICLE 1

CAI FUNCTIONS AND PROCEDURES

1. In accordance with the Rules herein, the Camera Arbitrale Italiana (Italian Chamber of Arbitration – Arbitration Institute of Italy “CAI”), carries out the following: (a) it administers arbitration proceedings for the resolution of disputes; (b) upon the request of the parties, it appoints arbitrators for non-administered proceedings; (c) it administers, upon the parties’ written request, procedures such as conciliation, arbitration and contractual scrutiny, it appoints conciliators, arbitrators and experts and establishes, from time to time, the rules for such procedures.
2. In respect of the above, CAI may be seized: (a) in the event of an agreement between the parties on any of the aforementioned proceedings referring to CAI; (b) if, in absence of said agreement, either party files a personally undersigned request to CAI for any of the above-mentioned proceedings, together with the proposal to appeal to the same proceedings, and if the other party accepts such request, such declaration must also be personally undersigned and sent to the Secretary General within the deadline set by the latter.

ARTICLE 2

ARBITRATION COUNCIL

1. The Arbitration Council of CAI is appointed by the Members’ Assembly. The Arbitration Council is summoned upon the request of any of its members, or upon the request of the Secretary General and/or Chairman or any other person delegated by the latter, by registered letter with return receipt, Certified Mail, fax or e-mail, sent to the other members of the Council, with at least three business days’ notice from the date of the assembly.
2. The sessions of the Arbitration Council and its resolutions are valid with the attendance and favorable vote of the majority of its members, without prejudice to the cases where the decision of the appointment of its members, issued by the Board of Directors, provides otherwise.
3. The Arbitration Council has competence over all matters pertaining to the administration of the procedures provided for in art. 1 above, and shall take all necessary measures, in accordance with the provisions of the Rules contained herein.

ARTICLE 3

SECRETARY GENERAL

1. The Secretary General of CAI is appointed by the Members’ Assembly. The Secretary General is in charge of updating the CAI Register of Arbitrators, herein set forth in art. 4, in accordance with the directions of the Arbitration Council and, in accordance with the instructions of the Chairman of the Board of Directors, the Secretary General is in charge of: summoning the Arbitration Council, supervising the execution of its decisions and coordinating the activities of its staff, as well as carrying out its own administrative activities. The Secretary General also carries out any other task or activity assigned by the administrative body of CAI, in accordance with the relevant Regulations and with the Rules set forth herein.
2. The Secretary General of CAI and the secretarial staff are in charge of assisting anyone who requests technical and practical information support, in order to facilitate the use of the arbitration tool and to assist the completion of this procedure.
3. All activities and tasks of the Secretary General may also be carried out by the Chairman of the Board of Directors or by any other person delegated by this last.

ARTICLE 3 (a)

SCIENTIFIC COMMITTEE

1. The Scientific Committee is appointed by the Members’ Assembly, as advisory body, to assist the arbitrators specified in art. 4 below, and any third parties who address the CAI by issuing written (*pro veritate*) or oral opinions.
2. The Scientific Committee is presided by an Honorary Chairman and by a Deputy Chairman, appointed in accordance with the process above. The Assembly may also replace or exclude any of its members.

ARTICLE 3 (b)

BOARD OF ARBITRATORS

1. The Members’ Assembly appoints the Board of Arbitrators (*i.e. Provibiri*), constituted by five members, that remain in office for three years and may be re-elected. The Board: (a) sets out the rules of conduct of the Arbitrators of CAI Register of Arbitrators (art. 4); (b) proposes the Assembly to exclude from the above mentioned CAI Register any Arbitrators who have breached the obligation of confidentiality, *i.e* who have been found guilty for serious misconduct or default.

ARTICLE 4

CAI REGISTER OF ARBITERS, ARBITRATORS AND EXPERTS

1. All arbiters, arbitrators and experts who are appointed in accordance with the Rules, are listed in a special Register, that is kept and updated by the Secretary General and/or Chairman or any other person delegated by the latter. The Chairman, the Deputy Chairman, the members of the Board of Directors and the Arbitration Council are therein registered by law.
2. Also natural persons, of Italian or foreign nationality, that possess outstanding competence in the legal, economic, agricultural and technical field, may request the Arbitration Council to be registered in the CAI Register.

ARTICLE 5

ARBITRATION

1. By means of a written agreement, in the form of a special agreement or arbitration clause, originating the arbitration, the parties may decide the formal or informal nature of the arbitration.
2. If the parties have not expressly agreed upon the nature of the arbitration, or in the event of uncertainty, the formal arbitration procedure shall prevail. In the event of formal arbitration, the procedure is aimed at the issuance of an award that is likely to become enforceable, in compliance with art. 825 of the Italian Code of Civil Procedure.
3. In the event of an informal or amicable arbitration, the procedure is aimed at the decision of the arbiter, whose contractual value solely exists between the parties and is not likely to become enforceable. The award is assigned in accordance with the law, unless the parties have authorized a decision based on equity.
4. If the arbitration, international arbitration included, originates from an arbitration clause contained in a deed of incorporation and/or in the by-laws of a company, the award shall be, in any case, assigned in accordance with the law in circumstances where there are issues that cannot be referred to arbitration, or rather when the judgment depends upon the validity of the assembly's resolutions.

ARTICLE 6

REQUEST FOR ARBITRATION

1. Without prejudice to any formalities required by applicable law, if either party intends to bring forth an arbitration proceeding in accordance with the Rules of CAI, such party must submit a request for arbitration with the Secretariat Office in as many copies as the number of arbitrators involved in the dispute, and one copy for the Secretariat Office, by means of a legal representative granted with the appropriate powers of attorney. Such request may be anticipated by Certified Mail (PEC) at the address cameraarbitraleitaliana@legalmail.it. If there are any documents annexed to the application these must be produced in the same number of copies as above. Furthermore, the party who wishes to initiate the arbitration proceedings must send the other party a copy of the application and all attachments thereto.
2. The application, signed by a legal representative granted with the appropriate powers of attorney, must contain: (a) the name in full and address of the parties or, in the case of a company or other entity, the name, type and registered office; (b) the generalities of the legal representative, including full name and address used for all correspondence during the arbitration proceedings; (c) the fax number and address of the Certified Mail (PEC); (d) the arbitration agreement originating the proceedings; (e) indications on the type of arbitration, the seat, the number of arbitrators, provided that the appointment of the arbitrators must be carried out in compliance with art. 9 of these Rules; (f) the account of the facts underlying the request with clarification of the details; (g) details of evidence (if any) and a list of any documents attached to the application; (h) written evidence of communication of the request to the counterparties and any documents attached thereto.
3. The application must be enclosed with the receipt of payment to CAI for a non-refundable amount, for the payment of the registration fee in the amount set forth in the Fee schedule hereto attached.

ARTICLE 7

RESPONSE

1. The respondent shall have thirty days from the receipt of the application in order to deposit the response, and any attachments thereto, at the Secretariat Office, in the same number of copies as provided for in art. 6 above, possibly anticipating the delivery of the response and its attachments by sending the documents by Certified Mail (PEC) at the address cameraarbitraleitaliana@legalmail.it, within the terms above. In case of reply by Certified Mail, the documents must be lodged within 15 days in accordance with the terms specified in the first subparagraph of this section.
2. Together with the response, the respondent must deposit the payment receipt for the registration fees specified in the Fee schedule hereto, as well as written evidence of communication of the response to all the counterparties, and any documents attached thereto.
3. The filed response must be undersigned and shall contain: (a) the name and address of respondent; (b) the indication on the formal or informal nature of the arbitration, on whether the arbitration is in equity or in law, on the seat and on the number of arbitrators, provided that the appointment of the arbitrators must be carried out in compliance with the provisions of art. 9 of these Rules; (c) the formulation of the defense and any other counterclaim with the indication, however approximate, of the economic value; (d) any indication of proof in support of the defense case and counterclaim and any document the party may deem useful to attach thereto; (e) the mandatory appointment of a legal

representative with indication of the powers, election of domicile, fax number and the Certified Mail (PEC) of this last for the reception of all communication during the arbitration proceedings.

4. In the event of a counterclaim filed by the respondent, the claimant may file a reply within 30 days of receipt of the counterclaim according to the procedures set forth in paragraphs 1 and 2, and send all counterparties written evidence of communication of the response, including attachments thereto.

ARTICLE 8

PRELIMINARY HEARING AND CONCILIATION ATTEMPTS

1. On the expiry of the period set forth in the preceding article 7, first paragraph, the Arbitration Council sets a date for the convening of the parties in order to attempt conciliation, and notifies the parties. The hearing related to this attempt at conciliation is normally held by the Chairman of the Board of Directors who assumes the role of conciliator. For this task the President may delegate a Director, or a member of CAI Register of Arbitrators.

2. The parties may appear personally or through a special proxy that is granted the necessary powers to settle the dispute. Once the parties have been heard, also separately if required, and once all the necessary documents have been collected, the conciliator attempts to reconcile the dispute by suggesting a potential agreement.

3. If the dispute is settled, the minutes of the hearing shall be drawn up in several copies signed by the parties.

4. In the event of non-settlement, during the course of the hearing, the conciliator shall invite the parties to appoint one or more arbitrators, according to the procedures provided for in art. 9 below. For this purpose, the conciliator may grant the parties a maximum term of twenty days.

5. In any case, if the attempt at conciliation fails, the minutes of the hearing before the conciliator cannot be used in the arbitral proceedings.

ARTICLE 9

APPOINTMENT OF THE ARBITRATORS

1. The disputes referred to CAI are resolved by the sole arbitrator or by a board of arbitrators consisting of three or more members provided that the number is odd and, unless otherwise agreed between the parties, the arbitration is based in Rome, at the CAI headquarters.

2. If the parties have not reached an agreement on the number of arbitrators within the deadline set forth in art. 7 above, first paragraph, the dispute shall be devolved to an arbitration board composed of three arbitrators, according to the procedures specified below. The Arbitrators are selected, by the parties and/or the Arbitration Council, amongst the individuals who are registered in the CAI Register of Arbiters, according to the modalities provided for by this article. If the resolution of the dispute is devolved to one arbitrator, the parties must agree on the appointment of this last and notify the Secretary no later than twenty days from the summons of the Conciliator or the Arbitration Council, pursuant to the preceding article 8. In the event of failure, the appointment shall be made by the Arbitration Council. If the resolution of the dispute is devolved to the jurisdiction of an arbitration board consisting of three or more arbitrators, each of the Parties appoints an arbitrator (two in the case of a board with 5 arbitrators) by notifying such appointment to the Secretariat Office, no later than twenty days from the summons of the Conciliator or of the Arbitration Council, pursuant to the preceding art. 8. In the event that the parties have not provided for the appointment of an arbiter/arbitrators within the aforementioned terms, such appointment shall be made by the Arbitration Council.

3. The parties shall appoint the Chairman of the arbitration board within the peremptory term of ten days, starting from the expiry set forth in the preceding paragraph. Spent this term, in the absence of an agreement between the parties regarding the appointment of the Chairman, this task shall be carried out by the Arbitration Council.

4. If the arbitration originates from an arbitration clause contained in the deed of incorporation and/or in a company's bylaws, the Arbitration Council shall appoint all the arbitrators, as well as the members of the arbitration panel or the sole arbitrator, as provided for by this clause.

5. In this document, unless the context of the individual articles indicates otherwise, the term arbitrator refers to both the sole arbitrator and the board of arbitrators.

ARTICLE 10

PROVISIONAL DEPOSIT

1. The Arbitration Council, by taking into account the value of the dispute, assessable by the arbitration request and response, according to the Fee Schedule hereto attached, shall determine an amount that must be paid by the parties as provisional deposit.

2. The claimant and the respondent must pay an equal share of fees to the CAI within fifteen days of receipt of the written request by the Secretary General and/or Chairman or by any other person delegated by the latter. In the event that one of the parties fails to honor such payment, the Secretary General and/or Chairman or any other delegated individual may claim the full amount of the deposit from the counterparty or counterparties.

3. In the event of a counterclaim and of significant inconsistency of value between the counterclaim and the main application, the Arbitration Council may decide to establish a different amount of fees due by the parties.

4. If the payment of the temporary deposit set forth in the previous paragraph is not settled, the arbitrator may assess the conduct of the defaulting party for the purposes of the settlement of the dispute.

5. Pending the payment of the claimed deposit, the transmission of the file to the arbitrators, set forth in art. 11 herein, may be postponed.
6. If the Arbitration Council deems it necessary, the latter may request an overcharge on the aforementioned deposit during the course of the proceedings, within the limits of the Fee schedule attached to these Rules.
7. In express derogation from art. 816 *septies* of the Italian Code of Civil Procedure, in case of non-payment of the deposit or fees, the Arbitration Council may request the Secretary General and/or Chairman or any other person delegated by the latter, to formally demand the parties to make the payment within the peremptory term, with express notice that, in the event of failure to pay, the application shall be considered withdrawn and the procedure renounced by both parties. The non-payment within the deadline provided for at the preceding paragraph does not constitute a waiver of the parties of the arbitration agreement, without prejudice to the right of the parties to reactivate the procedure.

ARTICLE 11

ACCEPTANCE AND CHALLENGE

1. Upon the full receipt of the deposit provided for in Article 10 of this document, the Secretary General and/or Chairman or any other person delegated by the latter shall request the arbitrator for the formal acceptance of the assignment and send this last the file containing the documents as well as the documents submitted by the parties in relation to the proceeding and shall notify the parties of such.
2. Following the formal request specified in the previous paragraph, the arbitrator shall inform the Secretary General and/or Chairman or any other person delegated by the latter, of the acceptance of the assignment.
3. In case of non-acceptance of the arbitration appointment by the designated arbitrator, a new appointment shall be made pursuant to art. 9 above.
4. With the acceptance of the arbitration assignment, the arbitrator is obliged to perform its duties with absolute impartiality and independence in compliance with the Law, the CAI Statute and the Rules set forth herein.
5. Following the acceptance, the arbitrator cannot refuse the appointment except for serious motives.
6. The Secretary General and/or Chairman or any other person delegated by the latter shall notify the parties of the acceptance of the arbitration.
7. The parties may challenge any arbitrator whose appointment has not been chosen by them, for the reasons stated in art. 51 of the Italian Code of Civil Procedure within the peremptory deadline of ten days from the moment the appointment or the causes of their objection to the appointment has come to their knowledge, by means of a justified request addressed to the Arbitration Council.
8. Upon the request to challenge an arbitrator, the Arbitration Council comes to a decision after hearing the recused arbitrator.
9. The replacement of the arbitrator, that for whatever reason was absent during the course of the procedure, must occur within twenty days of the application of the more diligent party, by the appointing party, if the arbitrator was appointed by this last, or by both, if the arbitrator has been jointly appointed by the parties. If the appointment has been made by the Arbitration Council, or in the event that the parties do not replace the arbitrator within the established terms, the new appointment shall be made by the Arbitration Council.

ARTICLE 12

ARBITRATION OFFICE

1. In the absence of an agreement between the parties, to be communicated to the Secretariat Office within the deadline set forth in the first paragraph of Article 7 of this document, the seat of the arbitration is the registered office of CAI, or shall be established by the Arbitration Council pursuant to art. 9 above. The Arbitrator shall have the right to carry out the individual proceedings elsewhere if deemed appropriate by the latter.
2. The location of the preliminary hearing for the settlement of the dispute between the parties pursuant to art. 8 of these Rules, is always the registered office of CAI, or elsewhere, in accordance with the decision of the Arbitration Council.

ARTICLE 13

PROCEEDINGS

1. The arbitrator may regulate the proceedings and the investigation of the dispute in the manner it deems most appropriate in compliance with the Rules herein and with the principle of the right to be heard. In particular, the arbitrator grants the parties the terms for the exchange of memoirs, responses, and the submission of documentary and testimonial evidence. The arbitrator may seek to recover, also *ex officio*, evidence and appoint technical consultants, provided that they are registered in the CAI Register of Arbiters kept by the CAI.
2. The costs related to the technical consultancy referred to in the paragraph above shall be paid in advance by the requesting party or by the parties jointly if the arbitrator has officially instructed them to do so. The payment of the fee for technical advice is a necessary condition for the fulfillment of the same, as well as a condition required for the procedure in case it is ordered *ex-officio* by the arbitrator.

ARTICLE 14

AWARDS

1. Except as otherwise provided for by the parties, pursuant to art. 820, first paragraph, of the Italian Code of Civil Procedure, the arbitrator must issue the award within two hundred and forty days from the date of acceptance of the appointment. Under any circumstance, the term may be extended pursuant to art. 820, third paragraph, of the Italian Code of Civil Procedure. Unless otherwise agreed by the parties, the term is extended by one hundred and eighty days for the cases specified in art. 820, fourth paragraph, of the Italian Civil Procedure Code, no more than once, for the cases provided for herein.
2. The award, justified and signed by the arbitrator, must be drafted in as many copies as the number of parties, in addition to one copy for the Secretariat Office, and sent by the arbitrator to the Secretariat Office within ten days from its subscription.
3. The liquidation costs of the proceedings, contained in the arbitration award, must be consistent with the quantification of the same previously determined by the Board of Arbitrators. The award also contains the order for the unsuccessful party to reimburse the costs anticipated by the other party.
4. During the pronouncement of the award, the arbitrator liquidates the expenses incurred by the parties for the assistance provided by their respective legal representatives by following the criterion of the losing party and according to the indications set forth in the “arbitration” schedule no. 26 of the Ministerial Decree no. 55 of 2014 (and any subsequent amendments). There decision related to the expenses referred to above, pursuant to these Rules and upon the acceptance of the same, is binding on the parties.
5. The issuance of the award to a party by the Secretariat is suspended until the expenses are entirely paid for the proceedings specified in art. 15 below.
6. The awarding procedure is promoted by the interested parties.

ARTICLE 15

LIQUIDATION OF COURT EXPENSES

1. Upon the issuance of the award, before informing the parties, the Arbitration Board shall, where appropriate, arrange for the settlement of the final costs of the proceeding, by taking into account the Fee schedule hereto attached. In case of early termination of the proceeding, the Arbitration Council shall liquidate the costs of the arbitration proceedings in consideration of the activities actually executed up to the moment of the settlement. The costs of the proceedings include registration fees, administrative and secretarial fees, the amounts relating to the settlement and arbitration procedures for the activity provided by CAI, and the costs of the technical consultant (if required). The decisions of the Arbitration Council are binding on all parties of the proceedings.
2. The Secretary General and/or Chairman or any other person delegated by the latter shall send to all parties the liquidation of the expenses of the proceedings and shall require all parties to comply with the obligations falling within their competence.
3. The parties are jointly and severally liable to CAI for the payment of the expenses of the arbitral proceedings, regardless of the arbitrator's decision to split the expenses between the parties and without prejudice to any subsequent recourse of the successful party on the unsuccessful party.

ARTICLE 16

INTERNATIONAL ARBITRATION

1. International arbitration is applied when, at the moment of the subscription of the arbitration clause or agreement, almost one of the parties resides or has its registration office abroad or when a significant part of the services which have originated the relationship connected to the dispute is carried out abroad, as provided for in article 832 of the Italian Code of Civil Procedure.
2. In the event of international arbitration, the provisions set forth in these Rules shall apply insofar as they do not contravene the provisions of article 832 of the Italian Code of Civil Procedure.
3. If the parties have not established the rules applicable to the merits of the dispute or if they have not reached an agreement on the rules of arbitration on equity, the arbitrator shall apply the Italian law and shall make all decisions in accordance with its Regulations.
4. In any event, the arbitrator is required to take into account the content of the contract and the commercial practice. If the parties fail to reach an agreement, the arbitrator shall decide the language of the arbitration, by taking into account the circumstances and the language used in the relationship which has originated the dispute and the one used in all correspondence exchanged between the parties. All expenses connected to the appointment of a translator *ex-officio* shall be borne by the parties in equal amounts, except as otherwise set forth in art. 10 above, second paragraph.

ARTICLE 17

COMMUNICATION

1. Prior to the submission of the file to the arbitrator, set forth in article 11 herein, all communication exchanged between the parties shall be sent to the Secretariat Office. Subsequently, the parties shall transmit such communication

directly to the arbitrators, in compliance with the modalities specified by the arbitrator, by sending a copy to the Secretariat Office.

2. All communication provided for by these Rules shall be made by registered mail with return receipt, by courier, *i.e.* by certified e-mail (PEC) at CAI address and to the address provided by the arbitrator.

3. The date of receipt of the documents is taken into account for the calculation of the terms provided for by these Rules.

ARTICLE 18

TERMS

1. Without prejudice to the provisions of article 14, the terms provided for in this document may be extended by the appointed Arbitration Council *ex-officio* or upon the justified request of either party or of the arbitrator.

ARTICLE 19

AMENDMENTS

1. Camera Arbitrale Italiana reserves the right to amend, at any time, these Rules and the Fee schedule hereunder. The authoritative version of these Rules regulating the individual proceedings is the one published on the website www.cameraarbitraleitaliana.it at the time of the request.

ARTICLE 20

GOVERNING LAW

1. All matters that are not covered by these Rules, shall be governed by the provisions of the Italian law. In the event of inconsistency between the terms of the translated English and the original Italian text, the terms of this latter shall prevail.

<u>Ann. 1</u> <u>Arbitration</u> <u>Proceedings</u> <u>Fee</u> <u>Schedule</u>						
A) Value of the dispute	B) Administrative and secretarial fees		C) Conciliation procedure expenses		D) Arbitration proceeding expenses**	
	MIN.	MAX.	MIN.	MAX.	MIN.	MAX.
1. Up to € 25.000	350.00	600.00	400.00	600.00	910.00	1,820.00
2. From € 25,000.01 to € 50,000.00	750.00	1,200.00	600.00	1,000.00	2,260.00	4,520.00
3. from € 50,000.01 to € 100,000.00	1,400.00	2,400.00	1,200.00	2,000.00	3,620.00	7,240.00
4. from € 100,000.01 to € 250,000.00	2,600.00	4,400.00	2,500.00	3,600.00	7,230.00	14,460.00
5. from € 250,000.01 to € 500,000.00	6,800.00	11,500.00	5,500.00	9,200.00	13,560.00	31,000.00
6. from € 500,000.01 to € 2,500,000.00	13,900.00	23,500.00	11,600.00	19,500.00	22,595.00	55,000.00
7. from € 2,500,000.01 to € 25,000,000.00	13,900.00 + 1%	23,500.00 + 1%	11,600.00 + 1%	19,500.00 + 1%	22,595.00 + 1%	55,000.00 + 1%
8. over € 25,000,000.01	Table 7 + 0.50%	Table 7 + 0.50%	Table 7 + 0.50%	Table 7 + 0.50%	Table 7 + 0.50%	Table 7 + 0.50%
9. Interminable value	800.00	3,800.00	800.00	3,200.00	4,520.00	9,045.00

Registration fee: € 500.00 (plus VAT)

NOTE:

In table 7, the percentage value must be calculated on the part in excess Euro 2,500,000.01

In table 8, the percentage value must be calculated on the part in excess Euro 25,000,000.01

All amounts are net of VAT

** In the event of arbitration proceedings by means of a Board of Arbitrators, the amounts indicated in table "D" are to be multiplied by the number of members of the Arbitration Board.