

Domestic Arbitration Rules

CHAPTER I. GENERAL PROVISIONS

Article 1. Purpose

These domestic arbitration rules (the “Rules”) are intended to establish the procedures for conducting domestic arbitration in an appropriate, fair, and prompt manner by the Korean Commercial Arbitration Board (the “KCAB”) in accordance with the Arbitration Act.

Article 2. Definitions

Terms used in the Rules shall be defined as follows:

1. “Domestic Arbitration” refers to arbitration between parties whose principal place of business or habitual residence is located within Korea, and does not fall within the scope of international arbitration as defined in the KCAB International Arbitration Rules.
2. “Arbitral Tribunal” refers to a sole arbitrator or a panel composed of more than one arbitrator that conducts the arbitral proceedings and renders an arbitral award.
3. “Chair” refers to an arbitrator who presides over the arbitral proceedings where the Arbitral Tribunal is composed of more than one arbitrator.
4. “Nomination” of an arbitrator refers to the act whereby a party, at its discretion, designates a person it wishes to appoint as arbitrator.
5. “Submission” includes an electronic document. An “Electronic Document” refers to information that is created in or converted to an electronic form by a device with information processing capabilities, such as a computer, and is transmitted, received or stored.

Article 3. Scope of Arbitration

The Rules apply in any of the following subparagraphs. In this case, the Rules constitute part of the arbitration agreement. However, the parties may agree otherwise in writing with respect to the arbitral proceedings.

1. In case the parties have agreed in writing to resolve the dispute in accordance with the Rules; or
2. In case the parties have agreed in writing to resolve the dispute through arbitration

administered by the KCAB, and the arbitration is a Domestic Arbitration.

Article 4. Secretariat

- (1) KCAB shall have a Secretariat at its main office or branch offices.
- (2) The Secretariat shall administer matters relating to arbitration under the Rules.
- (3) KCAB shall separately set forth the organization, functions, and operation of the Secretariat.
- (4) The Secretariat may designate one or more clerks for the performance of its duties under Paragraph (2).
- (5) The Secretariat may not state the reasons for its decisions under these Rules.

Article 5. Roster of Arbitrators

- (1) The Secretariat shall prepare and disclose a roster of arbitrators for the convenience and transparency of arbitrator appointment.
- (2) Unless there are special circumstances, the Secretariat shall appoint arbitrators from the roster provided under Paragraph (1).

Article 6. Representation

- (1) A party may appoint an attorney or any other person deemed appropriate as its representative in the arbitral proceedings. However, the Arbitral Tribunal may prohibit such representative from participating in the arbitral proceedings if it finds that the representative is not suitable to act in the arbitral proceedings.
- (2) The representative in arbitration shall prove his or her authority in writing.

Article 7. Notice and Written Submission

- (1) Unless otherwise provided in these Rules, or unless otherwise directed by the Secretariat or the Arbitral Tribunal, all Submissions and communications, including evidentiary documents submitted by the parties, as well as all notices and communications from the Secretariat or the Arbitral Tribunal, shall be made by one of the following means:
 1. written submission of a sufficient number of copies to provide one for each party, each arbitrator, and the Secretariat; or
 2. electronic means, including e-mail or facsimile, that generate a record of transmission.
- (2) Unless otherwise designated by the recipient, all notices and communications to a party under Paragraph (1) shall be delivered to the address or residence of the recipient or its representative, or to the recipient's place of business, office, or mailing address

(hereinafter, the “Address, etc.”). However, if the Address, etc. of the recipient cannot be identified despite reasonable inquiry, such notices and communications shall be sent by a postal method that can provide proof of dispatch to the recipient’s last known Address, etc.

- (3) All notices and written communications by electronic means under Paragraph (1)2 shall be transmitted to the contact details designated or consented to by the recipient.
- (4) A notice or communication shall be deemed to have been effected on the date of its receipt by the party or its representative. However, where it is sent to the last known address pursuant to Paragraph (2), it shall be deemed to have been effected at the time of dispatch by a postal method that can provide proof of dispatch.
- (5) Until the Arbitral Tribunal is constituted, all communications between the parties, and between each party and the arbitrators, shall be transmitted through the Secretariat. In the case of written communications, the Secretariat shall transmit copies thereof to the other party or parties and to each arbitrator. Once the Arbitral Tribunal has been constituted, and unless the Arbitral Tribunal directs otherwise, all communications shall be made directly between the parties and between each party and the Arbitral Tribunal. In the case of written communications, a copy shall be provided simultaneously to the Secretariat.
- (6) Where the Secretariat transmits a written communication to one party on behalf of the Arbitral Tribunal, it shall transmit a copy of such communication to all other parties.

Article 8. Periods of Time

- (1) The first day of any period shall not be included, and the period shall expire at the end of the last day. However, if the last day of the period falls on a Saturday or a public holiday, the period shall expire on the following day.
- (2) The parties may, by written agreement, modify the periods prescribed under Article 15 Paragraph (1), Article 21, and Article 46 Paragraph (1).
- (3) The Arbitral Tribunal or the Secretariat may, when it finds it necessary, modify the periods prescribed under Article 40 Paragraph (2), Article 43 Paragraph (1), and Article 49 Paragraph (1). In such a case, the Secretariat shall notify all parties of the modification.
- (4) If a notice period to the Secretariat is prescribed, compliance with such period shall be determined based on the date the written submission is registered with the Secretariat.

Article 9. Waiver of the Right to Object

Where a party, knowing that the Rules have been violated, does not object without delay or does not object within the period prescribed for objection and proceeds with the arbitration, that party shall be deemed to have waived his or her right to object.

Article 10. Language

- (1) Unless otherwise agreed by the parties, the language to be used in the arbitral proceedings shall be Korean.
- (2) The Secretariat may choose between Korean or English as the language of communication. The Arbitral Tribunal or the Secretariat may, where necessary, require the submission of a translation prepared in the language of arbitration or language of communication.
- (3) Where there is any difference in interpretation between an arbitral award rendered in Korean and that rendered in any other language, the Korean version shall prevail.

Article 11. Interpretation of the Rules

The interpretation of these Rules shall be made by the Secretariat. However, the interpretation by the Arbitral Tribunal shall prevail and be final in the arbitral case concerned.

Article 12. Confidentiality

- (1) Arbitral proceedings and the arbitral records shall not be made public.
- (2) Unless otherwise agreed by the parties, the arbitrator(s), staff of the Secretariat, the parties and their representative(s), and any other persons concerned shall not disclose any facts learned in connection with the arbitral case or the arbitral proceedings.
- (3) The Secretariat may, for public interest purposes such as arbitrator training or publication of case books, disclose the arbitral award. In such a case, the Secretariat shall take measures to protect personal information and confidentiality so that third parties may not be aware of any matters that may infringe upon the privacy of the parties or the trade secrets of a business.

Article 13. Exclusion of Liability

The KCAB, arbitrator(s), or staff of the Secretariat shall not be liable for any act or omission in connection with the arbitral proceedings, except in case of willful misconduct or gross negligence.

CHAPTER II. REQUEST FOR ARBITRATION

Article 14. Request for Arbitration

- (1) A party wishing to commence arbitration under the Rules shall submit a Request for Arbitration (hereinafter, the "Request") to the Secretariat. The Request shall contain the following and shall be signed or bear the name and seal of the Claimant:
 1. the names or business names, addresses, telephone numbers, and e-mail addresses of the Claimant and its representative(s);

2. the request for relief (including an estimate of the claim amount, to the extent possible);
 3. facts giving rise to the claim and the subject matter of the dispute;
 4. the content of the arbitration agreement being relied upon; and
 5. the date of the Request.
- (2) Upon receipt of the Request, the Secretariat shall verify whether it conforms to the provisions of Paragraph (1), and if it does, the Secretariat shall register the Request.
 - (3) Arbitral proceedings shall commence on the date the Secretariat registers the Request.
 - (4) The party requesting arbitration shall pay the arbitration costs as prescribed in Chapter VII of the Rules. Upon receipt of such payment, the Secretariat shall notify the Respondent of the registration of the Request and shall attach one copy of the Request thereto.

Article 14-2. Single Request for Arbitration under Multiple Contracts

Where the Secretariat determines, on a prima facie basis, that all of the contracts contain arbitration agreements pursuant to the Rules, that those agreements are equivalent, and that the claims arise out of the identical transaction or a series of continuous transactions, it may permit the submission of a single Request covering claims arising out of multiple contracts. However, if the Secretariat determines that the claims should be dealt with in separate proceedings, the parties shall submit separate Requests.

Article 15. Answer to the Request

- (1) The Respondent shall submit an answer (the “Answer”) within thirty (30) days from the receipt the notice under Article 14 Paragraph (4). The Answer shall include the following and shall bear the name and seal of the Respondent or be signed by the Respondent. In such a case, the Answer may be accompanied by necessary documents and indicate the evidence on which it relies:
 1. the names, titles or business names, addresses, telephone numbers, and contact details of the Respondent and its representative(s);
 2. the response to the Claimant’s request for relief;
 3. Facts giving rise to the Answer and the subject matter of the dispute; and
 4. the date of the Answer.
- (2) Failure to submit the Answer under Paragraph (1) shall be deemed as a request for dismissal of the Claimant’s claims, and the Arbitral Tribunal shall continue with the arbitral proceedings. However, where the Arbitral Tribunal finds that substantial grounds exist, it may render the award without further hearings.

- (3) Where there is the Answer under Paragraph (1), the Secretariat shall notify the Claimant. In such a case, one copy of the Answer shall be attached.

Article 16. Counterclaim

- (1) The Respondent may submit a counterclaim until the closure of the proceedings. However, the Arbitral Tribunal may deny such counterclaim if it finds that such counterclaim significantly delays the arbitral proceedings or is deemed inappropriate. In such a case, the Respondent may submit a separate Request in respect of its counterclaim.
- (2) The Arbitral Tribunal shall consolidate the claim and the counterclaim.
- (3) Articles 14 and 15 shall apply *mutatis mutandis* to counterclaims.

Article 17. Amendment of Claim

- (1) The Claimant may amend, in writing, the relief sought or the grounds of the claim, to the extent that such amendment does not alter the basis of the claim and does not exceed the scope of the arbitration agreement. However, the Arbitral Tribunal may deny such amendment where it finds that such amendment significantly delays the arbitral proceedings or is deemed inappropriate.
- (2) Articles 14 and 15 shall apply *mutatis mutandis* to an amendment under Paragraph (1).

CHAPTER III. ARBITRAL TRIBUNAL

Article 18. Impartiality and Independence of Arbitrators

- (1) Arbitrators under the Rules shall be impartial and independent.
- (2) A person requested to serve as an arbitrator, upon accepting such appointment or nomination, shall sign and submit to the Secretariat a statement of acceptance and a statement of impartiality and independence in the form provided by the Secretariat. In such a case, he or she shall disclose to the Secretariat any circumstances likely to give rise to justifiable doubts as to the arbitrator's impartiality or independence, and if at any stage during the arbitration, new circumstances arise that may give rise to such doubts as to the arbitrator's impartiality or independence, the arbitrator shall disclose such circumstances in writing to the parties and to the Secretariat without delay.
- (3) The Secretariat shall, upon receipt of the arbitrator's statement of acceptance and statement of impartiality and independence, immediately deliver them to each party. The same applies where an arbitrator or a person requested to serve as an arbitrator has notified the Secretariat in writing that there are circumstances that may give rise to

doubts as to the arbitrator's impartiality or independence.

- (4) An arbitrator may be appointed irrespective of his or her nationality. Where the parties make a request in the Request under Article 14 or the Answer under Article 15 for a sole arbitrator or a Chair of a nationality different from that of the parties, the Secretariat shall comply with such request unless there are special circumstances.

Article 19. Number of Arbitrators

- (1) Where the parties have agreed on the number of arbitrators, such agreement shall be followed. In the absence of such agreement, the arbitration shall be conducted by a sole or by three arbitrators. If the Answer has already been submitted or the time limit stipulated under Article 15(1) has elapsed, the Secretariat shall determine the number of arbitrators.
- (2) The Secretariat shall notify both parties of the number of arbitrators without delay.

Article 20. Appointment of Arbitrator(s) by the Secretariat

- (1) Upon making a decision pursuant to Article 19, the Secretariat shall, without delay, select a number of candidates for arbitrators from the roster of arbitrators and notify the list of candidates to the parties.
- (2) Each party shall submit to the Secretariat the order of preference of the candidates within ten (10) days from the receipt of the list under Paragraph (1), indicating the preferred order with numbers above the arbitrator's name. Failure to submit the list within the stipulated time shall be deemed as having equal preference for all candidates on the list.
- (3) The Secretariat shall appoint an arbitrator taking into consideration the list of preference submitted under Paragraph (2).
- (4) In the event constitution of the Arbitral Tribunal in accordance with Paragraphs (1) through (3) is not possible, the Secretariat shall directly appoint an arbitrator.
- (5) When requesting acceptance from an arbitrator, the Secretariat shall remind the arbitrator of the requirements under Article 18, and send one copy of the statement of acceptance and the statement of impartiality and independence and any other necessary documents to the arbitrator.

Article 21. Appointment of Arbitrator(s) by Agreement of the Parties

- (1) If the parties have agreed on the appointment of an arbitrator(s) or on the method of such appointment, the procedure for nominating arbitrator(s) shall follow such agreement. However, the parties' agreement regarding the method of appointment shall be deemed as an agreement on the procedure for nominating the arbitrator(s).
- (2) Appointment of an arbitrator(s) shall only become effective upon confirmation of the

nomination by the Secretariat. The Secretariat shall, without delay, notify the arbitrator(s) and the parties of such confirmation. However, when the Secretariat finds that such appointment is clearly inappropriate, the Secretariat may decide not to confirm the nomination after having heard the opinions of the arbitrator concerned and the parties. In this case, the Secretariat may designate a time limit to nominate a new arbitrator.

- (3) If the parties have not specified a time period for nominating the arbitrator(s), the Secretariat shall, without delay, notify the parties to nominate the arbitrator(s) once the Answer has been submitted or the time limit for its submission under Article 15 has expired. The parties shall, within ten (10) days from the receipt of such notice, submit to the Secretariat the information regarding the arbitrator(s) so nominated. If no nomination is made within this time period, the Secretariat shall directly appoint the arbitrator(s). The same shall apply where the parties fail to nominate the arbitrator(s) within the time period agreed by the parties.
- (4) Where the parties have agreed that the arbitrators nominated by respective parties would nominate the Chair, but have not agreed on a time limit for such nomination, or have failed to nominate the Chair within the agreed time limit, the Secretariat shall notify the arbitrators to nominate the Chair. If the arbitrators nominated by the parties fail to nominate the Chair within fifteen (15) days from the receipt of the notice, the Secretariat shall appoint the Chair. The time period for nominating the Chair, as agreed upon by the parties, shall commence from the last date on which the party-nominated arbitrators receive the notice of confirmation of nomination under Paragraph (2) from the Secretariat.

Article 22. Notice of Constitution of the Arbitral Tribunal

Upon the constitution of the Arbitral Tribunal, the Secretariat shall notify the arbitrator(s) and the parties of the constitution without delay. The Secretariat shall attach one copy of the statement of acceptance and a statement of impartiality and independence.

Article 23. Challenge of Arbitrators

- (1) A party may challenge an arbitrator if there are circumstances that may give rise to doubts as to the arbitrator's impartiality or independence or if the arbitrator does not possess any requisite qualification on which the parties have agreed. However, a party may challenge the arbitrator it has nominated only if the grounds for the challenge became known after the nomination.
- (2) A party intending to challenge an arbitrator must submit the challenge in writing within fifteen (15) days from the date of the appointment of the arbitrator or from the date the party was informed of the circumstances under Paragraph (1). In such a case, the Secretariat shall notify the Arbitral Tribunal and the parties.
- (3) The Arbitral Tribunal and the other party may submit its comments to the challenge in

writing within fifteen (15) days from the receipt of the notice under Paragraph (2). In such a case, the Secretariat shall notify the challenging party and the Arbitral Tribunal of any comments on the challenge.

- (4) Where an arbitrator is challenged by a party, the other party may agree to the challenge, and the arbitrator's mandate shall be terminated if all parties agree to the challenge. The challenged arbitrator may also voluntarily resign, regardless of the reasonableness of the challenge. Where the other party does not agree to the challenge, the Arbitral Tribunal shall decide on the challenge, after hearing the views of the Secretariat where necessary.

Article 24. Termination of the Mandate of an Arbitrator

- (1) In the occurrence of any of the events below, an arbitrator's mandate shall be terminated:
 1. The death of an arbitrator;
 2. The resignation of an arbitrator;
 3. The decision upholding a challenge to an arbitrator;
 4. A request by all parties to replace an arbitrator; or
 5. The removal of an arbitrator by the Secretariat.
- (2) The Secretariat may remove an arbitrator where the arbitrator fails to discharge his or her duties, unreasonably delays in discharging such duties, or is unable, whether in law or in fact, to carry out such duties.

Article 25. Substitute Arbitrator

- (1) Where an arbitrator's mandate is terminated pursuant to Article 24, the Secretariat shall, without delay, notify the arbitrator and the parties, and appoint an arbitrator in accordance with Article 20 or Article 21. However, where an arbitrator's mandate is terminated after the closure of the proceedings but before rendering an arbitral award, the Secretariat may decide, after consulting with the other arbitrators and the parties, that it is appropriate not to appoint a substitute arbitrator and allow the Arbitral Tribunal to render an arbitral award.
- (2) Where a substitute arbitrator is appointed pursuant to Paragraph (1), the Arbitral Tribunal, after consulting with the parties, shall decide whether or not to repeat the proceedings conducted so far, and if so, shall determine the scope of the proceedings to be repeated.

Article 26. Decision-Making of the Arbitral Tribunal

Unless otherwise agreed by the parties, decisions of an Arbitral Tribunal composed of three or more arbitrators shall be made by a majority. However, where the parties have agreed, or where

all members of the Arbitral Tribunal have conferred such authority, the Chair may decide alone on matters regarding the arbitral proceedings.

CHAPTER IV. PROCEEDINGS OF HEARING

Article 27. Equal Treatment of the Parties

The parties shall be treated equally in the arbitral proceedings and shall be afforded a sufficient opportunity to present its case.

Article 28. Time, Date and Place

- (1) The Arbitral Tribunal shall determine the time, date, place, and the manner of the hearing.
- (2) The Secretariat shall, without delay, notify the parties the decision made under Paragraph (1).
- (3) In determining the manner of the hearing under Paragraph (1), the Arbitral Tribunal shall give due consideration to ensuring that the proceedings are not delayed, including by conducting consecutive hearings.

Article 29. Assistance by the Secretariat

Upon request by the Arbitral Tribunal or the parties, the Secretariat may, at the cost of the parties, make the necessary arrangements for recording or interpretation, transcription, hearing facilities, or any other matters required for the conduct of the arbitral proceedings.

Article 30. Attendance at the Hearing

- (1) The parties may attend the hearing.
- (2) Third parties who have an interest in the arbitral proceedings may, upon demonstrating such interest to the Arbitral Tribunal and obtaining its leave, attend the hearing.

Article 31. Modification, Postponement, or Continuation of Hearings

The Arbitral Tribunal may, on substantial grounds, modify, postpone, or continue a hearing either at its sole discretion or upon a party's request. However, the Arbitral Tribunal shall ensure that the arbitral proceedings are not delayed as a result.

Article 32. Hearing

- (1) In order to ensure the expeditious and accurate conduct of the hearing, the Arbitral Tribunal may require the parties to submit Submissions and answers setting out their arguments, evidence, and comments on the other party's arguments.

- (2) Unless otherwise agreed by the parties, the arbitral proceedings shall be conducted as oral hearings.
- (3) Where necessary, the Arbitral Tribunal may require the parties to submit a summary brief.
- (4) Where necessary, the Arbitral Tribunal may question the parties on factual or legal matters and may require a party to prove its claim.
- (5) Pursuant to Paragraph (4), the Arbitral Tribunal may specify matters that the parties should explain, prove, or comment on, and require them to prepare such matters prior to the hearing.

Article 33. Default of a Party

- (1) The Arbitral Tribunal shall close the arbitral proceedings in cases where it finds that continuing the arbitral proceedings is unnecessary or impossible because the Claimant fails to specify the requested relief or because the causes of action are unclear.
- (2) Even in cases where a party fails to appear at the hearing or to submit evidence within the prescribed period without justifiable cause, the Arbitral Tribunal may continue the arbitral proceedings and render an arbitral award based on the submitted evidence without deeming that party to have admitted the other party's claims.

Article 34. Withdrawal of a Claim

- (1) The Claimant may withdraw its claim in its entirety or in part until the arbitral award is rendered.
- (2) The withdrawal shall be in writing. The withdrawal notice shall be submitted to the Secretariat before constitution of the Arbitral Tribunal, and to the Arbitral Tribunal once it is constituted.
- (3) If the withdrawal is made after the Respondent files its Answer or after testifying at the hearing, the Claimant must obtain the Respondent's consent for the withdrawal to be effective. If the Respondent does not raise any objection to the withdrawal within fifteen (15) days after a written notice of withdrawal is sent, the Respondent shall be deemed to have agreed to such withdrawal.
- (4) Where the Claimant withdraws its claim, the Arbitral Tribunal shall close the proceedings unless the Respondent objects and the Arbitral Tribunal finds that the Respondent has a justifiable interest in the final resolution of the dispute.
- (5) Unless otherwise agreed by the parties, the portion of the claim that is withdrawn shall be deemed never to have been submitted for arbitration.

Article 35. Interim Measure

- (1) Unless otherwise agreed by the parties, the Arbitral Tribunal may grant an interim measure upon a party's request and where it is deemed necessary.

- (2) The interim measure under Paragraph (1) shall be a provisional order issued by the Arbitral Tribunal before the arbitral award is rendered, directing a party to comply with any of the following subparagraphs:
 1. to maintain or restore the status quo pending the arbitral award on the merits;
 2. to take measures to prevent existing or imminent harm or impact to the arbitral proceedings themselves, or to prohibit a party from taking measures that would cause such harm or impact;
 3. to provide a means to preserve assets against which an arbitral award may be enforced; or
 4. to preserve evidence that may be relevant and material to the resolution of the dispute.
- (3) The Arbitral Tribunal may grant a measure in Paragraphs (2) 1 through 3 only in cases where the applicant party has substantiated all of the requirements in the following subparagraphs:
 - (a) in cases where the applicant is not granted the interim measure requested, then there is a possibility that the harm suffered by the applicant cannot adequately be compensated by the damages included in the arbitral award, and such harm substantially outweighs the harm that the other party may suffer as a result of the interim measure; and
 - (b) there is a reasonable likelihood of success on the merits. However, the Arbitral Tribunal shall not be bound, when considering the merits of the case, by its assessment of the likelihood of success on the merits made in deciding on the application for the interim measure.
- (4) In regards to the interim measure under Paragraph (2)4, the Arbitral Tribunal may apply the requirements under Paragraph (3) at its sole discretion to the extent it deems appropriate.
- (5) Upon a party's request or under special circumstances, the Arbitral Tribunal may modify, suspend, or cancel the interim measure at its sole discretion and with prior notice to the parties. In this case, the Arbitral Tribunal shall examine the parties prior to the modification, suspension, , or cancellation.
- (6) The Arbitral Tribunal may order the applicant of the interim measure to provide substantial security.
- (7) Where there is a material change in the circumstance forming the basis of the interim measure, the Arbitral Tribunal may require a party to immediately notify it thereof.

Article 36. Evidence

- (1) The parties may produce evidence to prove their arguments, request that witnesses or

expert witnesses appear, or request an inspection by the Arbitral Tribunal. However, the Arbitral Tribunal may refuse an examination in cases where it finds that the party's requested evidence is not necessary.

- (2) If the Arbitral Tribunal is not satisfied with the evidence produced by the parties, or otherwise finds it necessary, it may investigate the evidence at its sole discretion, including by requesting the production of evidence, requesting the appearance of witnesses or expert witnesses, or conducting an independent inspection.
- (3) In case of Paragraph (2), the Arbitral Tribunal may proceed with the hearing even if a party, witnesses or expert witnesses have not appeared at the hearing.
- (4) All evidence shall be produced and examined in the presence of all parties and the sole arbitrator or a majority of the arbitrators. However, in cases where any party is absent without justifiable cause or has waived their right to be present, this requirement shall not apply.
- (5) Where the Arbitral Tribunal finds that a party has justifiable cause to request the production of documents, it may order the document holder to produce the document. However, where it finds that the request relates only to part of a document, the Arbitral Tribunal may order production limited to that part.
- (6) The Arbitral Tribunal may determine the method of witness examination and may order another witness to leave the hearing room while the witness is testifying.
- (7) The Arbitral Tribunal has the authority to determine the admissibility and probative value of the evidence produced.

Article 37. Request for Court Assistance in Evidence Examination

- (1) The Arbitral Tribunal may, at its sole discretion or upon a party's request, request a competent court to examine evidence or request assistance from the court in evidence examination.
- (2) When requesting a competent court to examine evidence, the Arbitral Tribunal may designate in writing the items that require examination.
- (3) In cases where a competent court examines evidence in accordance with Paragraph (2), the arbitrators or the parties may participate in the examination with the leave of the presiding judge.

Article 38. Closure and Reopening of the Proceedings

- (1) The Arbitral Tribunal shall, in cases where it determines that the parties have presented all their arguments and evidence, declare the closure of the proceedings.
- (2) The Arbitral Tribunal may, at its sole discretion or upon a party's request, reopen the proceedings at any time before the arbitral award is rendered. In cases where the proceedings are reopened, the date of closure shall be the date when the reopened

proceedings are concluded.

Article 39. Mediation

- (1) At any time during the arbitral proceedings, the parties may request mediation of all or part of the dispute through a written agreement, which shall be conducted in accordance with the KCAB Mediation Rules (hereinafter, the “Mediation Rules”). In this case, the mediators shall be different from the members of the arbitrators.
- (2) In the case where the parties reach an agreement pursuant to Paragraph (1), the Arbitral Tribunal shall suspend the arbitral proceedings upon a party’s request.
- (3) Unless otherwise agreed by the parties, no party may use the statement of the other party or any party of interest made during the mediation proceedings in the arbitral proceedings.
- (4) When the mediation proceedings are terminated, the Arbitral Tribunal shall reopen the arbitral proceedings upon a party’s request.

CHAPTER V. AWARD

Article 40. Making of the Arbitral Award

- (1) Upon the closure of the proceedings, the Arbitral Tribunal shall promptly render an arbitral award on the matters requested by the parties. However, the Arbitral Tribunal may render an interim award and partial award where necessary.
- (2) Unless otherwise agreed by the parties, the Arbitral Tribunal shall render an award within thirty (30) days from the date of the closure of the proceedings.
- (3) Where the Arbitral Tribunal is composed of three or more arbitrators and some arbitrators fail to participate in the deliberations for the award without justifiable cause, the award shall be rendered by the majority of the remaining arbitrators.

Article 41. Form of the Arbitral Award

- (1) The arbitral award shall be in writing stating the items in the following subparagraphs:
 1. the names and addresses of the parties, and, where represented, the names and addresses of their representatives;
 2. the seat of arbitration;
 3. the dispositive part of the award;
 4. the relief sought;
 5. the reasons for the award; and

6. the date of the award.
- (2) The arbitral award shall be signed by the arbitrators. However, where the Arbitral Tribunal is composed of three or more arbitrators and a minority of them are unable to sign the award, the remaining arbitrators shall state the reason and sign on their behalf.
- (3) Where there is an agreement between the parties or the arbitral award is based on a settlement in accordance with Article 42, the reasons for the award may be omitted.
- (4) The Secretariat may offer its opinion to the Arbitral Tribunal on the form of the arbitral award.
- (5) The Arbitral Tribunal shall determine the arbitration costs and their allocation under Article 52, taking into account all circumstances related to the arbitration case.
- (6) The Arbitral Tribunal may, to the extent it finds reasonable, order the payment of delay interest based on all circumstances related to the arbitration case.
- (7) All arbitral awards shall be binding on the parties. The parties shall comply with all arbitral awards without delay.

Article 42. Award by Consent

- (1) If the parties reach a settlement during the course of the arbitral proceedings, the Arbitral Tribunal shall close the arbitral proceedings. Upon request of the parties, the Arbitral Tribunal may record the settlement in the form of an award.
- (2) In the event the terms of settlement are recorded in the form of an award pursuant to Paragraph (1), such award shall be made in accordance with Article 41.

Article 43. Correction and Interpretation of the Award and Additional Award

- (1) Each party may, within thirty (30) days of receipt of the authentic copy of the arbitral award, apply to the Arbitral Tribunal through the Secretariat for correction or interpretation of the award or an additional award as provided in any of the following subparagraphs
 1. to correct a computational or typographical error, or any errors of similar nature;
 2. to interpret an arbitral award, in part or with respect to specific issues, in case the parties have agreed; or
 3. to make an additional award relating to claims presented in the arbitral proceedings but not included in the award.
- (2) The Arbitral Tribunal shall make its determination within thirty (30) days of the request for items under Paragraphs (1)1 and 2, and within sixty (60) days for the request under Paragraph 1(3).
- (3) The Arbitral Tribunal may, at its sole discretion, make any correction under Paragraph

(1)1 within thirty (30) days of the date of the award.

- (4) Article 41 shall apply *mutatis mutandis* to the form of any correction or interpretation of the award or additional award.

Article 44. Delivery of Arbitral Award

- (1) The Secretariat shall deliver the authentic copy of the arbitral award, drafted and signed in accordance with Articles 41 and 42, to each party or its representative who has paid the arbitration costs under Article 52.
- (2) The Secretariat shall keep the original copy of the award. However, upon a party's request, the Secretariat may deliver the original copy of the arbitral award, together with a document certifying its delivery pursuant to Paragraph (1), to the competent court for custody.

CHAPTER VI. EXPEDITED PROCEDURE

Article 45. Scope of Application

This Chapter shall apply where any of the following subparagraphs applies. However, with respect to claims for payment of a specified sum of either money, fungible goods, or securities, the Claimant shall not, for the purpose of having the Expedited Procedure applied, divide the claim and seek only part thereof:

1. Where there is an agreement between the parties to follow the Expedited Procedure;
or
2. Where the claim amount does not exceed KRW 100,000,000.

Article 46. Counterclaim and Amendment of Claims

- (1) The Respondent may file a counterclaim exceeding KRW 100,000,000 only before the time limit for submitting the Answer under Article 15 Paragraph (1) has expired. In such a case, unless otherwise agreed by the parties, the provisions of this Chapter shall not apply.
- (2) Neither the Claimant nor the Counter-Claimant may amend the claim amount to exceed KRW 100,000,000 during the arbitral proceedings under this Chapter. However, this shall not apply in case the parties have agreed to follow the procedures of this Chapter, and the Arbitral Tribunal has approved such amendment.

Article 47. Appointment of Arbitrator

- (1) Unless otherwise agreed by the parties, the number of arbitrators shall be one (1).
- (2) The Secretariat shall directly appoint an arbitrator from the roster of arbitrators under

Article 5 without regard to Article 20.

Article 48. Proceedings of Hearing

- (1) The Arbitral Tribunal shall hold the hearing in such a manner that it is concluded in a single session.
- (2) The Arbitral Tribunal may render an award without repeating the hearing even in cases referred to in Article 25.
- (3) Notwithstanding Paragraphs (1) and (2), the Arbitral Tribunal may, where necessary, reopen the proceedings or request the parties to submit additional Submissions after the closure of the hearing.

Article 49. Arbitral Award

- (1) The Arbitral Tribunal shall render the award within one hundred (100) days of receiving the Notice under Article 22.
- (2) Unless otherwise agreed by the parties, the Arbitral Tribunal shall state the essential reasons on which its award is based.

Article 50. Documents-Only Proceedings

- (1) In case the parties have agreed to documents-only proceedings, or the Arbitral Tribunal considers such proceedings to be appropriate, the Arbitral Tribunal may conduct the arbitral proceedings on the basis of written submissions, without holding an oral hearing. In such proceedings, the provisions concerning hearings shall not apply.
- (2) When entering into an agreement under Paragraph (1), the parties may agree on the procedure for the documents-only proceedings, including the number and timing for the submission of Submissions and evidence. In case the parties have not otherwise agreed on the procedure, the Arbitral Tribunal shall determine the procedure for the documents-only proceedings.

Article 51. Application *Mutatis Mutandis*

The provisions of other chapters of the Rules shall apply *mutatis mutandis* to any matter provided for in this Chapter.

CHAPTER VII. ARBITRATION COSTS

Article 52. Advance Payment of Arbitration Costs

- (1) The arbitration costs shall include the following:
 1. administrative fees under Article 53;

2. expenses under Article 54;
 3. Arbitrators' fees (remuneration) under Article 55; and
 4. other expenses incurred by the parties under Article 56.
- (2) The parties shall pay, within the time period fixed by the Secretariat, the costs under Paragraphs (1) 1 to 3, as determined by the Secretariat in accordance with the Rules.
 - (3) Where the parties fail to make the payment under Paragraph (2), the Arbitral Tribunal or the Secretariat may suspend or terminate the arbitral proceedings.
 - (4) The Secretariat shall refund any remaining balance at the completion of the arbitral proceedings. However, even when the claim amount has been reduced pursuant to Article 17, the administrative fees under Paragraph (1)1 and arbitrators' fees under Paragraph (1)3 shall not be refunded.
 - (5) Any interest that may accrue on the advance payment of arbitration costs shall not be refunded.

Article 53. Administrative Fees

- (1) The administrative fees shall be paid to the Secretariat in accordance with the schedule of administrative fees. The same shall apply in case of a counterclaim.
- (2) Where the claims are withdrawn, the administrative fees may be refunded in accordance with the standard set by the Secretariat.

Article 54. Expenses

The expenses of the arbitrators and the clerks, the costs of evidence, witnesses, or experts, the costs of inspection or investigation, the costs of preparing recordings or transcripts, the costs of interpretation or translation, and all other expenses incurred in connection with the arbitration shall, where incurred at the request of a party, be advanced by that party.

Article 55. Arbitrators' Fees

- (1) The arbitrators' fees shall be paid by the Claimant. The same shall apply in the case of a counterclaim.
- (2) In case the claim are withdrawn, the arbitrators' fees may be refunded pursuant to the standard set by the Secretariat.

Article 56. Other Costs Incurred by the Parties

- (1) The costs incurred in connection with the arbitral proceedings, including attorneys' fees or the costs of inspection, expert appraisal, witness examination, and interpretation, shall be borne by the parties in accordance with the allocation determined by the Arbitral Tribunal in the arbitral award. Unless otherwise agreed by the parties, the Arbitral Tribunal shall, taking into account the circumstances of the

case, allocate the necessary expenses incurred during the arbitral proceedings between the parties.

- (2) Costs under Paragraph (1) may only be recognized in case the parties submit to the Arbitral Tribunal evidence thereof, incurred prior to the closure of the proceedings or by a period determined by the Arbitral Tribunal.

SUPPLEMENTARY PROVISIONS

- (1) (Effective Date) The Rules shall be effective as of March 1, 2025.
- (2) (Transitional Measures for Pending Arbitrations) Where the arbitral proceedings have commenced prior to the effective date of the Rules, the former rules shall apply. However, the parties may agree to apply the Rules as amended without affecting the validity of the arbitral proceedings held prior to the effective date.
- (3) (Applicability) In case there is an arbitration agreement falling under Article 3 of the Rules, the parties shall be deemed to have agreed to apply the Rules in force at the time of the commencement of the arbitral proceedings. However, if the parties have expressly agreed to apply the Rules in force at the time of the conclusion of the arbitration agreement, such Rules shall apply.

APPENDIX I. Schedule of Fees

Article 1. Administrative Fees

- (1) The Claimant shall make an advance payment of the administrative fees to the Secretariat in accordance with the table below.

AMOUNT IN DISPUTE (KRW)	ADMINISTRATIVE FEES (KRW)
Up to 50,000,000	2% (minimum 100,000)
Over 50,000,000 up to 100,000,000	$1,000,000 + (\text{Amount in Dispute} - 50,000,000) \times 1.5\%$
Over 100,000,000 up to 5,000,000,000	$1,750,000 + (\text{Amount in Dispute} - 100,000,000) \times 0.75\%$
Over 5,000,000,000 up to 10,000,000,000	$38,500,000 + (\text{Amount in Dispute} - 5,000,000,000) \times 0.25\%$
Over 10,000,000,000	$51,000,000 + (\text{Amount in Dispute} - 10,000,000,000) \times 0.2\%$
Unquantified claim	1,000,000

- (2) In case the claimed amount is not clearly specified, the Secretariat may fix the amount in dispute considering all relevant circumstances.
- (3) The Secretariat may adjust the applicable rate within the limits not exceeding the above rate.

Article 2. Arbitrators' Fees

- (1) Unless otherwise agreed by the parties, the remuneration of arbitrator(s) shall be determined by the Secretariat to be between the minimum and maximum amount stipulated under the table below, taking into account the nature of the dispute, the amount in dispute, the time spent by the arbitrator(s) etc.
- (2) If the dispute is resolved or the Request is withdrawn or before issuance of the final award, the Secretariat shall pay such fees to the arbitrator(s) in accordance with internal regulations.

AMOUNT IN DISPUTE (KRW)	ARBITRATORS' FEE (KRW)	
	MINIMUM	MAXIMUM
Up to 100,000,000	700,000	1,300,000
Over 100,000,000 up to 200,000,000	$700,000 + (\text{Amount in Dispute} - 100,000,000) \times 0.3\%$	$1,300,000 + (\text{Amount in Dispute} - 100,000,000) \times 0.85\%$
Over 200,000,000 and up to 1,000,000,000	$1,300,000 + (\text{Amount in Dispute} - 200,000,000) \times 0.08\%$	$3,100,000 + (\text{Amount in Dispute} - 200,000,000) \times 0.2\%$
Over 1,000,000,000 and up to 5,000,000,000	$2,000,000 + (\text{Amount in Dispute} - 1,000,000,000) \times 0.04\%$	$4,700,000 + (\text{Amount in Dispute} - 1,000,000,000) \times 0.09\%$
Over 5,000,000,000 and up to 10,000,000,000	$3,600,000 + (\text{Amount in Dispute} - 5,000,000,000) \times 0.02\%$	$8,300,000 + (\text{Amount in Dispute} - 5,000,000,000) \times 0.05\%$
Over 10,000,000,000 and up to 50,000,000,000	$4,600,000 + (\text{Amount in Dispute} - 10,000,000,000) \times 0.007\%$	$10,800,000 + (\text{Amount in Dispute} - 10,000,000,000) \times 0.016\%$
Over 50,000,000,000 and up to 100,000,000,000	$7,400,000 + (\text{Amount in Dispute} - 50,000,000,000) \times 0.004\%$	$17,200,000 + (\text{Amount in Dispute} - 50,000,000,000) \times 0.01\%$
Over 100,000,000,000	$9,400,000 + (\text{Amount in Dispute} - 100,000,000,000) \times 0.003\%$	$22,200,000 + (\text{Amount in Dispute} - 100,000,000,000) \times 0.007\%$
Unquantified claim	500,000	2,500,000