



**ROZHODČÍ
SOUD při IAL SE**
Institute of Arbitration Law

Do you need to recover outstanding debts?

Compared to the lengthy and costly litigation, arbitration proceedings is a quick and cheap alternative.



What is arbitration



Arbitration is similar to legal proceedings but, unlike in legal proceedings, litigations are not decided by a judge (i. e. a person appointed by the state), but by an arbitrator (i. e. a person the litigants have agreed on).

Such procedures are, therefore, faster (no appeal against the decision is allowed), cheaper, and for given reasons also more effective.

The result of an arbitration is the issue of an arbitration award, which is a decision based on the level of the judgment (i. e. the decision of a state court).

On the basis of this award, the losing contracting party can be brought to execution. The process is then the same as at a state court.

i Fees

The fees for the arbitration paid to the Arbitration Court at IAL SE are, moreover, much lower than the fees paid to a state court.

Why should you try it?

While arbitration procedures used to be typical for commercial litigations, the latest developments (for example in the EU), have, however, lead to arbitration procedures being used also for consumer litigations as well as for pure tort litigations.

- **Is faster** – arbitration usually takes weeks
- **Is cheaper** – fees from 2%, no hidden costs.
- Arbitration is **less formal** – in comparison with the formalized procedure applied by the state courts.
- Parties may **determine the procedure** by which the arbitrator leads the proceeding (sec. 19 par. 2 of the Arbitration Act)
- It can be decided on the **basis of justice** (on the basis of “common sense”)
- Arbitration proceedings is **closed to the public** (protection of trade secrets, know-how, etc.)

i Advantages

Some of the advantages of arbitration procedures are their promptitude and the immediate execution of the decision. The direct expenses are comparable to the expenses of legal proceedings. Those must, however, be compared with the indirect expenses in case of a lengthy and burdening legal proceeding before a general court.



What proceedings is possible to solve by arbitration?

With Arbitration Court at IAL SE you could solve litigations of a possessive nature:



Contract of purchase



Debt acknowledgement



Mandatory contract



Drafts



Credit contract



Contract of work



Contract of loan



Arbitration award

The arbitrators will provide you with an arbitration award – it is equal to a judicial decision and can be enforced.

You can then, on the basis of the arbitration award and by means of an executor, seize the debtor's property and use it to fulfil the debtor's obligation.

The arbitration proceedings is usually finished by issuing the arbitration award, which comes into force on delivery to the parties. The arbitration award is judicially enforceable and abided the same way as the judgement of the state court.


At the request of the parties the compromise in the form of an arbitration award can be agreed. Contrary to the other agreements, such a compromise is power for execution

Quick proceedings guarantee

The Court of arbitration guarantees issuing of an arbitration award within two months from the date of bringing the action.



About us

A black and white photograph of a fountain pen with a silver-colored barrel and a dark nib, resting diagonally on a document. The document has some text and a signature in cursive script. The background is a solid purple color.

We are members of the LCIA, the most distinguished world institution employing itself in commercial arbitration. We are a permanent arbitration court and thus guarantee the credibility of the arbitration judgements. To provide balanced and quality procedures, we keep 30 erudite arbitrators (university graduates, experienced lawyers or economists) at our disposal.

The Arbitration Court at IAL SE acts as a court for litigations of a possessive nature (for example the dishonouring of debts, the dishonouring of purchase prices, the dishonouring of invoices, badly fabricated work – for example building construction, litigations regarding leasing contracts –, the dishonouring of rent and the like). It generally arbitrates litigations the outcome of which influences the possessions of the parties.

Another capacity of the Arbitration Court is the suggestion of the arbitrator (by another name the expert who will arbitrate the litigation). This regards the cases where the parties of the litigation agree on such

a selection – this way the high quality of the entire procedure as well as the credibility of the arbitration judgement are maintained. Our work is subject to the SGS certificate, which guarantees the standardised quality of our services in accordance with the ISO 9001 norm.

The Arbitration Court at IAL SE was established on the basis of the model law of the United Nations Commission on International Trade Law (UNCITRAL) and the following Slovak legal regulations. The Court has currently got two branch offices – The Arbitration Court at IAL SE branch office in Prague, and The Arbitration Court at IAL SE branch office in Bratislava.

Our arbitrators

The Arbitration Court at IAL SE currently keeps 30 erudite arbitrators (university graduates, experienced lawyers or economists) at its disposal, which maintains the high quality of the entire procedure as well as the credibility of the arbitration judgement.

- An arbitrator is a person responsible for the process of the arbitration procedure and the decision making during the course of the procedure.
- As arbitrators we use etic codex of LCIA. Our regulations are based on LCIA rules and UNCITRAL (Model law).



How could you join with us?



What needs to be done so that you can use this effective means of debt recovery? Firstly, we would like to remind you that you would not be paying anything.

It is enough if you include an arbitration clause (a short regulation at the end of a contract, which states that, in case of litigation, you will not turn to a usual state court but to an arbitrator) in your contract.

An arbitration clause can also be included in the general terms of contract, which your commissions refer to.

This ensures that all your future debt recoveries will be effective. In case the adverse party does not keep to the terms, you just need to let us know and we will take care of the rest.

Arbitration clause

Just download it on our website
www.arbitrationcourt.net

Contracts for free

You will find a wide variety of contracts that are available to download for free in this section. We have prepared documents that effectively protect your entrepreneurial interests against the misbehaviour of debtors towards you.

We recommend you have a read through the advantages of arbitration clauses, which we consider some of the most effective.

Our lawyers are ready to draw up any contract draft. In case the document you need is one of the basic kinds of contractual documents of the usual extent, this service is provided for free.

Download

Are ready for download at section contracts on www.arbitrationcourt.net

Information

Contact us by mail
podatelna@rozhodcisoud.net
or tel.: +420 224 241 319.



Debt acknowledgements



A debt acknowledgement is one of the reinsurance means for the creditor to secure a claim towards the debtor. This way the creditor improves their position in case the debt must be recovered per curiam. They, generally, “insure” the debt of their debtor.

What is the main advantage? If the debtor acknowledges their debt towards you, a legal presumption arises that such debt exists. To simplify, if the debtor does not prove to the arbitrator that they paid back their debt, the arbitrator considers the debt definitely proven. The following arbitration procedure is then very prompt.

A debt acknowledgment has another significant advantage consisting of the prolongation of the limitation of time. Generally, if you do not apply your right within three years (four years in commercial relations), it will be considered lapsed and you will not

be able to right yourself in court. Your right will still exist but you will not be able to enforce the debt recovery – the debtor can pay you back voluntarily (but that does not usually happen).

However, if you dispose of a debt acknowledgement (which is, in commercial relations referred to as an obligation acknowledgement), a new limitation of time of ten years will start with the signature of the debt acknowledgement (four years in commercial relations). This is undoubtedly convenient as you can “wait” for the debtor to have more money later on.

A draft

A draft is a “credit commercial paper” (so called evidence of borrowed money) containing details precisely provided by law. The debtor’s obligation arises from those details and thus the owner of the draft is eligible to require the demanded amount

If your debtor signs your draft, your position while recovering the debt is a lot easier than it would be if you only signed a contract of bank credit or loan.

The arbitrator or the judge are not interested in the reasons why your debtor borrowed the money and what for (they are not interested in the so called commercial reason). What is important to them is only whether the draft contains all the requisites provided by law.

If you present the arbitrator with a properly filled in draft, you do not need to do much else and you can be sure that the arbitration procedure is going to be successful. The procedure will also be very prompt.

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Is ready for download at section contracts
on www.arbitrationcourt.net





**ROZHODČÍ
Soud** při IAL SE
Institute of Arbitration Law

PALÁC KONVIKT
Konviktská 24
110 00 Prague 1
Czech Republic

tel.: 224 241 319
fax.: 224 281 226

e-mail: podatelna@rozhodcisoud.net

www.arbitrationcourt.net