



INTERNATIONAL UNION
OF COMMERCE AND INDUSTRY
1 Kings Avenue, London N21 3NA
Phone +442071939499
admin@iuci.eu
<http://iuci.eu>



AMERICAN INTERNATIONAL COMMERCIAL
ARBITRATION COURT
USA, 1209 N Orange Street,
Wilmington, DE 19801-1120
Phone +12024700848 (Washington),
+44 7429292337 (London)
secretariat@court-inter.us
<http://court-inter.us>



TRANSCONTINENTAL
ARBITRATION CORPORATION
USA, 1209 N Orange Street,
Wilmington, DE 19801-1120
Phone +12024700848 (Washington),
+44 7429292337 (London)
secretariat@court-inter.us
<http://tac.court-inter.us>



REGULATIONS OF THE AMERICAN INTERNATIONAL COMMERCIAL ARBITRATION COURT ON THE PROCEDURES OF INSPECTION AND PROTECTION OF COMMODITY AND FINANCIAL OPERATIONS

1. Inspection of commodity or financial operations is a special regime of participation of the AICAC in fulfillment by a party to a contract of its commodity or financial obligation arising from the contract in favor of the counterparty.
2. Inspection implies participation of the AICAC in a commercial or financial operation as an Inspector, Solicitor or an Auditor.
3. Inspection is usually performed by the AICAC at the initiative of the party to a contract, in favor of which the counterparty must fulfill a commodity or financial obligation (provided that the contract between these parties does not indicate that participation of the third persons in execution of the contract is not allowed). In case of an inspection based on the letter of credit, participation of the AICAC in the procedure of fulfillment of commodity or financial obligations may be initiated by either party to the contract or by both of them.
4. Inspection assumes that the interested party or parties to a contract delegate the authority to the AICAC to represent the interests of these parties in the course of conducting commodity or financial operations arising from the relevant commercial contract.
5. The interested party to a corresponding commercial contract may apply to the AICAC with the request for conducting inspections in the presence of at least one of the following circumstances:
 - 5.1. If the interested party requires advisory services or other qualified assistance in conducting the relevant commodity or financial operation (which is the obligation to be fulfilled) due to its complexity, or in admitting the fulfillment of the obligation;
 - 5.2. If the interested party has reasonable suspicion in relation to the possibility of non-fulfillment or improper fulfillment of the counterparty's contractual obligations, or in relation to the possibility of the counterparty attempting to defraud the contractor with respect to the timeliness and completeness of fulfillment of the obligation;
 - 5.3. If the parties to the contract are in the state of legal conflict (controversies in respect of fulfillment of their contractual obligations) and, in this regard, there is a need to involve the AICAC to legally register the facts of possible nonfulfillment or improper fulfillment (in the framework of the relevant commodity or financial operations) of the counterparty's obligations in favor of the interested party;
 - 5.4. If the parties to the contract are in the state of legal conflict (controversies in respect of fulfillment of their contractual obligations) and, in this regard, the interested party, which accepts the fulfillment of the contractual obligation, deems it necessary to involve the AICAC as the agent authorized: a) to represent the interested party in the process of accepting the fulfillment, b) to establish the level of compliance of the fulfillment with the contractual terms,

and c) to make a decision on behalf of the interested party regarding the acceptance, partial acceptance or non-acceptance of fulfillment.

5.5. If the parties to the contract are in the state of legal conflict (controversies in respect of fulfillment of their contractual obligations) and, in this regard, the interested party, which is fulfilling the contractual obligations, has agreed with the counterparty to involve the AICAC as an agent authorized: a) to accept the fulfillment of the obligation from the interested party in favor of the counterparty on terms of short-term storage of commodities or money, b) to confirm this fact to the contractor and, c) to transfer the obtained assets to the contractor after duly confirmed fulfillment of a reciprocal obligation in favor of the interested party (inspection based on the letter of credit).

6. Depending on the circumstances, due to which inspection may be initiated, and the powers delegated to the AICAC by the interested party (parties), in this procedure the AICAC may act in the following roles:

6.1. "Inspector" is the status of the AICAC based on the authority delegated by the persons concerned in the cases provided for in pp. 5.1.-5.3. of these Regulations. This status assumes that the AICAC performs the relevant advisory or support functions.

6.2. "Solicitor" is the status of the AICAC based on the authority delegated by the persons concerned in the cases provided for in par. 5.4. of these Regulations. This status assumes that the AICAC performs the relevant active representative functions.

6.3. "Auditor" is the status of the AICAC based on the authority delegated by the persons concerned in the cases provided for in par. 5.5. of these Regulations. This status assumes that the AICAC performs the relevant representative and auditing functions.

7. When performing the inspection, the AICAC does not acquire any property rights in relation to the contracting parties, except for the right to receive remuneration for the inspection services and reimbursement for the related expenses.

8. In the course of inspection, the contracting parties do not acquire any property rights in relation to the AICAC, except for the right to demand the fulfillment of obligations related to the inspection and transfer of assets temporarily stored by the AICAC due to fulfillment of these obligations.

9. The inspection procedure is formalized by the special agreement between the interested party and the AICAC. The counterparty must be informed about this agreement.

10. All specific issues related to the inspection, which are not regulated by these Regulations, shall be settled by the agreement referred to in par. 9 of these Regulations and in accordance with internal acts of the AICAC.

11. The results of inspection are described by the AICAC in the Inspection Act.

12. The cost of inspection procedures to be paid by the interested party or jointly by the parties to a contract is the following:

12.1. Inspection in the status of an Inspector - \$ 10,000.0;

12.2. Inspection in the status of a Solicitor - \$ 15,000.0;

12.3. Inspection in the status of an Auditor - 0.5% of the value of the commodity or financial operation inspected, but not less than \$ 20,000.0.

13. In addition to the cost of inspection procedures, the interested party or the parties to a contract jointly must reimburse the AICAC for all the expenses directly related to or associated with the inspection procedures.

14. The cost of inspection procedures and reimbursements in favor of the AICAC shall be paid by the interested party or jointly by the parties to a contract on the basis of an invoice issued by the AICAC.