



3rd National Med - Arb Competition

3rd March 2023 - 5th March 2023

PROBLEM

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CASE RECORD

**IN THE MATTER OF AN
ARBITRATION BETWEEN**

Renegade Power Company Limited

And

Atman National Power Company Limited

UNDER

**Arbitration Rules, 2016 of the Singapore
International Arbitration Centre**

Asgard is a country blessed with surplus natural resources and in particular known for their Nickel and Magnesium reserves. They are the largest exporters of these minerals and export to various countries across the globe. Asgard shares its border with Romania, a country which is rich in uranium reserves. Asgard broke away from Romania as an independent country in 1991. Romania and Asgard have had a bad history, and tension at the border has always been present.

Atmantar is a country which is known as the hub of manufacturing and is known across the globe for their movement of "Make in Atmantar". The movement facilitated investors and entities across the globe to invest, manufacture and process in Atmantar. The movement also focused on Atmantar being self-Reliant and encourage competitiveness ultimately impacting the economy, infrastructure and growth in technology.

Atmantar and Asgard have been sharing a friendly relationship for about 25 years and visits by Diplomats and the President of both countries are common. In August 2018 the President of Atmantar paid a visit to Asgard. During the meeting, the Government of Asgard proposed a Bilateral Investment Treaty (BIT) between the 2 countries to facilitate inter-se investment and support trade between both countries. At the time of signing the Treaty, several companies based at Asgard focused on providing raw materials at subsidised rates to entities based in Atmantar, in return for investment or other strategic partnerships. In some cases, for receiving an agreed share in the profits earned from employment of such raw materials in production by Atmantar. Both countries entered into the BIT on 22.08.2018. The Treaty mandated both Countries and entities in those respective countries to resort to Arbitration to settle any dispute which would arise out of the Treaty or investments made between the two countries. The arbitration clause in the Treaty read as follows:

"All disputes arising out of or in connection with the present Treaty shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by a panel of three arbitrators and they shall be appointed in accordance with the ICC 2021 Arbitration Rules."

The BIT enabled both Private and Government Companies of Asgard to export semi-processed materials of the rich natural resources available at Asgard. Renegade Power Company Limited (hereinafter referred as the “Claimant”) is a corporate entity incorporated in accordance with the laws of Asgard. It is a body corporate, having independent existence and can bring actions in its own name.

The Claimant is the leading processor of Magnesium, Nickel and similar minerals. The Claimant exports almost 75% of its produce to several countries around the world except Atmantar. With the BIT being in force, with the aid and approval of the Asgard Government, the Claimants offered to export semi-processed Magnesium and Nickel to Atmantar. Atman National Power Company Limited (hereinafter referred to as “Respondent”) is a company wholly owned by the Government of Atmantar and incorporated in accordance with the laws of Atmantar. The Respondent is a large-scale Thermal Power Manufacturing Unit established in 1999, which sought to expand to manufacture fully processed Magnesium and Nickel, towards which it became an operational unit in 2017.

The Respondent in September, 2018 entered into an Investment Agreement for an amount of USD 1 Billion. 50% of the sum going towards minority equity investment, 25% as a long term borrowing and 25% towards infrastructural improvement for export processing.

On December 16, 2018, the Respondents entered into an agreement with the Claimant. The Contract (hereinafter referred to as “Agreement”) was entered into for supply of semi-processed Magnesium and Nickel by the Claimant as and when orders are placed by the Respondent for a period of 15 years from the date of commissioning. The Agreement further stipulated that the Claimant would provide the semi-processed Magnesium and Nickel at a rate 15% lesser than the market rate and in turn, would receive, in addition to the payment, a share in the profits earned from production and processing by the Respondent, equal to a value of 2% thereof. The excerpts of the Agreement are attached as Annexure I. The Respondent had imported Magnesium and Nickel from various sources including that of the Claimant for the past 20 years.

The Agreement was in force and the Respondents placed frequent orders on the Claimant and both parties performed their duties in accordance with the Agreement. During December, 2019 an infectious virus termed as Movid-19 Virus (hereinafter referred as "Virus") hit most parts of the world.

In the month of March,2020 the World Health Organisation (WHO) declared the virus to be a global pandemic. Businesses and financial institutions faced a huge loss owing to lockdown imposed around the world by their respective Governments. Both Atmantar and Asgard imposed strict lockdown and restricted cross border transportation. Eventually during December,2020 relaxations for trade and commerce were announced by both countries. Pursuant to the relaxation, in furtherance of the Agreement, the Respondent placed orders on the Claimant to deliver the requirements within the stipulated time. The Claimant proposed for a restructuring in the Agreement sighting the difficulties caused due to the Pandemic. The communications with respect to the same are attached as Annexure – II.

The Respondent agreed to the restructuring of the Agreement and the required amendments were made. The same has been attached as Annexure III. Post the restructuring both Parties complied with the obligations of the amended Agreement. During September 2021, border tensions arose on the borders of Asgard. Rovania attacked Asgard and several cities of Asgard were under serious threat. There was no serious threat to the city where the Claimant was located but the situation did not seem to get any better with time. The Claimant issued a communication to the Respondent notifying the Respondent on the situation of Asgard. At this juncture there were no pending orders (Annexure IV). It is also relevant to note the mining activity was undisturbed by the tensions at the border.

On December 2021, the Respondent placed an order on the Claimants. It was at this time that war was declared between Asgard and Rovania. The situation at Asgard worsened with multi-pronged attacks occurring across the Asgardian country, perpetrated by Rovania. There were serious issues in transporting and export/import of goods. Furthermore, the whole country faced network and internet issues with limited to zero connectivity. Owing to this situation the Claimants requested for another restructuring of the Agreement with respect to the payments due from the Respondent. The Communication excerpt is attached as Annexure V.

The Respondent acknowledged the receipt of the communication of the Claimant but did not wholly accept the restructuring. The Respondent suggested a slight modification to the proposal made by the Claimant. The communication with respect to the modification was sent to the Claimant. Subsequently, the Respondent also placed orders and the same was communicated duly to the Claimant on 24.12.2021.

Later from the month of January 2022, the Respondent made a series of orders to be delivered in separate tranches and the details of the orders are as extracted below.

S.No.	Date of Order	Date of Acceptance of Order	Date of loading of Freight	Date of delivery	Payments made in different tranches		
					Advance	On Freight	On Delivery
1.	24.12.2021	30.12.2021	13.02.2022	13.02.2022	40% paid	40% not paid	20% not paid
2.	02.01.2022	07.01.2022	10.02.2022	02.04.2022	40% paid	40% not paid	20% not paid
3.	04.01.2022	10.01.2022	14.02.2022	06.04.2022	40% paid	40% not paid	20% not paid
4.	06.01.2022	14.01.2022	NA	NA	40% paid	40% not paid	20% not paid
5.	10.01.2022	18.01.2022	NA	NA	40% paid	40% not paid	20% not paid
6.	12.01.2022	20.01.2022	NA	NA	40% paid	40% not paid	20% not paid

As shown above, post the restructuring of the Agreement the orders were made and 40% advance for all orders had been duly made by the Respondent. The orders were received and the freight of the first two tranches were loaded, payment for the same had been made. The 1st and 2nd tranches were delivered and received by the Respondent on 31.03.2022 and 02.04.2022 respectively. The Respondent found that the quality as required by them post restructuring had not been complied with by the Claimant, thereby the 3rd instalment of payment on delivery was withheld, and the Respondent went on to terminate the Agreement. With effect to the same a communication (Annexure VI) was addressed to the Claimant on 07.04.2022.

Meanwhile, the 3rd tranche in accordance with the Table above, had also been delivered but neither the 2nd instalment during the load of freight nor the 3rd instalment on delivery had been made. Owing to the same the Claimant issued a communication (Annexure VII) on 06.04.2022 stating that the delivery of the goods would not be completed until the payments for the 3rd tranche had been made and pursuant thereto, held back the delivery. However, before the receipt of the communication of the Claimant, the Respondent took delivery of the order using their sources.

On 15.04.2022, the Claimant responded to the communication sent by the Respondent (Annexure VIII) dated 07.04.2022 stating that they had not received any communication with effect to the modification and further stated that the advance paid for the 4th, 5th and 6th tranche shall be adjusted towards the payment of the 2nd and 3rd instalment of the 3rd tranche. On 20.04.2022 the Claimant understanding that the Respondent had terminated the Agreement issued notice invoking Arbitration, seeking to appoint one Mr. Rolex as one of the Arbitrators. The Respondent on 24.04.2022 issued a reply to the Notice invoking Arbitration and further appointed Mr. Vikram as the 2nd Arbitrator. The SIAC (Arbitral Institution) appointed Mrs. Tina as the Presiding Arbitrator on 30.04.2022.

On 25.04.2022, the situation at Asgard seemed to get out of control and the country was reeling under financial distress prompting the Government of Asgard to issue a Notification stating that 3 industries would be Nationalised including that of the Claimant citing that the natural resources of the country would be used only for the benefit of the Country. The Government of Atmantar issued notice on 26.04.2022 initiating Arbitration as the Notification was in contravention to the BIT.

The Arbitral Tribunal duly constituted under SIAC Rules being cognisant of the situation, the invocation of another Arbitration under BIT advised the Parties to mediate and have the matter resolved, failing which the Parties would return back to Arbitration. The settlement discussions in mediation between the two parties through government agencies failed and the dispute was to be heard by a duly appointed Arbitral Tribunal, constituted in accordance with the Treaty.

In so far as the Agreement is concerned, the Respondent issued communications recording its objections that the nature of dispute raised by both parties and the cause for the same and effective means of remedy agreed between the parties are different, and hence the arbitral tribunal that had been constituted was not competent to look at the varied disputes that had been raised and the disputes would have to be necessarily demarcated. They further state that, the Government of Asgard to be joined to the current Arbitration.

The Claimant expressed its disinterest and objections to the request for joinder of parties and further stated that the Arbitration initiated under the Agreement is independent of the Arbitration initiated under the BIT.

On considering the above aspects the Procedural Order of 11th August, 2022.

PROCEDURAL ORDER No. 1:

The Tribunal takes note of the following facts:

a) The President of the Court of Arbitration of the SIAC appointed me as the Presiding arbitrator on 31.01.2022 pursuant to Rule 9.3 of the SIAC Rules 2016. The Parties were informed of the constitution of the Tribunal on the same day.

b) The Respondent challenges the jurisdiction of this Tribunal on the grounds that the Arbitration under the Bilateral Investment Treaty will prevail.

c) Both Parties agree that the Agreement entered into is subject to the CISG.

Both Parties agree that in light of the issues in the dispute, there is a need to bifurcate the proceedings. The first part of the proceedings will be devoted to adjudicating the Respondent's challenges to the jurisdiction of the Tribunal, the Respondent's request for joinder of parties. The latter part of the proceedings will examine the merits of the Claimant's allegations that the Respondent is unjustified in terminating the Agreement.

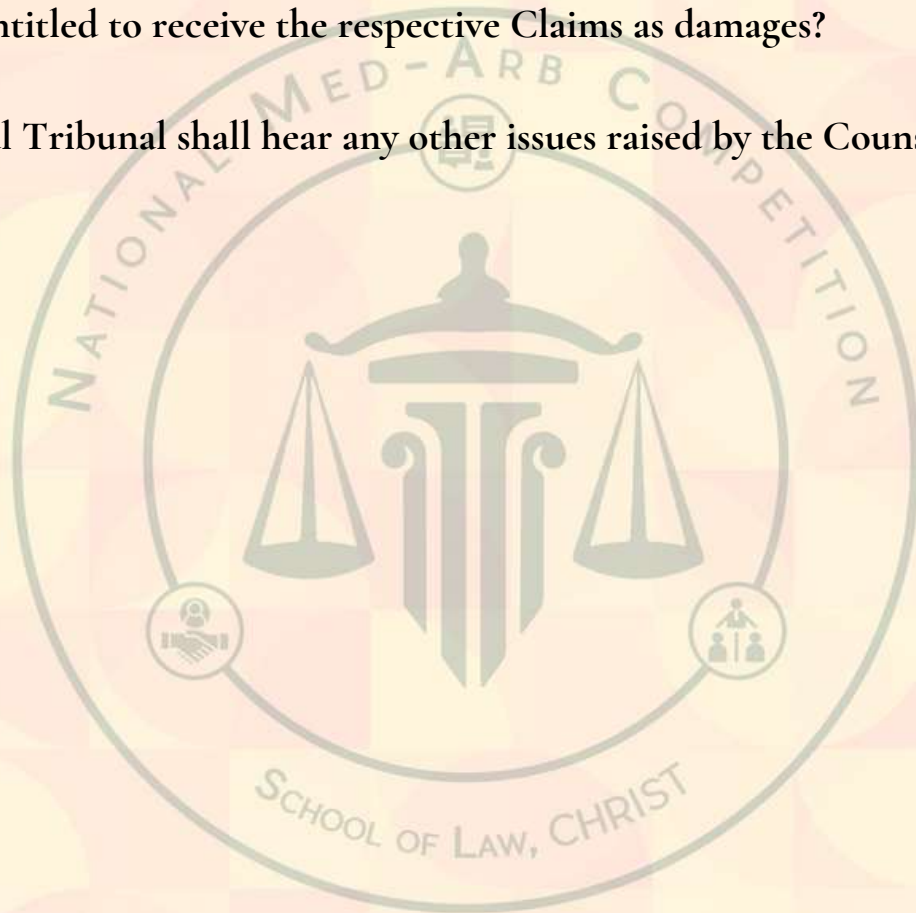
2. In light of these considerations, the Parties are required to address the following issues in the oral hearings at LCU City, Kaidhi Province:

a) Whether proceedings before this Tribunal have abated in view of the fact that the Respondent have invoked Treaty Arbitration under the Bilateral Investment Treaty and consequently an Arbitral Tribunal has been constituted?

b) Whether the Government of Asgard be joined to the current proceedings?

c) Whether the termination of the contract by the Respondent is justified and whether the parties are entitled to receive the respective Claims as damages?

d) The Arbitral Tribunal shall hear any other issues raised by the Counsels/the parties.



ANNEXURE I
AGREEMENT

Between

Renegade Power Company Limited and Atman National Power Company

I. Excerpts from the Agreement:

I.1. PARTIES:

Atman National Power Company – Purchaser

Renegade Power Company Limited – Supplier

I.2. EFFECTIVE DATE OF THE AGREEMENT AND TERM

The Agreement shall become on the date of signing of the Agreement and the term period of the Agreement shall be for 15 years, and can be extended by explicit consent of both Parties given in writing.

I.3. NOTICE

All communications and notices shall be served as given below:

Service of address -

·For Renegade Power Company Limited shall be No. 8, Jam City, Stark Province, Asgard. and to E- mail – director@rpcl.asg

·For Atman National Power Company Limited shall be made to Plot 12, Zone 7 Power Province, Atman or to E-mail – director@anpcl.an

Any change in the above agreed service of address shall be duly communicated to the other party and on acceptance by both parties, thereby amended.

I.4. ORDER AND DELIVERY

·Orders shall by the Purchaser from the authorised Mail Id (director@anpcl.an) to the authorised Mail Id of the Supplier (director@rpcl.asg)

·The orders shall be deemed to be placed once the order is accepted by the Supplier.

·Delivery is deemed to be complete when the shipment reached the Maanagaram Port, Atmantar, and the same is notified to the Purchaser.

·The orders and respective delivery shall be made as follows:

-The order shall be processed and loaded for freight within 30 days from the date of acceptance of the order.

-The order shall be delivered to the supplier within 45 days from the date of loading the freight and dispatch to the Purchaser.

1.5. PAYMENT

The Payment for the orders placed by the Purchaser shall be made in three instalments as specified hereunder.

On placing the order – 30% upfront payment on acceptance of the order

On Freight – 30% of the amount to be paid on freight

On Deliver – 40% to be paid once order is delivered.

1.6. AMENDMENT TO THE CONTRACT:

The Contract shall be amended with mutual acceptance of Parties.

1.7. DISPUTE RESOLUTION

The Parties would resort to Arbitration in case there arises a dispute from the agreement. The dispute will be adjudicated by the Tribunal consisting of 3 Arbitrators, wherein each of the parties shall appoint one arbitrator and the Presiding Arbitrator shall be appointed by the Arbitral Institution.

The Venue and Seat of Arbitration shall be LCU City, Kaidhi Province.

The Arbitration shall be bound by SIAC Rules, 2016 and the Arbitration Institution shall be Singapore International Arbitration Centre.

The Agreement has been duly signed by both parties, and is governed by The United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980).

ANNEXURE II

From: Renegade Power Company Limited <director@rpcl.asg >

Address: No.8, Jam City, Stark Province, Asgard

Sent: 10.12.2020, 17:21

To: Atman National Power Company Limited <director@anpcl.an>

Address: Plot 12, Zone 7, Power Province, Atman

Subject: FWD: Proposal to restructure the Agreement.

Dear Sir,

Greetings from RPCL!

The global pandemic forced a halt in business and trade, leaving the economies of the world facing huge losses and difficulties in executing operation. Keeping in consideration of the situation at hand, the Government of our country, alike yours, have taken measures to ensure operability of its economy by providing for certain relaxations. With the opportunity to resume operations, you had placed orders with us to which we encounter unprecedented bounds and discomfort in servicing the order.

In light of the current situation faced by the , we are reach out to you with a proposal to modify the present agreement which is enclosed herewith.

We therefore require you to appreciate us with your opinion on the same and provide your confirmation or reason for denial. Kindly respond to the same within 7 days. We appreciate your efforts towards the endeavour and this e-mail is finds you in good health.

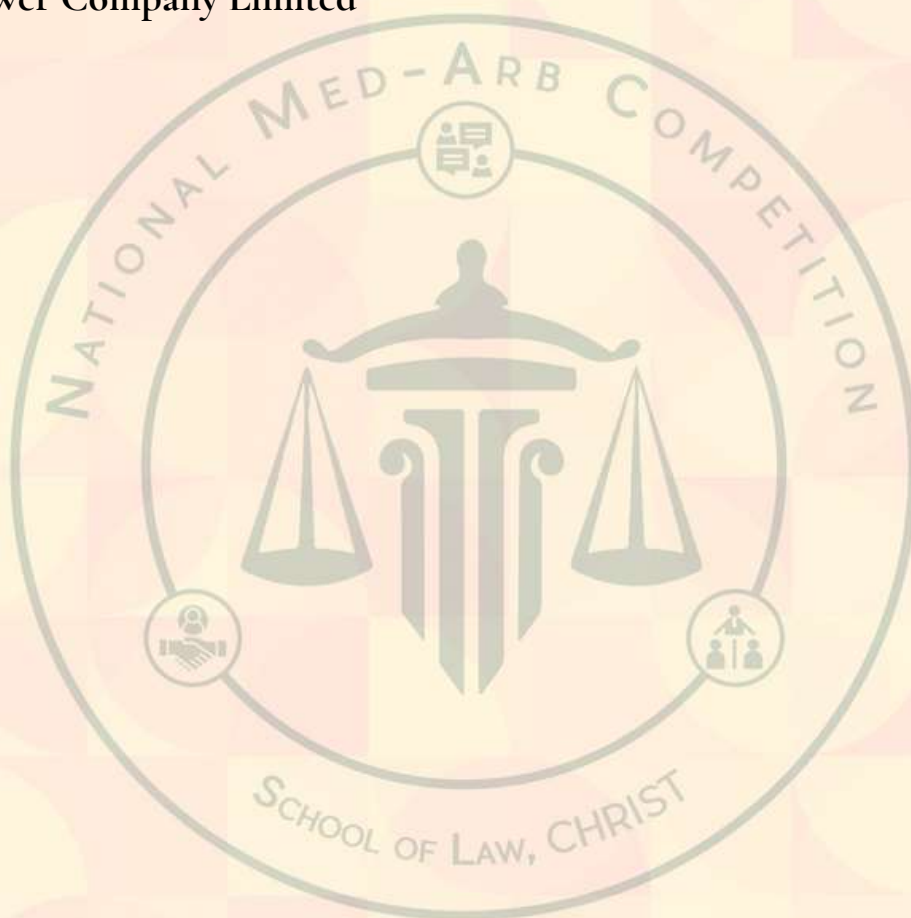
Period of time allotted for Freight and Delivery as per the Agreement:

Time For Freight	Time For Delivery
30 Days	45 Days

Proposed Period of time to be allotted for Freight and Delivery in the Agreement:

Time For Freight	Time For Delivery
45 Days	60 Days

Best regards,
Director,
Renegade Power Company Limited



ANNEXURE III

From: Atman National Power Company Limited director@anpcl.an
Address: Plot 12, Zone 7, Power Province, Atman

Sent: 14.12.2020, 15:10

To: Renegade Power Company Limited <director@rpcl.asg >
Address: No.8, Jam City, Stark Province, Asgard

Subject: FWD: Re: Proposal to restructure the Agreement.

Dear Sir,

Greetings from ANPCL!

The global pandemic has indeed created a significant disturbance in the workflow of all industries and has brought the economies at a halt. Keeping in mind of the SoPs in place and measures taken to ensure operability of the economy we shall proceed in affirmation of the proposal and we also acknowledge and sympathise with the bounds and discomfort faced by you in servicing the order. We hope this e-mail is finds you in good health too.

Best regards,

Director,

Atman National Power Company Limited.

ANNEXURE IV

From: Renegade Power Company Limited <director@rpcl.asg >
Address: No.8, Jam City, Stark Province, Asgard

Sent: 17.09.2021, 17:01

To: Atman National Power Company Limited <director@anpcl.an>
Address: Plot 12, Zone 7, Power Province, Atman

Subject: FWD: Change of status quo in the political environment.

Dear Sir,

Greetings from RPCL!

We are reaching you to issue an update on the political environment of Asgard and its effect on the functions of the RPCL and the economy of Asgard. Although there are no pending orders that need to be delivered to you as of this moment, we intend to appreciate you of the current political scenario and the difficulties posed by the same. The previously agreed restructuring to extend the period of freight and delivery proved to be vital and efficient in the conduct and functions of RPCL and in achieving the objectives of our agreement. We intend to update you that multiple cities of Asgard are under serious threat due to war and Asgard may face difficulties in keeping up with its trade promises in such situations.

Yet, we assure you that RPCL is considerably located in a safer location given the situation at hand but we do not rule out the possibility of escalation of war.

We appreciate your efforts towards the commitments of the agreement and we wish for this e-mail to find you in good health.

Best regards,
Director,
Renegade Power Company Limited

ANNEXURE V

From: Renegade Power Company Limited <director@rpcl.asg >

Address: No.8, Jam City, Stark Province, Asgard

Sent: 28.12.2021, 14:01

To: Atman National Power Company Limited <director@anpcl.an>

Address: Plot 12, Zone 7, Power Province, Atman

Subject: FWD: Update on order number ON/2021/DEC/ATNPC/20012 and proposal to restructure.

Dear Sir,

Greetings from RPCL!

We issue an update on your Order dated 24.12.2021 and the political environment of Asgard and its effect on the functions of the RPCL and the economy of Asgard.

The situation in Asgard has worsened with an all-out aggression and acts of war on Asgard by Rovania. It has left the supply chains and the economy entirely disrupted.

The previously agreed restructuring proved to be vital and efficient in the conduct and functions of RPCL and in achieving the objectives of our agreement. We intend to update you regarding the same and request you to consider the restructuring of the contract with respect to the payments to be made by you. The proposal for restructuring is enclosed herewith.

Further, we assure you that RPCL is considerably located in a safer location given the situation at hand but we do not rule out the possibility of escalation of war.

We appreciate your efforts towards the commitments of the agreement and we wish for this e-mail to find you in good health

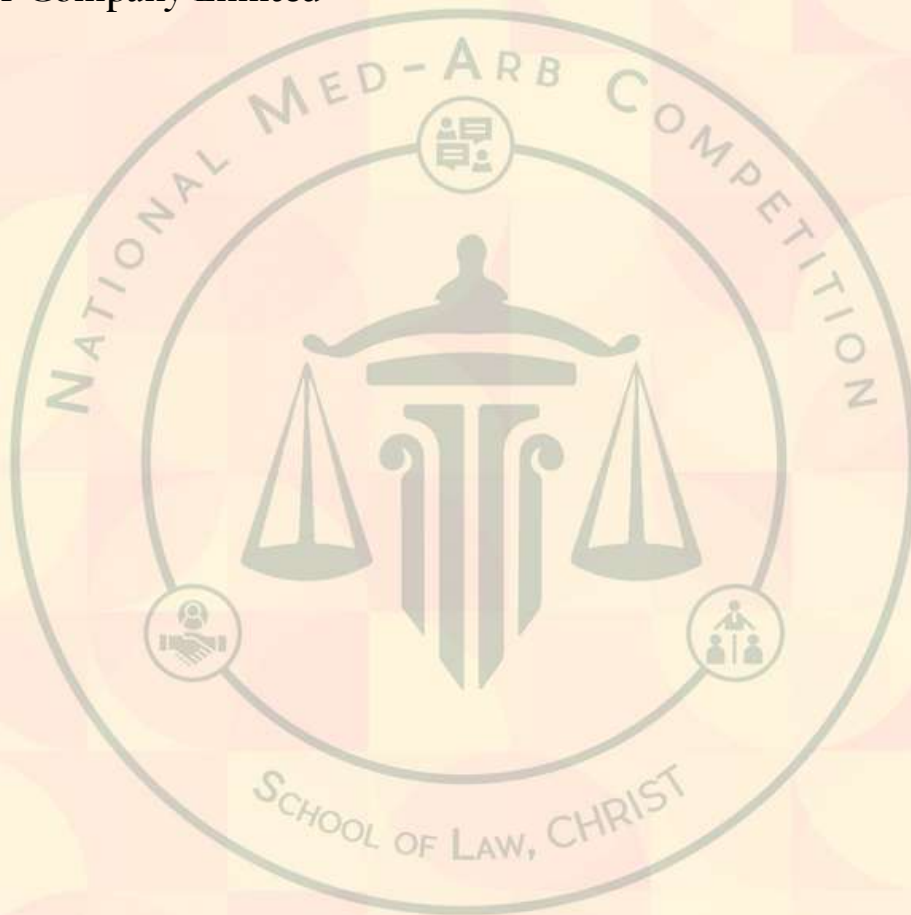
Payment % allotted as Advance, at Freight and on Delivery as per the Agreement:

Advance	On Freight	On Delivery
30% Paid	30% Paid	40% Not Paid

Proposed payment % to be allotted as Advance, at Freight and on Delivery to be incorporated in the Agreement: :

Advance	On Freight	On Delivery
40% Paid	40% Paid	20% Not Paid

Best regards,
Director,
Renegade Power Company Limited



ANNEXURE VI

From: Atman National Power Company Limited director@anpcl.an
Address: Plot 12, Zone 7, Power Province, Atman

Sent: 29.12.2021, 14:10

To: Renegade Power Company Limited <director@rpcl.asg >
Address: No.8, Tram City, Stark Province, Asgard

Subject: FWD: Re: Update on order number ON/2021/DEC/ATNPC/20012 and proposal to restructure.

Dear Sir,

Greetings from ANPCL!

This is in response to your update regarding Order dated 24.12.2021 and the political environment of Asgard and its effect on the functions of the RPCL and the economy of Asgard.

We acknowledge the worsening situation in Asgard and deeply sympathise with you. We also acknowledge that the acts of war on Asgard by Rovania has left the supply chains and your economy disrupted.

The previously agreed restructuring with regards to the change in period of delivery indeed proved to be vital in achieving the objectives of our agreement yet we wish to inform you that the proposal to restructure the contract with respect to the payments to be made to you has been met with slight modifications enclosed herewith to which we await your reply.

Your proposal:

Payment % allotted as Advance, at Freight and on Delivery as per the Agreement:

Advance	On Freight	On Delivery
30% Paid	30% Paid	40% Not Paid

Proposed payment % to be allotted as Advance, at Freight and on Delivery to be incorporated in the Agreement:

Advance	On Freight	On Delivery
40% Paid	40% Paid	20% Not Paid

Our counter proposal:

Payment % allotted as Advance, at Freight and on Delivery as per the Agreement:

Advance	On Freight	On Delivery
30% Paid	30% Paid	40% Not Paid

Proposed payment % to be allotted as Advance, at Freight and on Delivery to be incorporated in the Agreement: **AGREED**

Advance	On Freight	On Delivery
40% Paid	40% Paid	20% Not Paid

Processing % of Magnesium and Nickel as per the existing agreement:

Processed Material	Magnesium (Mg)	Nickel (Ni)
Processed Percentage (%)	15%	15%

Proposed Processing % of Magnesium and Nickel as per the existing agreement:

Processed Material	Magnesium (Mg)	Nickel (Ni)
Processed Percentage (%)	25%	25%

Best regards,
Director,
Atman National Power Company Limited

ANNEXURE VII

From: Atman National Power Company Limited <director@anpcl.an>

Address: Plot 12, Zone 7, Power Province, Atman

Sent: 07.04.2022, 14:00

To: Renegade Power Company Limited <director@rpcl.asg >

Address: No.8, Jam City, Stark Province, Asgard

Subject: FWD: Termination of contract due to quality concern.

Dear Sir,

Greetings from ANPCL!

This is in with the Orders dated 24.12.2021 and 2.01.2022 with the intention to convey to you regarding the shortcomings in the quality during the inspection of the goods at the time of delivery.

Although we acknowledge that the acts of war on Asgard has caused various disruptions causing inconvenience in supply which may be condoned, deterioration in the quality of goods is intolerable.

The intention behind agreeing to the restructuring of the contract was to make sure that there is no compromise in the objectives of the contract. In light of the deterioration in the quality of the goods delivered, we hereby convey our intention to terminate the existing agreement and also suspend all pending payments to be made in regards of the delivery.

Best regards,

Director,

Atman National Power Company Limited

ANNEXURE VIII

From: Renegade Power Company Limited director@rpcl.asg

Address: No. 8, Jam City, Stark Province, Asgard

Sent: 15.04.2022, 11:00 am

To: Atman National Power Company Limited director@anpcl.an

Address: Plot 12, Zone 7, Power Province, Atman

Subject: Non-receipt of any Communication on modification

Sir,

Greetings from RPCL,

We regret to inform that we not received any communication from you delivered to us. We conveyed and acceptance to the orders placed by you, placed our concern for restructuring and in return you acted upon our proposal for restructuring payments but nothing with regards to the modification in our proposal was communicated to us.

Furthermore, since you have not paid the amount for the orders placed on 24.12.2021 and 02.01.2022, you are not entitled to collect the delivery of the said orders. Only on making payments of the same the possession shall be taken over by you.

With Regards.

Director,
RNPCL

Notice Invoking Arbitration:

From: Renegade Power Company Limited legalcounsel@rpcl.asg

Address: No. 8, Jam City, Stark Province, Asgard

Sent: 20.04.2022 at 10:00 am.

To: Atman National Power Company Limited director@anpcl.an

Address: Plot 12, Zone 7, Power Province, Atman.

SUBJECT: NOTICE FOR INVOKING ARBITRATION UNDER CLAUSE 1.7 OF AGREEMENT EXECUTED BETWEEN RENEGADE POWER COMPANY LIMITED AND ATMAN NATIONAL POWER COMPANY LIMITED.

Sir(s),

Upon instruction and on behalf of my client, M/s. Renegade Power Company Limited, I the undersigned serve you this notice, contents of which are as under:

1. Our Client states that you have not performed the obligations of the Agreement and have not paid for the orders which you have already taken delivery of, despite our Client informing you not to take delivery without clearing the payment due. It is pertinent to note that you have been the person in breach of the Agreement but however, have gone on to terminate the Agreement in a manner which is not in accordance with the agreement.
2. The aforesaid acts and events therefore make it abundantly clear that you are unwilling to comply with their obligations under the Agreement to indemnify Our Client against all damages incurred or suffered by Our Client based upon, resulting from or relating to any breach of Agreement or any obligation under the Agreement by you, as set out hereinabove and under various communications issued in this regard.
3. Thus, Our Client states that disputes have arisen between the parties and further repeated attempts to amicably settle the disputes regarding the non-payment of amounts due to them have been made. Therefore, bearing in mind the situation as set out hereinabove, Our Client is left with no other alternative but to invoke arbitration in accordance with Clause 1.7 of the Agreement.
4. In terms of Clause [1.7] of the Agreement we on behalf of Our Client nominate.

Mr Rolex as the arbitrator on behalf of Our Client. You are therefore requested to nominate the arbitrator on your behalf and inform us of the same within a period of 30 (thirty) days from the date of receipt of the present notice, failing which Our Client shall be constrained to file appropriate proceedings in this regard, which please note.

Regards,

Counsel for RPCL



Reply To Notice Invoking Arbitration

From: Atman National Power Company Limited legalteam@anpcl.an

Address: Plot 12, Zone 7, Power Province, Atman.

Sent: 24.04.2022 at 10:00 am.

To: Renegade Power Company Limited legalcounsel@rpcl.asg

Address: No. 8, Jam City, Stark Province, Asgard

SUBJECT: REPLY TO NOTICE FOR INVOKING ARBITRATION UNDER CLAUSE 1.7 OF AGREEMENT EXECUTED BETWEEN RENEGADE POWER COMPANY LIMITED AND ATMAN NATIONAL POWER COMPANY LIMITED.

Sir,

We Represent the interests of our Client (Atman National Power Company Limited) and in reply to your Notice dated 20.04.2022 state the same as follows:

1. Our Client states that the first event of breach was committed by you by not acting in accordance with the restructured agreement. There was no breach on part of our Client and the termination is done in accordance with the Agreement.
2. Our Client states that due to the acts of RPCL, our Client has faced heavy losses and business disruptions thereby, is liable to indemnify the same. It is pertinent to note that, the Government of Asgard through notification dated 25.04.2022 nationalised RPCL therefore, the Government of RPCL shall be joined as a party to this Arbitration.
3. In terms of Clause [1.7] of the Agreement we on behalf of Our Client nominate Mr. Rolex as the arbitrator on behalf of Our Client.

Regards

Counsel for ANPCL