



## RESOLUTION NO. 04 - 2016

### AMENDING ANNEX A [RULES FOR COMPUTING THE SUM IN DISPUTE (SID)] OF CIAC RESOLUTION NO. 07-2013 [ADJUSTING CIAC FEES AND CHARGES AND REVISING THE CIAC TABLE OF FEES]

**WHEREAS**, to address questions on the computation of the Sum in Dispute (SID) on which the CIAC Table of Fees is based, the Commission, in its 156<sup>th</sup> Regular Meeting held on 2 October 2013, agreed to incorporate a footnote in CIAC Resolution No. 07-2014, defining the SID as follows:

1. The sum of the total claims and the total counterclaims; and
2. Addition of cross-claims which are not related to the main claim, but exclusion of compulsory cross-claims or those related to the main claim;

**WHEREAS**, in its 157<sup>th</sup> Regular Meeting held on 13 November 2013, the Commission, based on a modification of the above definition, approved the inclusion of Annex A in CIAC Res. No. 07-2013, providing for the following rules for computing the SID:

*"1. Where there are only two parties to arbitration or mediation:*

*1.1 total claims made by Claimant added to all the counterclaims made by Respondent that is not directly related to the claims (permissive counterclaims) shall constitute the sum in dispute (SID);*

*1.2 Compulsory counterclaims, or those directly related to the claims shall be treated only as defenses and not be added to the claims to compute the SID;*

*2. Where two Respondents are sued by Claimant and a cross-claim is made by Respondent 1 against Respondent 2:*

*2.1 amount of a cross-claim that seeks only to pass on the liability of Respondent 1 to Respondent 2, shall not be added to the computation of the SID;*

*2.2 amount sought by Respondent 1 against Respondent 2 that is based on a different cause of action, shall be added to compute the SID;*

- 2.3 *amount sought by Respondent 2 against Respondent 1 that is not merely intended to defeat the cross-claim but seeks the award of amounts based on a different cause of action, shall be added to compute the SID.”*

**WHEREAS**, by excluding compulsory counterclaims from the determination of the SID, Rule 1 of Annex A inadvertently changed the CIAC policy of including all claims and counterclaims in the computation of the SID; and

**WHEREAS**, in view of the foregoing concerns, the Commission, in its 184<sup>th</sup> Regular Meeting held on 27 June 2016, agreed to revert to the previous policy on the computation of the SID by repealing and/or modifying Annex A of CIAC Resolution 07-2013 to remove the distinction between compulsory and permissive counterclaims, thus subjecting all counterclaims to the payment of fees;

**NOW, THEREFORE, THE COMMISSION**, by virtue of the powers vested in it by law, and after due deliberations in its 185<sup>th</sup> Regular Meeting, **RESOLVES, AS IT DOES HEREBY RESOLVE**, to amend Rule 1 of Annex A (Rules for Computing the Sum in Dispute (SID) of CIAC Resolution No. 07-2013, to read as follows:

**“1. The sum of the total claims made by Claimant/s and the total counterclaims posed by Respondent/s shall constitute the sum in dispute (SID)**

- 1.1 All counterclaims posed by the Respondent/s in a case shall be added to the claims regardless of whether or not such counterclaims are permissive or compulsory**

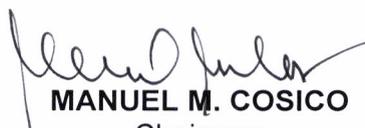
**2. Xxx .... xxx. “**

This resolution shall take effect fifteen (15) days from receipt of certified copies thereof by the Office of the National Register, U.P. Law Center.

**UNANIMOUSLY APPROVED.**

3 August 2016, Makati City.

**THE COMMISSION:**

  
**MANUEL M. COSICO**  
Chairman

  
**ANTONIO A. ABOLA**  
Member

  
**EMILIO LOLITO J. TUMBOCON**  
Member

  
Effectivity: 19 August 2016