

## ANNUAL WILLEM C. VIS INTERNATIONAL COMMERCIAL ARBITRATION MOOT

#### THE PROBLEM

Thirty Third Annual Willem C. Vis
International Commercial Arbitration Moot

Vienna, Austria October 2025 – April 2026

Oral Hearings March 28 – April 2, 2026

Organised by:

Association for the Organisation and Promotion of the Willem C. Vis International Commercial Arbitration Moot

and

Twenty Third Annual Willem C. Vis (East)
International Commercial Arbitration Moot
Hong Kong

Oral Arguments March 16 – 22, 2026

Organised by:
Vis East Moot Foundation Limited

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#### Joseph Langweiler

Advocate at the Court 75 Court Street Capital City Mediterraneo Tel (o) 146 9845; Telefax (o) 146 9850 Langweiler@lawyer.me

31 July 2025

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#### By email and courier

Singapore International Arbitration Centre (SIAC) Mr. Neelakantan 28 Maxwell Road #03-01 Singapore 069120

Dear Mr. Neelakantan

On behalf of my client, *Orchis Worldwide Ltd*, I hereby submit the enclosed Notice of Arbitration pursuant to Rule 3 of the SIAC Rules 2016. The Parties have agreed in their arbitration clause, set out in the enclosed Notice, on the application of the Arbitration Rules in force at the time of contracting. A copy of the Power of Attorney authorizing me to represent *Orchis Worldwide Ltd* in this arbitration is also enclosed.

A copy of the Notice has been sent to Respondent by email on 31 July 2025 and by courier. The filing fee has also been paid. The relevant confirmations for the transmission and payment are attached.

The Claimant requests damages for the non-performance of contractual obligations.

The contract giving rise to this arbitration provides that the seat of arbitration shall be Vindobona, Danubia, and that the arbitration shall be conducted in English. The arbitration agreement provides for three arbitrators. *Orchis Worldwide Ltd* hereby nominates James Bateman as its arbitrator.

The required documents are attached.

Sincerely yours,

Joseph Langweiler

Attachments:

Notice of Arbitration with Exhibits

Power of Attorney (not reproduced)

CV of James Bateman pursuant to Rules (not reproduced)

Proof of Transmission to Respondent – Courier Delivery Report (not reproduced)

Confirmation of Payment of Filing Fee (not reproduced)



#### Joseph Langweiler

Advocate at the Court 75 Court Street Capital City Mediterraneo Tel (o) 146 9845; Telefax (o) 146 9850 Langweiler@lawyer.me

By email and courier
Darwin Natural Food
Louis Liger Avenue 1704
Oceanside
Equatoriana

#### **Notice of Arbitration**

(pursuant to Rule 3 SIAC Rules 2016)

in the Arbitral Proceedings

#### Orchis Worldwide Ltd v. Darwin Natural Food plc

Orchis Worldwide Ltd Orchid Bee Drive Capital City Mediterraneo

- CLAIMANT -

Represented by Joseph Langweiler,

Darwin Natural Food plc Louis Liger Avenue 1704 Oceanside Equatoriana

- RESPONDENT -

#### STATEMENT OF FACTS

- 1. Claimant, Orchis Worldwide Ltd, is a medium-sized company based in Mediterraneo engaged in the growing and sale of orchids.
- 2. Respondent, Darwin Natural Food plc based in Equatoriana, is part of a group of companies that is one of the largest producers of natural food and spices. The most profitable product of its spice business is vanilla, which makes up for 30% of the overall profit of the spice business.
- 3. Most of the orchids sold and delivered by Claimant to its customers are hybrids created for the floriculture trade, both in cut and potted flowers. Its best seller in that area, which also inspired its corporate logo, is a hybrid orchid from the *Aranda* genus called the *Aranda Singapore*



Convention on Mediation. In addition, Claimant also has a line of business devoted to the research, preservation, propagation, and sale of high-priced rare natural orchids. The most important of these orchids is the *Vanilla Planifolia Mediterraniensis*, commonly known as "Vanilla Orchid". It is a rare species which only grows in Mediterraneo and four other countries. Due to the destruction of its natural habitat, it was originally listed as an endangered species in Appendix II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

- 4. The flowers, pods (often referred to as vanilla beans), and seeds of the Vanilla Orchid have been used in traditional medicines for centuries. In addition, its cured vanilla beans contain vanillin of the highest quality. Despite its merits, the Vanilla Orchid has long been excluded from commercial use of any larger scale due to its rarity, vulnerability to root and stem rot, sensitivity to changes in temperature and moisture, and the complexities involved in its pollination and propagation. Flowers and beans of the Vanilla Orchid have been sold on an individual basis, often taken from wild varieties of this orchid.
- 5. Over the last few years, the interest in the Vanilla Orchid, as well as its price, has grown considerably. Due to its potential use for the production of spices and for medical and cosmetic purposes, it has acquired the status of a potential "super flower".
- 6. On 1 December 2021, Claimant had entered into a contract with the Botanical Garden in Equatoriana for the delivery of 300 Vanilla Orchids at a price of 2,200 USD per orchid to be delivered on 23 January 2024. Already at that time, it was clear that the research to be done by the Botanical Garden with the orchids purchased was primarily conducted in the interests of Respondent and its business of researching, growing, and selling orchids (Claimant Exhibit C 1).
- 7. In 2022, the Botanical Garden in Equatoriana ran into serious financial problems. It was taken over by Respondent and became part of Respondent's research facilities. In connection with the takeover, Mr. Edmond Albius, the director of Respondent's spice business line, contacted Claimant's CEO, Ms. Giorgia Theophrastus, via email. He informed Ms. Theophrastus that Respondent intended to fulfil the contract as concluded between Claimant and Botanical Garden of Equatoriana and was interested in a much larger number of orchids and a change in the delivery terms, suggesting a meeting to discuss details (Claimant Exhibit C 2).
- 8. Under normal circumstances, Claimant would not have been able to accommodate the request. Growing the Vanilla Orchids is a complex process requiring specific facilities and trained personnel. In its facilities, Claimant can only grow up to 21,000 Vanilla Orchids. Of those, up to 10% fail to survive the first three years when they reach the point of being market-ready. In light of that, only a very small portion of Claimant's annual production of 7,000 Vanilla Orchids is available on short notice. At the time, however, one of Claimant's long-term customers had filed for insolvency shortly before Respondent's inquiry. Thus, Claimant could use the Vanilla Orchids originally cultivated for that customer to accommodate a large part of Respondent's request (Claimant Exhibit C 1).
- 9. On 25 August 2022, Claimant and Respondent agreed to amend the previously existing contract with the Botanical Garden of Equatoriana in three points: Respondent became the official buyer under the contract, the quantity to be delivered was changed from 300 to 3,000 +/- 10%, and upon Respondent's request, some flexibility as to the time of delivery was included. Respondent was given the opportunity to determine the exact time for delivery within a period of three months (Claimant Exhibit C 3).
- 10. In September 2023, upon a recommendation of the Plants Committee of CITES and after a controversial discussion, the Standing Committee of CITES suggested that the Vanilla Orchid should be moved at the next Conference of the Parties of CITES at the end of January 2024 from Appendix II to Appendix I (Claimant Exhibit C 4).
- 11. Directly after the recommendation of the Plants Committee, Claimant approached Respondent to discuss the possible consequence of the inclusion of the Vanilla Orchid into Appendix I. Following initial evaluations of the legal situation and possible options by the legal departments



of both Parties, a meeting at the management level finally took place on 1 November 2023. Claimant was represented in that meeting by Ms. Theophrastus, and its Head of Sales, Mr. Ferdinand Haarmann, while Respondent was represented by Mr. Albius. Mr. Haarmann suggested that, in light of the potential inclusion into Appendix I, Claimant would deliver the orchids in the week preceding the Conference of the Parties. Mr. Albius informed Claimant's representatives that such an early delivery would create considerable additional costs for Respondent. Its new greenhouse, built specifically for the Vanilla Orchids and powered largely by solar, would only be ready for use at the end of February 2024 at the earliest. Thus, according to Mr. Albius, Respondent had internally already decided to ask for a delivery by the end of March 2024 but had not yet communicated that to Claimant. Mr. Albius promised to look into the delivery dates again to see whether an earlier delivery was possible.

- 12. As a conceivable alternative, it was discussed that Respondent would apply already in November 2023 for an import permit to ensure its grant in case such a permit should be necessary. In a comparable case of a looming inclusion into Appendix I, which Equatoriana did not support, its authorities had adopted such an approach of an anticipatory grant of permits.
- 13. Following that meeting, Claimant had few doubts that the performance of the contract would be possible.
- 14. On 1 December 2023, Respondent informed Claimant that delivery should occur on 27 March 2024 (Claimant Exhibit C 5).
- 15. In the telephone conversation on the next day, Mr. Haarmann informed Mr. Albius that this could create problems with the performance of the contract, as the required import permit would only be granted for non-commercial purposes. Mr. Albius assured Mr. Haarmann that, given his good contacts at the local authorities in Equatoriana and their issuance practice, obtaining that permit even on short notice should not be a problem (Claimant Exhibit C 6).
- 16. At the beginning of January 2024, ecological activists started an extensive campaign to protect the natural habitat of Mediterraneo, in particular its orchids. Respondent was one of the prime targets of that campaign due to its announcement of plans to intensify its research into the commercial use of the Vanilla Orchid on the basis of a patent it had obtained for the *Planafolia Equatoriana*, another orchid producing vanilla beans but of a much lower quality. The grant of the patent in relation to a modified plant had been very controversial. NGOs have criticized it as an obstacle to the free use of natural genetic resources and a threat to biodiversity.
- 17. On 1 February 2024, despite strong objections from Mediterraneo and some other countries, with Equatoriana abstaining, the Conference of the CITES Parties took the decision to include the Vanilla Orchid into Appendix I. As a consequence, from 1 February 2024 onwards a delivery of the purchased Orchids would require an import permit (Claimant Exhibit C 4).
- 18. On 2 February 2024, Mr. Haarmann tried unsuccessfully to contact Mr. Albius via phone to discuss the delivery of the Vanilla Orchids in light of the new developments. He was informed that Mr. Albius would call him back after his return from a business trip.
- 19. On 10 February 2024, Mr. Albius finally got back to Mr. Haarmann and told him that it would be impossible to obtain the import permit within the period required to meet the original delivery date. To the big surprise of Mr. Haarmann, Mr. Albius informed him that it was very doubtful that delivery could take place at all.
- 20. After discussing that call with Ms. Theophratus, Mr. Haarmann approached one of Claimant's other customers, Herbal Cosmetics, to discuss with them the potential for a cover sale.
- 21. Herbal Cosmetics is based in Ruritanian, which is not a Contracting State to CITES. Herbal Cosmetic started in 2021 a high-priced luxury cosmetic line using fragrances from the Vanilla Orchid, which turned out to be extremely successful. In light of the enormous success of the line, Herbal Cosmetics had contacted Claimant in December 2021 and had tried to buy larger quantities of Vanilla Orchids for delivery as early as possible. In the end, Claimant sold Herbal Cosmetic 1,000 plants for delivery in 2023 at a fixed price of 2,300 USD per piece. Furthermore, in January 2022 a contract for the delivery of a further 4,000 Vanilla Orchids in December 2024



- "at the market price of 1 October 2024" had been concluded. These orchids were to be produced by Claimant from new cuts and were supposed to flower for the first time in June/July 2025. During the initial discussion in December 2021/January 2022, and also later on several occasions, Herbal Cosmetics had made clear that it would be interested in buying larger quantities should such become available, even on short notice, given that the demand for its orchid-based cosmetics exceeded production by far.
- 22. When Mr. Haarmann approached Herbal Cosmetics on 12 February 2024 with the offer for a delivery of 3000 +/- 10% Vanilla Orchids ready to flower in 2024, Herbal Cosmetics was immediately interested. It, however, clarified that due to the short notice of the delivery and the need to change its planning, a delivery in March would cause considerable disruption in the company. The early delivery entailed, furthermore, certain risks that, due to the lack of sufficient personnel for the pollination, fewer orchid beans would be produced. As a consequence, Herbal Cosmetics required a reduction from the last recorded market price of 1 February 2024, which was 1,100 USD per orchid.
- 23. It was crucial for Claimant to sell and deliver the Vanilla Orchids before their first flowering in June or July. Any sale after the first flowering would have diminished the value of the flowers by at least 30%. The Vanilla Orchid has a fairly short lifecycle and dies two to three years after its first flowering. Thus, its potential to produce vanilla beans is considerably reduced by each flowering. Furthermore, Claimant needed the greenhouse where the 3,300 Vanilla Orchids were being grown for a new batch of orchids.
- 24. In the end, a price of 1,000 USD per orchid was agreed as part of a package affecting also the existing contract of January 2022. In a contract concluded on 15 February 2024 between Claimant and Herbal Cosmetics, it was agreed that the original contract of January 2022 for the delivery of 4,000 Orchids would be adapted to this new situation. While the other terms remained unchanged, it was agreed that Herbal Cosmetics had to take only 2,000 of the contracted Vanilla Orchids, while the delivery of the remaining 2,000 was dependent on Herbal Cosmetics exercising an option for their delivery by 10 October 2024.
- 25. On 1 March 2024, after further unsuccessful negotiations with Respondent, Claimant terminated the contract with Respondent.
- 26. On 15 April 2024, Claimant delivered 3,300 Orchids to Herbal Cosmetics under the cover sale concluded with them on 15 February 2024. The price per Vanilla Orchid was 1,000 USD, and thus half of the price which Respondent would have been required to pay.
- 27. On 2 October 2024, Herbal Cosmetics exercised its option for the 2,000 Vanilla Orchids, which were subsequently delivered in December 2024 at the price of 3,200 USD.
- 28. On 19 December 2024, after all efforts to settle the dispute with Respondent in negotiations had failed, Claimant started mediation proceedings before the Singapore International Mediation Centre. Unfortunately, these mediation proceedings also proved to be unsuccessful so that the initiation of the present proceedings became necessary.

#### **LEGAL EVALUATION**

#### **Procedure**

29. The Arbitral Tribunal has jurisdiction pursuant to Article 15 of the Contract which provides:

Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the current Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules").

The seat of the arbitration shall be Danubia.

The Tribunal shall consist of three arbitrator(s).



The language of the arbitration shall be English.

The parties further agree that at the first step of the dispute resolution process they will attempt in good faith to resolve the Dispute through mediation at the Singapore International Mediation Centre ("SIMC"). To secure the enforcement of any settlement reached in the course of the mediation, each party shall have the right to request to have the settlement be referred to the arbitral tribunal appointed by SIAC and turned into a consent award on agreed terms.

- 30. The Parties agreed in the above dispute resolution clause on a two-step procedure according to which all disputes which could not be settled in a SIMC-mediation would be resolved by arbitration under the SIAC Arbitration Rules in force at the time of contracting, i.e. the 2016 SIAC Rules.
- 31. Claimant started the proceedings with its request for mediation to the SIMC of 19 December 2024. Since no settlement could be reached in the mediation, Claimant has to continue the proceedings through the present arbitration.
- 32. To bring the present arbitration Claimant had to rely on outside financial support from AtJ-Financing and obtained insurance for adverse cost coverage from the litigation risk insurance provider LitSure.
- 33. The Claimant wants the arbitration to be conducted under the standard track and not under the Expedited Procedure.

#### Substance

- 34. On the basis of the above facts, Claimant is entitled to damages in the amount of 3,300,000 USD pursuant to Articles 61 (1)(b), 74, 75 CISG.
- 35. Under the Contract, Respondent was obligated to take delivery of the orchids in the period between 1 January 31 March 2024 and pay for them. Respondent breached that obligation and is thus liable to pay damages for such a breach. Respondent's liability for its failure to perform its obligations is not excluded by Article 79 CISG. The asserted inability to procure the necessary import permit and to take delivery of the Vanilla Orchids does not constitute an unforeseeable impediment beyond Respondent's control. Respondent could have easily overcome that impediment by fixing an earlier delivery date or finding a way to obtain a permit as promised before.
- 36. Following the avoidance of the contract by Claimant, Claimant is entitled pursuant to Article 75 CISG to damages in the amount of 3,300,000 USD, constituting the differences between the price agreed in the Contract between the Parties and the price paid by Herbal Cosmetics in the substitute transaction of 15 February 2024.
- 37. Claimant reserves the right to claim further damages should such occur, in particular, through the conduct of the arbitral proceedings.

#### **REQUEST**

- 38. In light of the above, and preserving its right to amend and enlarge its claims, Claimant asks the Arbitral Tribunal for the following orders:
  - 1) Respondent is ordered to pay damages in the amount of 3,300,000 USD
  - 2) Respondent is ordered to pay the costs of the present arbitral proceedings
  - 3) To order any further relief the Arbitral Tribunal considers appropriate in particular in light of further requests by Claimant





#### Witness Statement of Giorgia Theophrastus

- 1. I was born on 7 June 1967 and have a degree in biology from the University of Mediterraneo. Since 2019, I have been the CEO of Orchis Worldwide Ltd ("Orchis"), where I started my professional career in 1993 as a young researcher. From 2000 to 2015, I headed Orchis' research team in relation to all types of plants and spices. From 2009 onwards, we were doing research also in relation to the *Vanilla Planifolia Mediterrianiensis*, the so-called Vanilla Orchid.
- 2. The Vanilla Orchid is extremely rare and its natural habitat is limited to Mediterraneo and four other countries. Its flowers and pods have been used in the traditional medicine of Mediterraneo for centuries. Its milky yellow flowers appear between June and July and each individual flower lasts only for one day. If pollinated during that time, the ovary swells to produce a long seed capsule, commonly referred to as the vanilla bean. The latter contains vanillin of the highest quality as well as other chemical ingredients with a high therapeutic potential. Consequently, there has been a considerable interest in the Vanilla Orchid since the late 1960s when its potential as a "superflower" for use in the food and pharmaceutical industry was recognized.
- 3. Up to the early 1990s, a considerable part of the flowers and vanilla beans used and sold were from wild orchids, which contributed to a considerable reduction of the population in Mediterraneo. Until then, any commercial use of the Vanilla Orchid was largely excluded due to many of the natural features of the orchid. It requires very stable climatic conditions and is very sensitive to all sudden changes in temperature and humidity. Furthermore, it is highly susceptible to root and stem rot caused by a special type of Fusarium oxysporum, a fungus.
- 4. Natural pollination occurs through a special fly, the Vanilla Orchid fly. The success rates of pollination are much lower than with other orchids. That is aggravated by the fact that over the last decades, the population of the Vanilla Orchid fly has also decreased considerably. Artificial pollination is possible but requires special training, and a skilled person is only able to pollinate up to 200 flowers per day.
- 5. From the early 1990s onwards, Orchis has conducted horticultural, breeding and bean-curing research with the objective of preserving the Vanilla Orchid and making a commercial use possible. In that context, we developed a method to facilitate artificial pollination and allow for propagation by cuttings. Due to the sensitivity of the Vanilla Orchid, cuttings are much more problematic than for other orchids, and only two to three cuttings are possible per vine per year. To facilitate the healing of the cut sites and to prevent the invasion of fungus both at the original vine as well as on the cut, a special paste was developed which is applied to the cuts in a special process constituting protected know-how of Orchis.
- 6. Through that process, we have become one of the leading producers of Vanilla Orchids worldwide and are able to grow in our specialized greenhouses up to 21,000 Vanilla Orchid vines at any time. Depending on the size of the cuttings, the new orchids resulting from those cuttings flower in three to four years. We normally use cuttings which flower in three years and try to have an annual output of 7,000 Vanilla Orchids every year. Each vine then lives for three to four seasons of flowering.
- 7. The original contract with the Botanical Garden in Equatoriana was based on the template we use for the sale of our orchids. The only clauses which had resulted in some negotiations were the delivery terms and the dispute resolution clause. The Botanical Garden was at the beginning



- not willing to submit to the jurisdiction of any other courts but those of Equatoriana, which was not acceptable to us.
- 8. As a compromise, we suggested arbitration under the rules of the Singapore International Arbitration Centre. Ms. Nicola Gobley, the chief contract officer of the Botanical Garden, took a look at the rules and considered them to be appropriate. She suggested the clause finally included in the contract, which was, according to her, a modified version of the Singapore International Arbitration—Singapore International Mediation Centre's Arb-Med-Arb model clause (Arb-Med-Arb procedure). My understanding from her email and our later discussion was that it was crucial for her that with the initiation of mediation proceedings, the time under the statute of limitations stopped running and that a settlement could be turned into an award on agreed terms. According to her, the suggested clause, which amended the order of the various steps under the Arb-Med-Arb procedure, was suitable to reach these objectives. While I am not a dispute resolution specialist, her arguments seemed convincing to me. As for us, the only really relevant part of the clause was the possibility of having the disputes finally resolved in arbitration. I accepted the clause without seeking further advice from an external dispute resolution expert.
- 9. On 15 June 2022, I received an email from Mr. Edmond Albius, the head of Respondent's line of spices. He informed me that Respondent had taken over the Botanical Garden in Equatoriana, which had been in serious financial difficulties and that Respondent would become the new counterparty in all agreements concluded by the Botanical Garden. Furthermore, he expressed an interest in discussing an amendment to our contract with the Botanical Garden.
- 10. My impression had always been that the research which the Botanical Garden wanted to conduct with the 300 Vanilla Orchids purchased was primarily done in the interest of Respondent. There had been efforts by several of the major vanilla producers to use the Vanilla Orchid for a larger-scale production of vanilla beans. The taste of the vanilla beans is exquisite and of the highest quality. The main obstacle to commercial use is the sensitivity of the Vanilla Orchid to climate change and root and stem rot. For the same reason, the commercial use of the Vanilla Orchid for herbal medicine has so far not been realized.
- 11. Thus, I was not surprised when Mr. Albius suggested increasing the amount to be delivered to 3,000 Vanilla Orchids. Normally, such an increase in delivery would not have been possible for us, as most of our orchids are sold upon propagation. It takes 3 years before the first flowers appear, and we only have the capacity to propagate around 7,000 plants per year, out of which we lose on average 500 before we can sell them. Shortly before, however, one of our main customers had filed for insolvency, and the insolvency administrator had informed us that he would not be interested in taking delivery of the 2,500 plants as originally agreed. These orchids were thus available for sale to Respondent once they were ready for delivery.
- 12. It was obvious for what reason Respondent sought such an increase in delivery. Shortly before, two scientists of the Botanical Garden had applied for a patent for a genetic modification in the Planafolia Equatoriana, another orchid producing vanilla beans, though of a low quality.

Mediterraneo, 9 June 2025









From: edmond.albius <edmond.albius@natural-food-spices.eq>

**Sent:** 15 June 2022, 8:25 am

**To:** Giorgia Theophrastus < giorgia.theoprastus@orchis-worldwide.me>

**Re:** Your Contract with Botanical Garden in Equatoriana

Dear Ms. Theophrastus,

I hope you are doing fine.

You probably do not remember me, but we met in the course of your visit to the Botanical Garden in Equatoriana at the beginning of the year. I am the director of the spices business line of Darwin Natural Food, one of the largest producers of spices, based in Equatoriana. As you may have been aware from the newspapers, the Botanical Garden in Equatoriana has run into serious financial problems due to grave mismanagement and financial fraud. The Botanical Garden was not only one of the most attractive educational and leisure institutions in Equatoriana but also a highly respected research institution with which we closely cooperated in the context of our own research. In particular, in the area of research on orchids, which can be used for the production of vanilla, we cooperated closely with them. In light of that cooperation, we were approached by the city of Oceanside to inquire whether we would be willing to contribute to preventing the closure of the Botanical Garden. To preserve it as an educational and research institution we decided to take over the ownership of the Botanical Garden from Oceanside including all its commitments and liabilities. That naturally also includes the contract concluded on 1 December 2021 with you for the delivery of 300 Vanilla Orchids at a price of 2200 USD per piece, CIF Oceanside by 23 January 2024, to which we are committed.

As we are planning to enlarge our vanilla business, we would be interested in intensifying our cooperation and in increasing the size of the contract.

My secretary will call your office in the next days to coordinate dates for a discussion on our future cooperation.

I look forward to talking to you.

Sincerely,

Edmond Albius Director Spices

Darwin Natural Food plc

Louis Liger Avenue

Oceanside

Equatoriana

T: (0)214 6698053

Email: edmond.albius@natural-food-spices.eq



#### SALES AGREEMENT

This Sale of Orchids Agreement (the "Agreement") is made on <u>25 August 2022</u> (the "Effective Date") between:

- 1. **Orchis Worldwide Ltd**, a company incorporated under the laws of Mediterraneo with its registered office at Orchid Bee Drive (the "Seller"); and
- 2. <u>Darwin Natural Food plc</u>, a company incorporated under the laws of <u>Equatoriana</u> with its registered office at <u>Louis Liger Avenue 1704</u> (the "Buyer").

The Seller and the Buyer are individually a "Party" and together the "Parties".

The Agreement replaces the earlier agreement between Seller and the Botanical Gardens of Equatoriana concluded on 1 December 2021, which is hereby terminated.

#### 1. DEFINITIONS & INTERPRETATION

- 1.1 **Definitions.** In this Agreement: "**Business Day**" means a day (other than a Saturday, Sunday or public holiday) on which banks are open for business in Singapore, Mediterraneo and Equatoriana. "**CITES**" means the Convention on International Trade in Endangered Species of Wild Fauna and Flora (as amended from time to time). "**Delivery Term**" has the meaning given in Clause 4.1. "**Goods**" or "**Orchid**" means live orchid plants (including any varieties, cultivars or tissue-cultured plantlets) described in **Schedule 1**. "**Incoterms**® **2020**" means the trade terms published by the International Chamber of Commerce (ICC), 2020 edition. "**Invoice**" means the Seller's commercial invoice for a shipment.
- 1.2 **Interpretation.** Headings are for convenience only and do not affect interpretation. References to statutes include amendments and reenactments. Unless otherwise stated, references to a Party include its permitted successors and assigns. Incoterms® 2020 rules apply to the extent not inconsistent with this Agreement.

#### 2. SALE & PURCHASE

- 2.1 **Quantity.** The Seller shall sell, and the Buyer shall purchase a total of  $\underline{3,000}$  ( $\pm$ /-10%) orchid plants as specified in **Schedule 1**.
- 2.2 **Species; Grade; Form.** Species/cultivars, grades, plant form (e.g., tissue culture in sterile media, bare-rooted, or potted) and minimum quality standards are set out in **Schedule 1**. No substitution is permitted without the Buyer's prior written consent.
- 2.3 **Protected Varieties.** The Buyer shall not, in any way, multiply or propagate plant varieties obtained from the Seller without the Seller's prior written consent.
- 2.4 **Exclusive Terms.** This Agreement constitutes the exclusive terms governing the sale and purchase of the Goods.

#### 3. PRICE & PAYMENT

3.1 **Price.** The price per Orchid is <u>USD 2,000.</u>



- 3.2 **Currency & Taxes.** Prices exclude all import duties, VAT/GST, customs charges and other taxes in the country of import, which shall be borne by the Buyer. The Seller shall bear export duties and taxes in Mediterraneo.
- 3.3 Payment Terms. Unless otherwise agreed in Schedule 2: (a) 30% deposit is due within 5 Business Days after the Effective Date; and (b) 70% balance is due against documents (Invoice, packing list, air waybill/bill of lading, phytosanitary certificate, CITES export permit if required, and cargo insurance certificate where applicable) within 5 Business Days of receipt of scanned copies, with originals couriered on request.
- 3.4 **Security of Payment.** At the Buyer's option stated in **Schedule 2**, payment may be made by irrevocable, transferable **letter of credit at sight** issued by a first-class bank acceptable to the Seller.
- 3.5 Late Payment. Sums not paid when due accrue interest at SOFR/3-month EURIBOR + 5% p.a. (or, if higher, the maximum lawful rate) from due date to payment in full. The Buyer shall reimburse reasonable collection costs.

#### 4. DELIVERY, TRANSFER OF RISK & TITLE

- 4.1 **Delivery Term.** Delivery shall be <u>FCA Capital City International Airport, Incoterms® 2020.</u>
- 4.2 **Delivery Schedule.** Shipments shall be made <u>between 1 January 2024 and 31 March 2024 on the date determined by the Buyer in accordance with the schedule in **Schedule 1**. Time is of the essence, subject to Clause 12 (Force Majeure).</u>
- 4.3 **Risk & Title.** Risk of loss or damage passes per the Delivery Term. **Title** passes to the Buyer upon the Seller's receipt of the corresponding payment for the Shipment; until then, title remains with the Seller (retention of title) to the maximum extent permitted by applicable law.
- 4.4 **Insurance** (**if CIP/CIF**). Where the Delivery Term requires insurance, the Seller shall procure cargo insurance on **Institute Cargo Clauses** (**A**) (or equivalent) for **110%** of the Invoice value, with claims payable in the currency of the Invoice and including war/strikes risks where available. The Buyer shall be named as loss payee/assured.
- 4.5 Carrier Selection; Route. The Buyer shall select reasonable carriers, routes and modes consistent with the perishable nature of the Goods (airfreight preferred for live plants), unless the Parties agree otherwise in writing.

#### 5. EXPORT/IMPORT & COMPLIANCE

- 5.1 **Phytosanitary & CITES.** The Seller shall obtain and provide with each Shipment (a) an official **phytosanitary certificate** issued by the competent NPPO in Mediterraneo; and (b) **CITES export permits** where required for any listed orchid species. The Buyer shall obtain all **import permits** for the country of destination.
- 5.2 **Regulatory Compliance.** Each Party shall comply with all applicable laws, including plant health regulations, biosecurity rules, phytosanitary, packaging and waste regulations, air transport rules (including IATA Perishable Cargo Regulations (PCR) and any applicable airline SOPs) and anti-corruption/money-laundering laws.



#### 6. PACKING, HANDLING & TEMPERATURE CONTROL

- 6.1 **Packing Standards.** The Seller shall pack the Goods in a filling compound, in a manner to minimize desiccation, movement, and damage during transport, and to allow adequate ventilation, in accordance with the standards listed in IATA Perishable Cargo Regulations (PCR).
- 6.2 **Temperature & Transit Care.** The Seller shall ensure the Goods are dispatched at a recommended temperature range of 16–24°C (species-appropriate) and marked "LIVE PLANTS NO EXTREME HEAT OR COLD". The Buyer shall ensure prompt clearance and appropriate storage upon arrival.
- 6.3 **Medium/Soil Restrictions.** Where import rules prohibit soil, the Goods shall be shipped **bare-rooted** or in sterile inert media as specified in **Schedule 1**.

#### 7. QUALITY, INSPECTION & ACCEPTANCE

- 7.1 **Quality.** On shipment, the Goods shall (a) conform to the species/cultivars and grades in **Schedule 1**; (b) be healthy, disease-free to the Seller's best knowledge and accompanied by the certificates in Clause 5.1; and (c) be free from visible pests and mechanical damage beyond normal transport wear.
- 7.2 **Pre-Shipment Inspection.** The Buyer (or its appointed independent inspector) may perform a pre-shipment inspection at the Seller's facility on reasonable notice, without unduly delaying dispatch.
- 7.3 **Arrival Inspection & Claims.** The Buyer shall inspect the Goods promptly on arrival. **Obvious non-conformities** (including transport damage or shortfall) must be notified in writing within **48 hours** after availability for collection at the named destination under the Delivery Term. **Latent defects** (including latent disease) must be notified within **14 days** of arrival, supported by photos and, where appropriate, an independent agronomic or phytopathology report.
- 7.4 **Remedies.** For duly notified and substantiated non-conformities, the Seller shall, at its option: (a) **replace** the affected Goods within a reasonable time; or (b) issue a **credit note/refund** for the non-conforming portion. These are the Buyer's exclusive remedies, save for fraud or willful misconduct.
- 7.5 **Mitigation**; **Perishables.** Given the perishable nature of the Goods, the Buyer shall take reasonable steps to mitigate loss (including sorting, re-hydration and appropriate storage). The Seller is not liable for deterioration arising from delays in customs clearance, mis-handling by carriers not engaged by the Seller, or Buyer's improper storage.

#### 8. WARRANTIES & DISCLAIMERS

8.1 **Seller Warranties.** The Seller only warrants that, at the time of shipment, the Goods conform to **Schedule 1** and are fit for transport under the agreed conditions.

Except as expressly stated, the Goods are sold "**as is**" regarding post-arrival growth, flowering performance or suitability for the Buyer's cultivation conditions. To the extent permitted by law, all implied warranties are excluded.



#### 9. LIMITATION OF LIABILITY

- 9.1 **Cap.** The Seller's aggregate liability under or in connection with this Agreement shall not exceed the **total price actually paid** for the specific Shipment giving rise to the claim.
- 9.2 Exclusion. Neither Party is liable for indirect, incidental, special or consequential losses, including loss of profit, anticipated savings, business or reputation, arising out of or in connection with this Agreement, except to the extent caused by fraud or willful misconduct.

#### 10. TERMINATION & SUSPENSION

- 10.1 **Suspension for Non-Payment.** The Seller may suspend further Shipments if any sum is overdue by more than **5** Business Days.
- 10.2 **Insolvency.** Either Party may terminate immediately if the other becomes insolvent, makes an assignment for the benefit of creditors, or a receiver is appointed.
- 10.3 **Extended Delay.** If a Force Majeure Event under Clause 12 prevents delivery or acceptance of a Shipment for more than **30** consecutive days, either Party may cancel the affected Shipment without liability.

[....]

#### 12. FORCE MAJEURE

- 12.1 **Events.** A Party is not liable for failure or delay caused by events beyond its reasonable control, including but not limited to acts of God, extreme weather, epidemics/pandemics, quarantine restrictions, embargoes, government measures, strikes, war, civil unrest, natural disasters, and carrier-wide disruptions.
- 12.2 **Notice & Mitigation.** The affected Party shall notify the other within **5** days of becoming aware and use reasonable endeavours to mitigate the effects. Performance times are extended accordingly.

[....]

#### 15. DISPUTE RESOLUTION

Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the current Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules").

The seat of the arbitration shall be Danubia.

The Tribunal shall consist of three arbitrator(s).

The language of the arbitration shall be English.

The parties further agree that at the first step of the dispute resolution process, they will attempt in good faith to resolve the Dispute through mediation at the Singapore International Mediation Centre ("SIMC"). To secure the enforcement of any settlement reached in the course of the mediation, each party shall have the right to request to have the settlement be referred to the arbitral tribunal appointed by SIAC and turned into a consent award on agreed terms.



# CULTURE AND CONSERV



# under the CITES took the decision to move the *vanilla planafolia meditereaniensis*, commonly known as Vanilla Orchid, from Appendix II of the CITES to Appendix I, with immediate effect, largely excluding any future trade for commercial purposes. It thereby followed the recommendation

Yesterday, the Conference of the Parties

It thereby followed the recommendation of the Standing Committee from September last year, including the use of the new powers under Conf. XX.8 to make amendments with immediate effect. The Standing Committee feared that the increased interest in the commercial use of the Vanilla Orchid would result in a further reduction of the wild orchids.

The decision was highly controversial. In particular, Mediterraneo, which is one of the few countries where the orchid grows, had been strictly opposed to such a transfer from Appendix II to Appendix I.

A spokesman of the Ministry of Agriculture and Environment criticized the decision as driven by environmental extremists and lobby groups reflecting an outdated understanding of effective protection of the environment.

The authorities of Mediterraneo have been criticized in the past for their very generous grant of export permits for endangered species included in the various Appendices of CITES. In principle a mere allegation that goods exported serve also research purposes is sufficient for a grant of an export permit.

Activists of the group "The last Orchid" have hailed the decision as an overdue step to come to an effective protection of the Vanilla Orchid. At the beginning of this year, The last Orchid had initiated a major social media campaign against Darwin Natural Food, one of the world's largest food and spice producers.

It was feared that Darwin Natural Food would try to commercially exploit the Vanilla Orchid on a larger scale with the help of the highly controversial patent it had obtained in 2023 on the *planafolia Equatoriana*, another type of orchid the

#### **CLAIMANT EXHIBIT C 4**

pods of which contained vanilla but of a much lower quality.

At the time, the grant of the patent had been heavily criticized as having a negative impact on biodiversity and restricting further developments in research through expensive licences. The patent, which had been the result of several years of research, makes the planafolia equatoriana more resistant to the *Fusarium oxysporum* an ubiquitous soilborne fungus that causes the root and stem rot disease in many species.

The disease has so far been one of the main obstacles in the commercial exploitation of the Vanilla Orchid, which is highly susceptible to it. The second obstacle is the difficulties in its propagation. There had been plans by Darwin Natural Food to considerably upscale its vanilla business relying primarily on Vanilla Orchids. Work on the three greenhouses constructed particularly for those plans had been delayed in 2023, but should be finished this month.

According to a spokesman of The last Orchid, it was feared that such a large scale production of the high-quality vanilla beans from the Vanilla Orchid would endanger the species even further. It would largely exclude the possibility of any control of the origin of the beans, leading to an influx of illegally harvested beans to the market. In light of the high price of the beans there is a considerable incentive to take the bean of wild living species largely excluding natural propagation via the seeds.

According to the spokesman of the NGO, it is now absolutely crucial that also the local authorities in the importing countries live up to the obligations under CITES. In particular, the practice of the authorities in Equatoriana of granting import permits for commercially used plants under the pretext of vaguely formulated research purposes has to be changed.







From: edmond.albius <edmond.albius@natural-food-spices.eq>

**Sent:** 1 December 2023, 8:25 am

**To:** Giorgia Theophrastus < <u>giorgia.theoprastus@orchis-worldwide.me</u>>; Ferdinand

Haarmann < ferdinand.haarmann@orchis-worldwide.me >

**Re:** Delivery dates

Dear Ms. Theophrastus, Dear Mr. Haarmann,

#### I hope you are doing fine.

Following our discussion on 1 November 2023 concerning an earlier delivery, and in light of the potential inclusion of the Vanilla Orchid into Appendix I CITES, we internally discussed possibilities to accept delivery in January 2024.

Unfortunately, we do not see an opportunity to move the planned delivery date from 27 March 2024 to any time in January. We have confirmed with the company constructing the greenhouses for the Vanilla Orchid that only one will be available in January while the other two will only be available from mid-February onwards at the earliest. Thus, we have to keep the planned delivery date of 27 March 2024. Any earlier delivery would put at least two/thirds of the Vanilla Orchid to be delivered at risk, as they would have to be stored at commercially unreasonable costs in one of the existing greenhouses and would then have to be moved to the new greenhouse, exposing them to additional stress. You will probably remember that during the negotiation of our agreement, greater flexibility concerning the delivery dates was one of the crucial amendments to the original we requested from you.

#### Sincerely,

Edmond Albius Director Spices

Darwin Natural Food plc

Louis Liger Avenue

Oceanside

Equatoriana

T: (0)214 6698053

Email: edmond.albius@natural-food-spices.eq

#### Witness Statement of Ferdinand Haarmann

- I was born on 9 June 1981 and have been the Head of Sales of Orchis Worldwide Ltd ("Orchis") since 1 January 2023.
- 2. In that function, I was involved in discussions concerning the delivery of Vanilla Orchids to Darwin Natural Food.
- 3. After the Conference of the Parties to CITES had taken the decision to include the Vanilla Orchid into Appendix I on 1 February 2024, I directly contacted Mr. Albius to discuss the delivery with him. He told me that Darwin Natural Food was still investigating the situation and that he would come back to me within the next week and in time for us to make the necessary transport arrangements for the planned delivery on 27 March 2024.
- 4. On 10 February 2024, Mr. Albius finally got back to me and informed me that it would be impossible to obtain the requisite import permit within the period required to meet the original delivery date. To my big surprise, he also expressed doubts about whether it would be possible at all to obtain a permit under the new circumstances. Upon my complaint that they had assured us of the opposite in our early talks, he indicated that since then, there has been serious pressure on the government and on Darwin Natural Food from environmental groups.
- 5. I told him that, in light of the limited space in our greenhouses and the flowering period, we had to deliver the Vanilla Orchids before mid-May either to Darwin Natural Food or to another customer. In the latter case, we would then only be able to deliver orchids to Darwin Natural Food by the end of the year. Mr. Albius told me that he would take that information into account and would come back to me as soon as possible.
- 6. The next day, I discussed the call with our CEO, Ms. Theophrastus. She was not surprised at all about Mr. Albius evasive conduct. Since late January, there have been rumours in the industry that the newly appointed CEO of Darwin Natural Food was considering discontinuing its vanilla activities in light of the pressure from the environmental groups and the resulting serious reputational damages inflicted on its other business. Ms. Theophrastus asked me to contact other customers, and in particular Herbal Cosmetics, to enquire with them whether they would be interested in purchasing the orchids.
- 7. Herbal Cosmetics, based in Ruritania, had started in 2021 a luxury cosmetic line under the name of "Vanilla Flowers", relying on flavour compounds of the Vanilla Orchid. In light of the unexpected success of the line and the unsatisfied demand, Herbal Cosmetics contacted Orchis in December 2021 and tried to buy a larger quantity of Vanilla Orchids for delivery as early as possible. In the end, we agreed to sell them 1000 plants to be delivered in 2023 at a fixed price of 2,300 USD per piece, primarily for research purposes.
- 8. Furthermore, in January 2022, we agreed that further 4,000 Vanilla Orchids would be delivered in December 2024 "at the market price of 1 October 2024". These orchids were to be produced by Orchis Worldwide from new cuts and were supposed to flower for the first time in June/July 2025. During the initial discussion in December 2021 but also later on several occasions, Herbal Cosmetics had made clear that it would be interested in buying larger quantities should such become available even on short notice, given that the demand for its orchid-based cosmetics exceeded production by far.
- 9. On 12 February 2024, I contacted Mr. Ayur Veda, the purchase manager of Herbal Cosmetics and informed him about the potential availability on short notice of a delivery of 3000 +/- 10% Vanilla Orchids ready to flower in June/July 2024. He was immediately interested but emphasized that due to the short notice of the delivery and the required changes in the planning



- of Herbal Cosmetics, a delivery in March would cause considerable disruption in the company. It entailed furthermore certain risks that due to the lack of sufficient personnel for the pollination, fewer orchid beans would be produced. As a consequence, Herbal Cosmetics required a reduction from the last recorded market price of 1 February 2024, which was 1,100 USD.
- 10. On 15 February 2024, we finally agreed orally upon the delivery of 3,200 orchids +/- 5%, FCA Capital City, on 15 April 2024 for a price of 1,000 USD per orchid. For the payment of that delivery, it was agreed that the 30% down payment in the amount of USD 2,500,000 under the January 2022 contract would be used and the remainder would be paid against documents. Furthermore, upon delivery of the Vanilla Orchids in April 2024, Herbal Cosmetics would make a further down payment in the amount of USD 1,000,000 for the further deliveries in December 2024.
- 11. Concerning the number of orchids to be delivered in December 2024 it was agreed that in light of the Vanilla Orchids already received in April, Herbal Cosmetics would only be obliged to take another 2,000 Vanilla Orchids in December, while for the remaining 2,000 it would receive an option for their delivery. That option would have to be exercised by 10 October 2024 at the latest. Upon exercise of the option a further down payment would be due, ensuring that overall an amount of 30% of the final sum due for the 4,000 Vanilla Orchids was received. The remainder of the 2022 contract based on our model contract was to remain in force.
- 12. For me, that agreement solved our immediate problem of the 3,300 Vanilla Orchids which were supposed to flower in June/July 2024 and could thus only be transported until mid of May 2024. I was confident that in case Herbal Cosmetics would not exercise the option for the additional 2.000 Vanilla Orchids in October, I would be able to find another purchaser for them until April 2025.
- 13. On the same day, the Equatorianian Business Gazette reported that Darwin Natural Food had taken the decision to search for a purchaser of its spice line and to discontinue until then its vanilla activities.
- 14. After Mr. Albius had confirmed that information on 23 February 2024 and following further unsuccessful negotiations, we finally terminated the contract with Respondent on 1 March 2024.
- 15. On 15 April 2024, Claimant delivered 3,300 Orchids to Herbal Cosmetics under the cover sale concluded with them after Mr. Veda had provided import permits issued by the governmental authorities in Ruritania. The price per Vanilla Orchid was 1,000 USD, and thus half of the price which Respondent would have been required to pay.
- 16. Inclusion of the Vanilla Orchid in Appendix I largely extinguished any trade in the Vanilla Orchid for any commercial purposes. Only the authorities in Mediterraneo, adopting a broad understanding of the "not-for-commercial-purpose" exception, still granted export permits for larger quantities of Orchids. As a consequence, and due to the destruction of a larger part of the population of the Vanilla Orchids in two of the other producer countries, the price for the Vanilla Orchid after its all-time low in February 2024 rose again to 3,200 USD on 1 October 2024.
- 17. On 2 October 2024, Herbal Cosmetics exercised its option for the 2,000 Vanilla Orchids which were delivered in December 2024 at the price of 3,200 USD.
- 18. I was not involved in our negotiations nor the mediation with Darwin Natural Food but know that they did not result in a settlement.

2 June 2025

F. Haarmann

Ferdinand Haarmann



From: Sniara Begonia < Sniara Begonia@siac.org.sq >

Sent: Friday, 1 August 2025 3:24 pm

**To:** Joseph Langweiler < <u>Langweiler@lawyer.me</u>>

**CC:** Edmond Albius < <u>edmond.albius@natural-food-spices.eq</u> >; VIS SIAC < <u>VIS-</u>

SIAC@siac.org.sg>

**Re:** Notice of Arbitration: Orchis Worldwide Ltd v. Darwin Natural Food plc

Dear Mesdames and Sirs,

### IN REFERENCE TO A NOTICE OF ARBITRATION DATED 31 JULY 2025 TO BE REFERRED TO ARBITRATION BETWEEN ORCHIS WORLDWIDE LTD. ("CLAIMANT") AND DARWIN NATURAL FOOD PLC ("RESPONDENT")

- 1. We acknowledge receipt of your letter dated 31 July 2025 ("**Letter**") together with the Notice of Arbitration ("**Notice**") enclosed therein.
- 2. We understand from paragraph 29 of the Notice that the Claimant seeks to invoke the arbitration agreement (the "Arbitration Agreement") at Article 15 of the Sale of Orchids Agreement dated 25 August 2022.
- 3. The Arbitration Agreement provides as follows:

Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the current Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules").

The seat of the arbitration shall be Danubia.

*The Tribunal shall consist of three arbitrator(s).* 

The language of the arbitration shall be English.

The parties further agree that at the first step of the dispute resolution process they will attempt in good faith to resolve the Dispute through mediation at the Singapore International Mediation Centre ("SIMC"). To secure the enforcement of any settlement reached in the course of the mediation each party shall have the right to request to have the settlement be referred to the arbitral tribunal appointed by SIAC and turned into a consent award on agreed terms.

- 4. We note from the Letter and paragraph 31 of the Notice that the Claimant seeks to commence an arbitration under the SIAC Rules 2016.
- 5. We draw the parties' attention to Rule 1.5 of the SIAC Rules 2025 which provides as follows:

"These Rules shall come into force on 1 January 2025 and, unless otherwise agreed by the parties, <u>shall apply</u> to any arbitration which is commenced on or after that date".

- 6. We request the Claimant to clarify the basis on which it seeks to commence the arbitration under the SIAC Rules 2016.
- 7. We invite the Respondent to provide any comments it may wish to.



8. We look forward to hearing from the Parties on the above at the latest by 6 August 2025.

Sincerely,

#### (Ms) Sniara Begonia

Deputy Counsel
Singapore International Arbitration Centre
28 Maxwell Road #03-01
Maxwell Chambers Suites
Singapore 069120

E: SniaraBegonia@siac.org.sg



From: Joseph Langweiler < <u>Langweiler@lawyer.me</u>>

Sent: Monday, 4 August 2025 10:25 am

**To:** Sniara Begonia < <u>SniaraBegonia@siac.org.sg</u>>

**CC:** Edmond Albius < <u>edmond.albius@natural-food-spices.eq</u> >; VIS SIAC < <u>VIS-</u>

SIAC@siac.org.sq>

**Re:** RE: Notice of Arbitration: Orchis Worldwide Ltd v. Darwin Natural Food plc

Dear Ms Begonia,

Referring to your email of 1 August 2025, we clarify the Claimant's position on the applicable rules for this arbitration. In commencing this arbitration under the SIAC Rules 2016, the Claimant relies on the plain meaning of the arbitration agreement (the "Arbitration Agreement") at Article 15 of the Sale of Orchids Agreement dated 25 August 2022.

First, in the original contract, the parties to the contract agreed to submit to arbitration under the SIAC Rules existing at the time of contracting, i.e. the 2016 version of the SIAC Rules. The Botanical Garden, i.e. Respondent's predecessor, was only willing to accept our proposal to arbitrate after a detailed analysis of the SIAC Rules. The amendments made by Ms. Nicola Gobley to the SIAC Model Clause are a clear testimony of its intention to be bound by the SIAC Rules 2016 (Claimant Exhibit C 7). When the Parties to the current arbitral proceedings amended the contract on 25 August 2022, they left the arbitration clause untouched so that it still refers to arbitration under the SIAC Rules 2016.

Second, the parties to the original contract also agreed to arbitrate under a modified version of the SIAC-SIMC Arb-Med-Arb Protocol I under which arbitration and mediation are considered to be part of a single procedure. Thus, the arbitration proceedings already started with the commencement of the mediation in December 2024. Consequently, the arbitration is governed by the SIAC Rules 2016.

Sincerely yours,

Joseph Langweiler





From: Nicola Gobley <nicola.gobley@botanicalgarden. eq>

**Sent:** 26 November 2021, 8:25 am

**To:** Giorgia Theophrastus < giorgia.theoprastus@orchis-worldwide.me>

**Re:** Arbitration Clause for Contract

#### Dear Ms. Theophrastus,

I am glad that during our meeting on Monday, we could settle nearly all details of our contract. To also solve the final open issue in our negotiation, I followed your suggestion and had a look at the arbitration rules of the Singapore International Arbitration Centre. The current version of their arbitration rules with the AMA Protocol is acceptable to us, provided that we can agree on a modified version of the AMA Protocol.

As I have made clear during the negotiations, the Botanical Garden in Equatoriana is in public ownership and has never submitted to the courts of a foreign jurisdiction. In its contracts, the Botanical Garden has thus far either agreed upon the jurisdiction of the courts in Equatoriana or on arbitration under the rules of the Equatorianian Arbitration Centre, with the place of arbitration in Equatoriana. Thus, a submission to arbitral proceedings under the rules of a foreign arbitration institution with a place of arbitration outside Equatoriana is a novum in the history of the Botanical Garden, which required board approval.

The approval was granted under the condition that the need for an actual decision should be minimized as much as possible by relying on other ADR-forms first. Consequently, the board requested me to modify the AMA Protocol in a way that the <u>first step</u> of the dispute resolution proceedings should be the mediation. As under Equatorianian law, the initiation of mediation proceedings does not interrupt the statute of limitations, the initiation of the mediation proceedings should be treated for the purpose of the statute of limitations as constituting the commencement of arbitration proceedings.

I have attached a revised version of the SIAC Model Clause to this email. Should the draft be acceptable to you we can finally sign the contract.

Sincerely, Nicola Gobley Botanical Garden Equatoriana

From:	JULIA CLARA FASTTRACK <fasttrack@host.eq></fasttrack@host.eq>	
Sent:	Wednesday, 6 August 2025 12:13 pm	
To:	Sniara Begonia < <a href="mailto:SniaraBegonia@siac.org.sg">Sniara Begonia &lt; <a href="mailto:SniaraBegonia@siac.org.sg">Sniara Begonia &lt; <a href="mailto:SniaraBegonia@siac.org.sg">Sniara Begonia &lt; <a href="mailto:SniaraBegonia@siac.org.sg">Sniara Begonia &lt; <a href="mailto:SniaraBegonia@siac.org.sg">Sniara Begonia@siac.org.sg</a>&gt;; Joseph Langweiler</a></a></a></a>	
	< <u>Langweiler@lawyer.me</u> >	
CC:	Edmond Albius < <a href="mailto:edmond.albius@natural-food-spices.eq">edmond.albius@natural-food-spices.eq</a> ; VIS SIAC < < < < < > VIS-	
	SIAC@siac.org.sg>	
Re:	RE: RE: RE: Notice of Arbitration: Orchis Worldwide Ltd v. Darwin Natural Food	
	plc	

Dear Ms Begonia,

I hereby indicate that I represent Respondent in the above-referenced arbitral proceedings. A power of attorney is attached.

The Respondent takes note of your letter of 1 August 2025, requesting the basis for invoking the SIAC Rules 2016.

It is the Respondent's position that the arbitration clause at Article 15 of the Sale of Orchids Agreement dated 25 August 2022 in material part refers any dispute to be resolved in accordance with the "current" Arbitration Rules of the SIAC, this being the Rules current at the time of the dispute and commencement of the arbitration proceedings.

The present arbitral proceedings are sought to be commenced on 31 July 2025 by Claimant's Notice of Arbitration and consequently, the SIAC Rules 2025 apply to the proceedings. The initiation of the mediation is irrelevant in this regard.

The Respondent will elaborate further on this in its Response to the Notice of Arbitration.

Kind regards, Julia Clara Fasttrack



28 Maxwell Road #03-01 Maxwell Chambers Suites Singapore 069120 Tel: +65 6713 9777 Fax: +65 6713 9778 www.siac.org.sg

Our Ref: ARB1991/25/VIS

8 August 2025

**CLAIMANT**:

ORCHIS WORLDWIDE LTD By Courier

Orchid Bee Drive

Capital City

Mediterraneo

Attn: CEO / Head of Legal

**CLAIMANT'S COUNSEL:** 

JOSEPH LANGWEILER By Email:

Advocate at the Court Langweiler@lawyer.me

75 Court Street

Capital City

Mediterraneo

**RESPONDENT**:

DARWIN NATURAL FOOD PLC

By Courier

Louis Liger Avenue 1704

Oceanside

Equatoriana

Attn: CEO / Head of Legal

**RESPONDENT'S COUNSEL:** 

JULIA CLARA FASTTRACK

By Email:

Advocate at the Court

14 Capital Boulevard

Oceanside

Equatoriana

fasttrack@host.eq





Dear Sirs and Mesdames,

#### **SIAC ARBITRATION 1991 OF 2025 (ARB1991/25/VIS)**

IN THE MATTER OF AN ARBITRATION UNDER THE ARBITRATION RULES OF THE SINGAPORE INTERNATIONAL ARBITRATION CENTRE (6<sup>TH</sup> EDITION, 1 AUGUST 2016) BETWEEN ORCHIS WORLDWIDE LTD ("CLAIMANT") AND DARWIN NATURAL FOOD PLC ("RESPONDENT")

- 1. We acknowledge receipt of, and refer to inter alia:
  - 1.1 the Notice of Arbitration dated 31 July 2025 together with its attachments ("**Notice**"), received by the Singapore International Arbitration Centre ("**SIAC**") on 31 July 2025;
  - the Claim Filing Fee in the amount of SGD 3,000.00, paid by way of bank transfer, received by SIAC on 31 July 2025; and
  - 1.3 the correspondence between SIAC and the Parties from 31 July 2025 to 6 August 2025.
- 2. The Registrar of the Court of Arbitration of SIAC ("Registrar") has determined that this arbitration has commenced on 31 July 2025, pursuant to Rule 3.3 of the Arbitration Rules of the Singapore International Arbitration Centre (6th Edition, 1 August 2016) ("SIAC Rules"). This matter has been assigned the case reference number ARB1991/25/VIS. Please quote this reference number in future communications with SIAC and the Tribunal (upon its constitution). A copy of the SIAC Rules may be obtained from the SIAC's website at www.siac.org.sg.
- 3. We understand from the Claimant's letter dated 31 July 2025 that the Notice has been delivered to the Respondent by way of email on 31 July 2025, and by courier. As a matter of convenience, a copy of the Notice is enclosed for the Respondent's reference.
- 4. We invite the Respondent to confirm its contact details as set out above.
- 5. We draw the Parties' attention to the following matters for the further conduct of this arbitration.

#### Response to the Notice of Arbitration

6. Pursuant to Rule 4 of the SIAC Rules, the Respondent shall file a Response to the Notice of Arbitration ("**Response**") with the Registrar within 14 days from the date of receipt of the Notice. The Respondent shall, at the same time as it files the Response with the Registrar, send a copy of the Response to the Claimant, and shall notify the Registrar that it has done so, specifying the mode of service employed and the date of service.





- 7. The Response must include:
  - 7.1 a confirmation or denial of all or part of the claims, including, where possible, any plea that the Tribunal lacks jurisdiction;
  - 7.2 any comment in response to the statements in the Notice or any comment with respect to the matters covered under Rule 3.1 of the SIAC Rules; and
  - 7.3 any envisaged counterclaim, including a brief statement of the nature, circumstances and quantification of any counterclaim.

#### Constitution of the Tribunal

8. We note from paragraph 29 of the Notice that the Claimant seeks to invoke the arbitration agreement contained in Article 15 of a Sales Agreement executed between the Parties and dated 25 August 2022 (the "Arbitration Agreement"). The Arbitration Agreement provides as follows:

#### "15. DISPUTE RESOLUTION

Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the current Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules").

The seat of the arbitration shall be Danubia.

*The Tribunal shall consist of three arbitrator(s).* 

The language of the arbitration shall be English.

The parties further agree that at the first step of the dispute resolution process, they will attempt in good faith to resolve the Dispute through mediation at the Singapore International Mediation Centre ("SIMC"). To secure the enforcement of any settlement reached in the course of the mediation, each party shall have the right to request to have the settlement be referred to the arbitral tribunal appointed by SIAC and turned into a consent award on agreed terms."

- 9. We note that the Arbitration Agreement provides for the appointment of a three-member tribunal.
- 10. We draw the Parties' attention to Rule 11 of the SIAC Rules, which provides as follows:





- "11.1 If three arbitrators are to be appointed, each party shall nominate one arbitrator.
- If a party fails to make a nomination of an arbitrator within 14 days after receipt of a party's nomination of an arbitrator, or within the period otherwise agreed by the parties or set by the Registrar, the President shall proceed to appoint an arbitrator on its behalf.
- 11.3 Unless the parties have agreed upon another procedure for appointing the third arbitrator, or if such agreed procedure does not result in a nomination within the period agreed by the parties or set by the Registrar, the President shall appoint the third arbitrator, who shall be the presiding arbitrator."
- 11. We note the Claimant's nomination of **Mr James Bateman** for appointment as a co-arbitrator, as set out in the Claimant's letter dated 31 July 2025.
- 12. We invite the Respondent to provide us with the name and contact details of its party-nominated co-arbitrator in accordance with the Arbitration Agreement and the SIAC Rules.
- 13. Please note that in all cases, any arbitrator nominated by the Parties, or by any third person, where applicable, shall be subject to appointment by the President of the Court of Arbitration of SIAC at her discretion in accordance with Rule 9.3 of the SIAC Rules.
- 14. We draw the Parties' attention to the *Practice Note on Cases Administered by SIAC under the SIAC Rules* (PN 01/25, 1 January 2025), which applies to all cases administered by SIAC under its rules of arbitration where the date of commencement of the arbitration is on or after 1 January 2025. It governs the appointment of arbitrators, arbitrator's fees, and the financial management of the arbitration. A copy of this *Practice Note* is enclosed for the Parties' reference.
- 15. Please also refer to the *Practice Note on the Appointment of Tribunal Secretaries* (PN 02/25, 1 January 2025) which applies to the appointment of tribunal secretaries by tribunals in all cases administered by SIAC where the date of commencement of the arbitration is on or after 1 January 2025. A copy of this Practice *Note* is also enclosed for the Parties' reference.
- 16. We also draw the Parties' attention to the SIAC *Practice Note on Arbitrator Conduct in Cases involving External Funding* (PN 01/17, 31 March 2017), which applies to all arbitration proceedings administered by SIAC under the SIAC Rules where the involvement of an external funder is permissible. A copy of this *Practice Note* is also enclosed for the Parties' reference.
- 17. We note the Parties' respective positions on the applicable SIAC rules to this arbitration as set out in their emails dated 4 August 2025 and 6 August 2025. Considering the Parties' positions, please note that this arbitration has been commenced under the SIAC Rules 2016 as invoked by the Claimant in the Notice. The Parties are at liberty to address matters in respect of the applicable version of the SIAC rules before the Tribunal (when constituted).





#### Communications

- 18. We invite the Parties to consider the use of SIAC Gateway (<a href="https://siac.org.sg/siac-gateway">https://siac.org.sg/siac-gateway</a>) for this arbitration. SIAC Gateway is SIAC's cloud-based case management platform offering features such as electronic filing, an integrated online payment system, secure document upload and storage, and real-time case management, for use by parties and tribunals on SIAC arbitrations, at no additional cost.
- 19. The Parties may opt to use SIAC Gateway for the purposes of filing and uploading all submissions, correspondence, written communications, and documents in this arbitration. We invite the Parties' comments on the use of SIAC Gateway for this arbitration.
- 20. In the meantime, and subject to Parties' agreement on the above, we request that all correspondence between the Parties, SIAC and the Tribunal (upon its constitution) be *via* email. All communications should be copied to the Parties, SIAC and the Tribunal (upon its constitution).
- 21. We also request that all written statements, submissions and accompanying enclosures be sent to us *via* SIAC Gateway, email or other electronic format only.

#### **Financial Matters**

- 22. The costs of the arbitration, as defined in Rule 35.2 of the SIAC Rules, comprise the following:
  - 22.1 the Tribunal's fees and expenses and the Emergency Arbitrator's fees and expenses, where applicable;
  - 22.2 SIAC's administration fees and expenses; and
  - 22.3 the costs of any expert appointed by the Tribunal and of any other assistance reasonably required by the Tribunal.
- 23. The Tribunal's fees and SIAC's administration fees are ascertained in accordance with the Schedule of Fees in force at the time of commencement of the arbitration. The Parties may agree to alternative methods of determining the Tribunal's fees prior to the constitution of the Tribunal. The Schedule of Fees is posted on the SIAC website at <a href="www.siac.org.sg">www.siac.org.sg</a> under "SIAC Schedule of Fees (Current)", a copy of which is also enclosed. We also invite the Parties to refer to Rules 34 to 37 of the SIAC Rules for further information on costs.
- 24. We note from paragraph 38 of the Notice that the Claimant has currently quantified its claims in the amount of **USD 3,300,000.00** (*i.e.*, **SGD 4,259,310.00** as of 31 July 2025).
- 25. Based on the sum in dispute presently known to us, the total estimated costs of arbitration for a three-member tribunal amount to **SGD 448,162.12**. Please note that this estimate may be adjusted in light of such information as may subsequently become available.





- 26. The Registrar has fixed the first tranche of the deposits towards the estimated costs in the amount of **SGD 179,264.85**. The Claimant and the Respondent are respectively requested to pay half of this amount as follows: (i) the Claimant is requested to pay an amount of **SGD 89,632.42**; and (ii) the Respondent is requested to pay an amount of **SGD 89,632.42**.
- 27. In order to ensure that the arbitral proceedings progress expeditiously, we would be grateful if payment is made promptly. Please note that we will only be able to proceed with the next steps in these proceedings (including, but not limited to, the constitution of the Tribunal) after the Registrar deems that sufficient deposits have been received.
- 28. We also draw the Parties' attention to Rules 34.2 and 34.5 of the SIAC Rules, which provides, inter alia, that "[t]he Registrar shall fix the amount of deposits payable towards the costs of the arbitration" and that the "Parties are jointly and severally liable for the costs of the arbitration".
- 29. Please note that in all cases, the actual costs of arbitration will be fixed by the Registrar at his discretion in accordance with the Schedule of Fees and the stage of the proceedings at which the matter is concluded. Payments to the Tribunal and/or SIAC in respect of costs of arbitration may be made from the respective deposit accounts without reference to the Parties. Any surplus of the advance on costs after the full settlement of the costs of arbitration as fixed by the Registrar will be refunded in such proportions as the Parties may agree, or failing an agreement, in the same proportions as the deposits were made.
- 30. Please refer to our payment instructions and arrange for payment to be made **by 22 August 2025**.

#### **SIAC Secretariat**

31. The Registrar has assigned the following members of the SIAC Secretariat team to administer this arbitration:

(Ms) Solera Odensa	
(Ms) Sniara Begonia	
(Ms) Lily Vanda Day	Email: VIS-SIAC@siac.org.sg
Deputy Counsel	<b>Tel:</b> +65 6713 9777
(Ms) Laelia Rosea Lee	
Counsel	

32. If you have any questions concerning the administrative process, please feel free to contact us.

Thank you.







Yours sincerely,

[signed]

#### Laelia Rosea Lee Counsel

#### Encl –

- (1) Notice of Arbitration dated 31 July 2025 along with its attachments (*attachments by email only*) (*not reproduced*)
- (2) Correspondence between SIAC and the Parties dated from 31 July 2025 to 6 August 2025 (not reproduced)
- (3) Practice Note on Cases Administered by SIAC under the SIAC Rules (PN 01/25, 1 January 2025) (sent by email only) (not reproduced)
- (4) Practice Note on the Appointment of Tribunal Secretaries (PN 02/25, 1 January 2025) (sent by email only) (not reproduced)
- (5) Practice Note on Arbitrator Conduct in Cases involving External Funding (PN 01/17, 31 March 2017) (sent by email only) (not reproduced)
- (6) Schedule of Fees applicable to this matter (sent by email only) (not reproduced)
- (7) Payment Instructions (not reproduced)



#### JULIA CLARA FASTTRACK

Advocate at the Court
14 Capital Boulevard
Oceanside
Equatoriana
Tel. (0) 214 77 32 Telefax (0) 214 77 33
fasttrack@host.eq

Singapore International Arbitration Centre (SIAC) Mr. Neelakantan 28 Maxwell Road #03-01 Singapore 069120

By email and courier

14 August 2025

#### Orchis World Wide Ltd v. Darwin Natural Food plc ARB1991/25/VIS

Dear Mr. Neelakantan,

Please find enclosed Respondent's Response to the Notice of Arbitration, a copy of which has been sent directly to Claimant.

Respondent agrees to communicate exclusively by email and via the SIAC Gateway. Emails may be sent to fasttrack@host.eq.

Respondent nominates as its arbitrator

John Lindley, Kew Garden Street, Oceanside, Equatoriana.

Could you please take the necessary steps for his confirmation.

Kind regards,

Julia Clara Fasttrack

J.C. Fashfrod

Attachments:

Response to the Notice of Arbitration with Exhibits

Power of Attorney (not reproduced)

CV of (not reproduced)

cc. Joseph Langweiler



#### JULIA CLARA FASTTRACK

Advocate at the Court
14 Capital Boulevard
Oceanside
Equatoriana
Tel. (0) 214 77 32 Telefax (0) 214 77 33
fasttrack@host.eq

#### Response to the Notice of Arbitration

(pursuant to Rule 4 SIAC Rules 2016/ Rule 7 SIAC Rules 2025) in the Arbitral Proceedings Orchis Worldwide Ltd v. Darwin Natural Food plc

#### Orchis Worldwide Ltd v. Darwin Natural Food plc ARB1991/25/VIS

14 August 2025

#### Introduction

 Respondent hereby denies all claims raised by Claimant. Claimant's Notice of Arbitration contains a largely accurate summary of the facts but comes to an entirely wrong legal assessment.

#### **Facts**

- 2. On 1 December 2021, the Botanical Garden in Equatoriana entered into a contract with Claimant for the purchase of 300 Vanilla Orchids for research purposes to be delivered on 23 January 2024. The purpose of the research, which was funded to a large part by Respondent, was to make the Vanilla Orchid more resistant against root and stem rot and to increase its tolerance of temperature changes. (Respondent Exhibit R 1).
- 3. In 2022, the Botanical Garden ran into serious financial problems, which would have resulted in its closure. Following intense negotiation with the city of Oceanside, the former owner of the Botanical Garden, Respondent agreed to take over the institution, to keep the gardens open to the general public and to continue the relevant research of the institution.
- 4. On 15 June 2022, the head of Respondent's business line "Spices", Mr. Edmond Albius contacted Claimant's CEO, Ms. Giorgia Theophrastus, via email. He informed her about the new legal situation and Respondent's commitment to the contracts concluded by the Botanical Garden, including the 2021 purchase contract for the 300 Vanilla Orchids. At the same time, Mr. Albius suggested a personal meeting to discuss a possible amendment of the contract, in particular as to the number of Vanilla Orchids to be delivered and delivery dates (Claimant Exhibit C 2).
- 5. In the negotiations with Ms Theophrastus, the contract was only amended in two substantive issues, in addition to listing Respondent as the new Buyer. First, the number of Vanilla Orchids to be delivered was increased to 3,000 pieces +/- 10%. The takeover of the Botanical Garden was part of an overall decision to strengthen Respondent's business line "Spices" which had suffered from decreasing profitability over the last years. In connection with that, Respondent had planned to increase its own facilities for housing of high-quality vanilla by adding three new



- state-of-the-art greenhouses. These greenhouses were entirely run on the basis of solar energy, thereby considerably reducing the energy costs as a major cost factor.
- 6. Second, the time and place of delivery were changed. At the time of contracting, the exact date for the availability of Respondent's new greenhouses could not be determined with any certainty. Thus, Mr. Albius had requested some flexibility as to the time for delivery. The previously fixed delivery date was replaced by a period for delivery between 1 January 2024 and 31 March 2024, in which Respondent could, with three-month prior notice, schedule a delivery (Respondent Exhibit R 2). In return for the increased flexibility, as well as for commercial reasons, Respondent further agreed to take over the organization of the main transport by consenting to a delivery "FCA Capital City International Airport, Incoterms 2020".
- 7. There are few carriers which have the equipment and the expertise to transport the very sensitive Vanilla Orchid. For the transport of the Vanilla Orchids special climatized transport boxes have to be used which, depending on their size, can either take 100 or 150 orchids each. Given the limited number of those special boxes available it is very difficult to organize a transport at short notice. The relevant transportation contracts are normally concluded at least 4 6 months before the actual delivery. Thus, Claimant was not willing to maintain the "CIF Oceanside" term contained in the original contract with the Botanical Garden, if Respondent had the right to fix the exact date for delivery only three months before. For Respondent that was less a problem. One of the specialized carriers belonged to the same group of companies as Respondent, i.e. Darwin Holdings. In addition, due to its market position, Respondent also had better conditions with most other carriers than Claimant. In the end, the Parties agreed to replace the original delivery term (CIF Oceanside) by the new term (FCA Capital City). That change in the responsibility for the main transport is also reflected in the lower price of USD 2,000 per orchid. (Claimant Exhibit C 2).
- 8. Respondent was fully committed to fulfilling the contract concluded and made considerable investments for its realization. Vanilla Orchids are extremely sensitive. For optimal growth, they require a fairly stable climate with a specific sequence of dry and wet periods. It would have been difficult to provide these optimal conditions in Darwin's greenhouses existing at the time, and the associated energy costs would have excluded any commercially reasonable production of vanilla beans in Equatoriana. Consequently, Respondent invested several million USD into constructing three new state-of-the-art greenhouses specifically for growing Vanilla Orchids. They were entirely operated by solar energy and thus reduced the energy costs as one of the major production costs.
- 9. In September 2023, the Standing Committee of CITES recommended, after a controversial discussion, to include the Vanilla Orchid in Appendix I. At the time, Respondent was not overly concerned about the recommendation, which had been strongly opposed by Mediterraneo and Equatoriana. Consequently, Respondent was fairly certain that it would obtain the required import permit should the Vanilla Orchid be included in Appendix I. In the past the authorities in Equatoriana had been very generous in issuing import permits in cases where the species were also used for research purposes (Claimant Exhibit C 4).
- 10. On the basis of that evaluation Respondent decided not to bring forward the delivery date to January. With email of 1 December 2023, Respondent informed Claimant of its decision to keep the planned delivery date of 27 March 2024 (Claimant Exhibit C 5). That date had been



- determined internally already in August 2023, when it was clear that the construction of the greenhouses would be delayed.
- 11. In November 2023, it was obvious that until the end of January 2024, only one of the three dedicated greenhouses would be fully functional and tested. Consequently, in case of a delivery of the Vanilla Orchids in January 2024 two-thirds of them would either have to be placed into one of the old greenhouses or would have to stay in the open until the other greenhouses were ready. In particular, the latter option entailed such a high risk of damage to them that the entire transaction would no longer have made any sense commercially. In addition, it would most likely not have been possible to organize appropriate transportation at such short notice or only at an extremely high price and with considerable difficulties.
- 12. Unfortunately, Respondent's initial evaluation of the situation as to the issuance of import permits was overtaken by the events in early 2024. In January 2024, environmental groups led by "The last Orchid" started a well-orchestrated and extremely successful media campaign to increase the protection of the Vanilla Orchid and to largely exclude any further commercial exploitation of it. The campaign was directed in particular at the public opinion in those countries where the Vanilla Orchid either grows or which are the largest importers of it. The campaign's main targets were the companies involved in trade and the commercial exploitation of the Vanilla Orchid. In particular, Respondent was singled out for its imports and the patent its researchers had obtained for another orchid. The grant of the patent in itself had at the time of its application already stirred considerable discussions. NGOs had heavily criticized the grant of patents on genetic material and ingredients of the natural habitat and derivatives thereof.
- 13. That public pressure led to a change in attitude in the Equatorianian government. It had originally voted against the proposal of the Standing Committee and had not supported the decision taken by the Conference of the Parties. On 8 February 2024, following a very critical report in the leading newspaper, *Agriculture and Conservation*, a few days earlier, the Minister of Agriculture and Nature of Equatoriana announced in an interview that the authorities would do everything it takes to ensure an effective protection of the Vanilla Orchid and other endangered species covered by CITES. He promised a review and, if necessary, a revision of the practice of the grant of import permits with a restrictive approach to existing exceptions.
- 14. On 10 February 2024, Mr. Albius informed Claimant that, in light of the change in the circumstances, it could definitively not provide the required import permit for the anticipated delivery date and that it was also not very likely that the permit could be obtained for a later delivery. The orchids were obviously purchased for primarily commercial purposes and thus not eligible for an import permit (Respondent Exhibit R 1).
- 15. In addition, the boycott of Respondent's products that formed part of the demands of the campaign had by then already resulted in a considerable drop in sales not only in Respondent's spice business but also its much more important natural food lines. On 27 February 2024, after intensive internal and external discussions including some with the representatives of "The last Orchid", Respondent's new CEO announced that Respondent would revise its business strategy in relation to the Vanilla Orchid and eventually even entirely divest of its spice business. (Respondent Exhibit R 1).
- 16. Mr. Albius informed Claimant about that decision on 27 February 2024. Claimant then terminated the Contract and requested talks about possible damages. (Respondent Exhibit R 3).



#### **Legal Considerations**

#### Applicable Rules

- 17. The present arbitral proceedings were conveniently initiated on the basis of a wrong set of the SIAC Rules. The present arbitral proceedings were commenced on 31 July 2025 by Claimant's Notice of Arbitration as determined by SIAC. The unsuccessful mediation proceedings initiated on 19 December 2024 are irrelevant to determine the date of commencement of the present arbitral proceedings. Consequently, the SIAC Rules 2025 apply to the proceedings pursuant to Rule 1.5 SIAC Rules 2025, which repeats the solution adopted in Rule 1.2 SIAC Rules 2016. There is no agreement by the Parties deviating from that provision.
- 18. To avoid additional delays and costs Respondent herewith already declares its willingness to continue the proceedings under the SIAC Rules 2025 should Claimant be willing to conduct the proceedings under the correct version of the SIAC Rules. In that case it will not challenge the jurisdiction of the Arbitral Tribunal.
- 19. In compliance with Rule 38.1 SIAC Rules 2025, Claimant has disclosed in its Notice of Arbitration that the claim is brought with the financial support of AtJ-Funding, a third-party funder and adverse risk coverage with LitSure. No further details as to funding were disclosed. Those details are, however, of considerable relevance to the present proceedings. AtJ-Funding has the reputation in the industry as one of the 'rough funders' (Respondent Exhibit R 4). It is willing to engage in high-risk cases rejected by other funders in return for high fees, to normally not provide funding for adverse cost awards and to exert considerable influence on the actual conduct of the proceedings funded.
- 20. All of these factors are of considerable importance for Respondent, in particular for a possible request for security for costs and its defense against further damage claims reserved by Claimant. The Arbitral Tribunal is thus requested to order Claimant to disclose the funding agreement with AtJ-Funding and the litigation risk insurance agreement obtained from LitSure. The power to make such an order is now explicitly recognized and stipulated in Rule 38.4 SIAC Rules 2025. It was, however, already part of the general procedural powers of the Arbitral Tribunal under the 2016 version of the SIAC Rules.
- 21. Finally, and only for the sake of full procedural transparency and without accepting the applicability of any disclosure obligations, Respondent hereby informs the Tribunal that it receives financial and personnel support in this arbitration from its parent company, Darwin Natural Food Holding plc.

#### Substance

- 22. Claimant's claims are not justified and must be rejected.
- 23. First, Claimant is not entitled to claim any damages as possible damage claims are excluded by Article 79 CISG. The decision of the Conference of the Parties to include the Vanilla Orchid into Appendix I CITES was an impediment beyond control in the sense of Article 79 CISG for Respondent.



- 24. At the time the Standing Committee of CITES made its recommendation Respondent had internally already determined 27 March 2024 as the delivery date. Following the inclusion of the Vanilla Orchid into Appendix I it was impossible for Respondent to obtain for that delivery date the required import permit with legal means.
- 25. It was also impossible for Respondent to overcome that impediment, contrary to Claimant's assertions. Neither can Respondent be required to provide an import permit which clearly contravenes the purposes of the CITES nor can it be requested from Respondent to fix an earlier delivery date, given the circumstances and the non-availability of the dedicated greenhouses.
- 26. Second, even if Claimant were entitled to claim damages, it has failed to prove the alleged damages. The agreement reached with Herbal Cosmetics on 15 February 2024 did not constitute a cover-sale in the sense of Article 75 CISG. First, the alleged cover sale was entered into nearly two weeks before the contract with Respondent was avoided on 1 March 2024. Article 75 only applies to sales concluded after the avoidance of the contract. Second, the transaction consisted to a large extent of merely bringing forward the delivery under an existing contract. In essence, Herbal Cosmetics merely brought forward the delivery of an already existing contract in return for a very favorable price. If there was a cover sale it would have been the sale concluded on 2 October 2024. Under that transaction, Claimant made a gain in comparison to the original contract with Respondent.
- 27. Furthermore, for the calculation of damages under Article 75 CISG only the lowest number of Vanilla Orchids to be delivered can be taken into account and not the highest number as done by Claimant. Contrary to Claimant's contention Respondent had the right to determine the exact number of Vanilla Orchids to be delivered. The Parties agreed in their contract that Respondent would determine the exact time for delivery within the agreed period and would organize the transport. That naturally also entailed the right to determine the exact amounts to be delivered.

#### Requests for Relief

- 28. In light of the above Respondent requests the Arbitral Tribunal to make the following orders:
  - a. To decline jurisdiction under the SIAC Rules 2016;
  - b. To order Claimant to disclose the Third Party Funding Agreement, including any ATE-Insurance concluded with or by AtJ-Funding or with other insurances;
  - c. To reject Claimant's damage claims;
  - d. To order Claimant to bear the costs of this arbitration.



#### Witness Statement of Edmond Albius

- 1. I was born on 9 June 1961 and have a degree in economics from the University of Danubia. Since January 2021, I have been the head of Respondent's business line "Spices". In that function, I was approached shortly after my appointment by the Botanical Garden in Equatoriana to discuss how we could intensify our cooperation and mutually benefit from each other's knowledge and research. One area of joint interest were orchids and in particular the species which were used for the growth of vanilla beans.
- 2. In December 2021 the Botanical Garden in Equatoriana entered into an agreement with Claimant to purchase 300 of the very sensitive Vanilla Orchids to conduct research into their propagation and the curing of the beans. That research had been largely funded by us, as we were interested in considerably enlarging our vanilla spice operations.
- 3. After the insolvency of the Botanical Garden in Equatoriana we took over the entire personnel and activities of the Botanical Garden, including the contracts concluded. In the summer of 2022, in light of a patent we had obtained for a genetic modification in another vanilla bearing orchid to reduce its susceptibility to root and stem rot, we were convinced that we would also be able to overcome the most serious obstacles to a commercial exploitation of Vanilla Orchids. Following the approval of a budget to considerably expand our vanilla operations by the construction of three specially dedicated greenhouses, I approached Orchis Worldwide to enquire whether it would be possible to obtain larger quantities of Vanilla Orchids under the existing contract with the Botanical Garden.
- 4. In the end, we managed to agree on the Agreement submitted by Claimant as Exhibit C 3 under which Claimant would deliver 3000 +/- 10% of Vanilla Orchids in the first quarter of 2024 at a date to be determined by us. The price per orchid was 2000 USD. I am not entirely certain who had suggested the quantity tolerance which I then included into my proposal of 22 August 2022. In the end, it seemed beneficial as a safeguard against both natural production and transport losses, as well as against the non-availability of sufficient transportation capacity.
- 5. In August 2023, it became clear that the three greenhouses constructed to provide optimal conditions for the Vanilla Orchid would not be ready for usage at the beginning of January, as there would be a delay of 1.5 months at least. To be on the safe side, we therefore internally took the decision to fix the delivery date for the orchids at one of the latest possible dates. In the end, we decided on 27 March 2024 without, however, communicating that date to Claimant.
- 6. At the end of August, the Plant Committee then issued its recommendation to move the Vanilla Orchid to Appendix I at the next Conference of the Parties on 1 February 2024. We were surprised by the recommendation, including the suggestion to rely on the new facilities under Resolution Conf. XX.8 to shorten or abandon the period under Article XV (1) (c) CITES. We were not overly concerned. We hoped that Mediterraneo and the other producers would raise sufficient support to oppose such a decision. Furthermore, as Equatoriana had voted against the



recommendation, we were confident that even in case of an inclusion into Appendix I, we would be granted an import permit. The authorities in Equatoriana did not really believe that the prohibition of trade was the best way to protect endangered species. Thus, despite considerable criticism from other member states, the authorities in Equatoriana had been very generous in issuing import permissions as long as some research purpose could arguably be made out. That would have been no problem for us, as some of the vines were intended to be used for further research. Furthermore, we were confident that at least the immediate effect of the inclusion would be rejected.

- 7. I shared that evaluation with Claimant's Mr. Haarmann when he approached me after the issuance of the recommendation by the Plant Committee to discuss its consequences. Irrespective of that belief, we internally reevaluated the situation to see whether moving forward the delivery date would be an option in particular in light of the suggested immediate effect under Resolution. In the end, we decided against it, and I informed Claimant accordingly with email of 1 December 2023 (Claimant Exhibit C 5).
- 8. At the time our evaluation was entirely reasonable. In January 2024, all of us were taken by complete surprise by the masterly orchestrated campaign started by "The last Orchid" and other environmental groups. They managed to completely turn the public opinion, even in Mediterraneo and Equatoriana, which had until then been skeptical towards an inclusion of the Vanilla Orchid into Appendix I. Despite the objections of Mediterraneo and abstention of Equatoriana the Vanilla Orchid was finally included in Appendix I on 1 February 2024 with immediate effect. Still, we believed that it would be possible to obtain the required import permit at a later time when the effects of the campaign would have been weakened.
- 9. These hopes diminished when the Minister of Agriculture and Nature announced in an interview on 8 February 2024 that Equatoriana would in the future take a much more restrictive approach to the grant of permits. In my call with Mr. Haarmann on 10 February 2024, I informed him about these developments and my serious doubts about whether the delivery could take place at all.
- 10.At the time, we were, however, still evaluating the situation, and no final decision had been taken as to whether to apply for a permit. The background was that the campaign had singled out Respondent as one of the main profiteers of the existing system. Consequently, our sales had dropped considerably in January and early February not only in the business line "Spices" but also in the food line. In the end our new CEO decided to put up the entire business line "Spices" for sale to protect the food business.
- 11.On 27 February 2024, I called Mr. Haarmann to inform him about the developments with Darwin Natural Food. I made clear that under these circumstances it was impossible for us to fulfill the contract.

Oceanside, 14 August 2025

L. Albins

**Edmond Albius** 





#### **RESPONDENT EXHIBIT R 2**

From: edmond.albius <edmond.albius@natural-food-spices.eq>

**Sent:** 22 August 2022, 8:04 am

To: Giorgia Theophrastus < giorgia.theoprastus@orchis-worldwide.me>

**Re:** Delivery Time / Quantities

Dear Ms. Theophrastus,

Thank you very much for the very cooperative meeting last Friday.

Following up on our discussions as to the time of delivery and the quantities the following terms should be a compromise acceptable to both parties

Time of Delivery: Between 1 January 2024 – 1 April 2024 – upon determination by buyer at least 3 months ahead with designation of aircraft.

Quantity: 3,000 +/- 10%

According to our current planning the three new greenhouses should have been delivered and tested by January 2024. We would, however, need some flexibility to react to possible delays closer to the anticipated delivery date and to arrange for transportation. The three-months lead time and the end date for the delivery should sufficiently take into account your interest in being able to plan your future business.

Flexibility as to quantities should be commercially reasonable and a good compromise between the parties' respective interests taking into account the problems in securing appropriate transport capacity for the sensitive plants and the natural production variation and handling losses during transportation.

If these proposals are acceptable to you, we can sign the contract.

I look forward to the fruitful cooperation of our two companies in the future under this and future contracts

Sincerely,

Edmond Albius Director Spices

#### Darwin Natural Food plc

Louis Liger Avenue

Oceanside

Equatoriana

T: (0)214 6698053





#### **RESPONDENT EXHIBIT R 3**

From: < giorgia.theophrastus@orchisworldwide.me>

**Sent:** 1 March 2024, 10:25 a.m.

**To:** edmond.albius <edmond.albius@natural-food-spices.eq>

**Re:** Avoidance of Agreement

Dear Mr. Albius

Under the Sales Agreement concluded between Orchis Worldwide Ltd and Darwin Natural Food plc on 25 August 2022, Darwin would have been obliged to take delivery of 3,300 Vanilla Orchids until 31 March 2024.

On 27 February 2024, you informed Mr. Haarmann that Darwin Natural Food plc will not fulfil its obligation under the agreement and take delivery of the Vanilla Orchids and pay for them. That constitutes a fundamental breach of contract entitling Orchis Worldwide to terminate the agreement and to recover the damages resulting from the breach.

I herewith declare the termination of the contract and reserve the right to request compensation for all damages resulting from your breach.

As indicated by Mr. Haarmann, Orchis will try to sell the Vanilla Orchids, which have been reserved for you, to another entity as soon as possible to mitigate the damages. In light of the problems resulting from the inclusion of the Vanilla Orchids into Appendix I and the need of Orchis to free up its premises it is highly likely that the existing Vanilla Orchids will have to be sold at a considerable loss and a price below the latest market price of 1 February. Once Orchis is able to quantify its damages we will contact you again.

#### Kind regards

Giorgia Theophratus, CEO
Orchis-Worldwide Ltd
Orchid Bee Drive
Capital City
Mediterraneo
T: (0)146 9346355
Email: giorgia.theophrastus@orchisworldwide.me



### The Insider

| Politics | Business | News |

### 4 August 2025

### The secret business of third-party funding.

Equatoriana · The financial support of litigants is not a new business. Different forms of litigation insurance or P&I clubs have existed for centuries.

With the recent advent of third-party funders, the support of litigants, in general the claimants, has reached a different level. That is well reflected by the controversial views about the role and benefits of third-party funding. In particular in the area of investment arbitration third-party funders have been criticized as being one of the sources for the increased number of claims brought by investors against states. Through the financing provided for even spurious claims, third-party funders have forced governments into settlements to the detriment of society at large and the environment in exchange for high returns.

Others see third-party funding as a guarantee of access to justice. Consumers often lack the financial resources to take on large business entities, even for justified claims. Expensive damage claims for violation of competition law can often only be brought with the support of third-party funders.

One of the reasons for the widely diverging view is the lack of information about the industry and its business. There is no published model contract, no generally accepted fee structure and widely differing

attitudes in how much the funder will be involved in the actual conduct of the case, including settlements.

Some information is now provided by the recent decision of the High Court in Equatoriana in the dispute between Green Hydro and Equatoriana RenPower. In the case, Green Hydro had been ordered to disclose the financing agreement it had concluded with AtJ-Financing to fund that case. Based on that disclosure AtJ-Financing was ordered to pay parts of the legal costs Equatoriana RenPower after the insolvency of Green Hydro. A spokesman of the Funding Industry in Equatoriana declared that the agreement disclosed does not reflect the normal practice. According to him, AtJ-Finance is the only funder which has not submitted to the Code of Conduct of the funding industry and is known in the industry as a very aggressive player in relation to the cases funded, the terms of the financing agreement and its influence on the conduct of the proceedings. He warned against drawing any broader conclusions from the funding agreement disclosed or considering the decision to be indicative for future cases. In his view, the extension decision was only justifiable, if at all, against background of the particular circumstances of the case.

#### Joseph Langweiler

Advocate at the Court 75 Court Street Capital City Mediterraneo Tel (o) 146 9845; Telefax (o) 146 9850 Langweiler@lawyer.me

14 August 2025

By email and courier

Singapore International Arbitration Centre (SIAC) Mr. Neelakantan 28 Maxwell Road #03-01 Singapore 069120

Darwin Natural Food Louis Liger Avenue 1704 Oceanside Equatoriana

#### Orchis Worldwide Ltd v. Darwin Natural Food plc - ARB1991/25/VIS

Dear Mr. Neelakantan,

- 1. Respondent's Response to the Notice of Arbitration raises a number of issues which require immediate clarifications and rectifications from Claimant, to give SIAC and the Arbitral Tribunal a complete picture for their decisions.
- 2. Claimant objects to an application of the SIAC Rules 2025 to the arbitration and the Respondent's disclosure request based on Rule 38.4 SIAC Rules 2025.
- 3. As to the application of the SIAC Rules 2025 Respondent considers the decision of SIAC to apply the SIAC Rules 2016 to be non binding but at the same time relies on SIAC's determination that the arbitration only commences with the filing of the Notice of Arbitration. If the first decision is non-binding, the same must apply to the second. The amendment of the Model Clause shows not only an intention of the Parties to submit to the current version of the SIAC Rules, i.e. the SIAC Rules 2016, but also an intention to have a single dispute resolution process which starts with the initiation of the mediation proceedings. Thus, at least for the purpose of determining the applicable version of the SIAC Rules one has to assume an agreement by the Parties, that the initiation of the mediation proceedings should be the relevant point in time.
- 4. Irrespective of that, the changes in the SIAC Rules 2025 are so significant that it cannot be assumed in the present case that the Parties, by including an arbitration clause in their contract in 2022, referring to the SIAC Rules, which were in force at the time, consented to be bound by entirely different rules.
- 5. The SIAC Rules 2016 do not grant the Arbitral Tribunal the power to order the disclosure of an existing third-party funding agreement. The general case management powers of the Arbitral Tribunal do not entail such power and Rule 38.4 SIAC Rules 2025 cannot be read into the relevant provision in the 2016 version of the rules.
- 6. In addition, even under Rule 38.4 SIAC Rules 2025 the Arbitral Tribunal should not grant Respondent's disclosure request. The disclosure of the financing agreement would unduly restrict Claimant's chances of an effective claim giving Respondent valuable insights into Claimant's arbitration strategy. Furthermore, there is no basis for the request of disclosing the ATE-Insurance agreement. That applies even more as Respondent itself seems to rely on financing by its parent company.

longweller
Joseph Langweiler

,,



28 Maxwell Road #03-01 Maxwell Chambers Suites Singapore 069120 Tel: +65 6713 9777 Fax: +65 6713 9778 www.siac.org.sg

Our Ref: ARB1991/25/VIS

10 September 2025

**CLAIMANT**:

ORCHIS WORLDWIDE LTD c/o JOSEPH LANGWEILER

Advocate at the Court

75 Court Street

Capital City

Mediterraneo

By Email:

Langweiler@lawyer.me

**RESPONDENT**:

DARWIN NATURAL FOOD PLC c/o JULIA CLARA FASTTRACK

Advocate at the Court

14 Capital Boulevard

Oceanside

Equatoriana

By Email:

fasttrack@host.eq





Dear Mesdames and Sirs,

#### **SIAC ARBITRATION 1991 OF 2025 (ARB1991/25/VIS)**

IN THE MATTER OF AN ARBITRATION UNDER THE ARBITRATION RULES OF THE SINGAPORE INTERNATIONAL ARBITRATION CENTRE (6<sup>TH</sup> EDITION, 1 AUGUST 2016) BETWEEN ORCHIS WORLDWIDE LTD ("CLAIMANT") AND DARWIN NATURAL FOOD PLC ("RESPONDENT")

- 1. We are pleased to inform you that the President of the Court of Arbitration of SIAC has appointed **Prof. Dr. Yesim Salepp** as the Presiding Arbitrator in the above-referenced arbitration. The Tribunal consisting of **Prof. Dr. Yesim Salepp** (Presiding Arbitrator), **Mr James Bateman** (Co-Arbitrator) and **Mr John Lindley** (Co-Arbitrator) is therefore constituted.
- 2. Please find enclosed for your information and reference:
  - 2.1 the Letter of Appointment of Mr James Bateman dated 27 August 2025;
  - 2.2 the Letter of Appointment of Mr John Lindley dated 27 August 2025;
  - 2.3 the Letter of Appointment of Prof. Dr. Yesim Salepp dated 10 September 2025;
  - a contact information sheet containing the contact details of the Parties and their representatives; and
  - 2.5 SIAC Schedule of Fees.

#### **Terms of Appointment**

- 3. We draw your attention to the SIAC *Practice Note on cases administered by SIAC under the SIAC Rules* (PN 01/25, 1 January 2025) and SIAC *Practice Note on the appointment of Tribunal Secretaries* (PN 02/25, 1 January 2025) (collectively, "**Practice Notes**"). The Tribunal members have agreed to accept their appointments under these Practice Notes and their remuneration will be ascertained in accordance with the applicable SIAC Rules and the Schedule of Fees (available on our website at https://siac.org.sg/siac-schedule-of-fees-2025, a copy of which is also attached).
- 4. Based on the amount in dispute currently known to us at **USD 3,300,000.00** (*i.e.*, **SGD 4,259,310.00** as at 31 July 2025), the Tribunal's fees are subject to a maximum of **SGD 354,035.16** for a three-member tribunal. This limit may be revised if there is any change in the amount in dispute or based on information as may subsequently become available.
- 5. Please note that the actual remuneration payable to the arbitrators will be fixed by the Registrar at the conclusion of the arbitration.





#### Conduct of the proceedings

- 6. The Parties should consult with the Tribunal in relation to the conduct of the arbitration, including whether they wish to use SIAC Gateway for this case. The Secretariat will be pleased to assist where appropriate.
- 7. Please do not hesitate to contact the SIAC Secretariat if you have any questions or require any clarifications. We are happy to assist as required. Our contact details, for your convenience, are as follows:

(Ms) Solera Odensa	
(Ms) Sniara Begonia	
(Ms) Lily Vanda Day	Email: VIS-SIAC@siac.org.sg
Deputy Counsel	<b>Tel:</b> +65 6713 9777
(Ms) Laelia Rosea Lee	
Counsel	

Thank you.

Yours sincerely,

[signed]

Lily Vanda Day Deputy Counsel

#### Encl –

- (1) Letter of Appointment of Mr James Bateman dated 27 August 2025 (not reproduced)
- (2) Letter of Appointment of Mr John Lindley dated 27 August 2025 (not reproduced)
- (3) Letter of Appointment of Prof. Dr. Yesim Salepp dated 10 September 2025
- (4) Contact Information Sheet (not reproduced)
- (5) SIAC Schedule of Fees (not reproduced)

c.c. Tribunal

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#### LETTER OF APPOINTMENT OF ARBITRATOR

**SIAC ARBITRATION 1991 OF 2025 (ARB1991/25/VIS)** 

IN THE MATTER OF AN ARBITRATION UNDER THE ARBITRATION RULES OF THE SINGAPORE INTERNATIONAL ARBITRATION CENTRE ( $6^{\text{TH}}$  EDITION, 1 AUGUST 2016) BETWEEN ORCHIS WORLDWIDE LTD ("CLAIMANT") AND DARWIN NATURAL FOOD PLC ("RESPONDENT")

Pursuant to Rule 11.3 of the Arbitration Rules of the Singapore International Arbitration Centre (6<sup>th</sup> Edition, 1 August 2016), I hereby appoint

#### YESIM SALEPP

as the presiding arbitrator in the above arbitration.

Dated this 10th day of September 2025

[signed]

President

SIAC Court of Arbitration





28 Maxwell Road #03-01 Maxwell Chambers Suites Singapore 069120 Tel: +65 6713 9777 Fax: +65 6713 9778 www.siac.org.sg

Our Ref: ARB1991/25/VIS

10 September 2025

Prof. Dr. Yesim Salepp

**Totonacs Drive 1223** 

1011 Vindobona

Danubia

By Email:

dg@greenhouse-arbitration.com

Mr James Bateman

Villa Brisa

Belmare

Mediterraneo

By Email:

james@bate-arb.me

Mr John Lindley

Kew Garden Street

Oceanside Equatoriana By Email:

jlindley@kewchambers.eq

Dear Members of the Tribunal,

#### **SIAC ARBITRATION 1991 OF 2025 (ARB1991/25/VIS)**

IN THE MATTER OF AN ARBITRATION UNDER THE ARBITRATION RULES OF THE SINGAPORE INTERNATIONAL ARBITRATION CENTRE (6<sup>TH</sup> EDITION, 1 AUGUST 2016) BETWEEN ORCHIS WORLDWIDE LTD ("CLAIMANT") AND DARWIN NATURAL FOOD PLC ("RESPONDENT")

- 1. We refer to the above arbitration which is administered by the Singapore International Arbitration Centre ("SIAC") under the Arbitration Rules of the Singapore International Arbitration Centre (6<sup>th</sup> Edition, 1 August 2016) ("SIAC Rules").
- 2. We write to inform you that the President of the SIAC Court of Arbitration has appointed Prof. Dr. Yesim Salepp as the Presiding Arbitrator in the above-referenced arbitration. The Tribunal consisting of **Prof. Dr. Yesim Salepp** (Presiding Arbitrator), **Mr James Bateman** (Co-Arbitrator) and **Mr John Lindley** (Co-Arbitrator) is therefore constituted.
- 3. Please find enclosed for your information and reference:
  - 3.1 the Letter of Appointment of Mr James Bateman dated 27 August 2025;





- 3.2 the Letter of Appointment of Mr John Lindley dated 27 August 2025;
- 3.3 the Letter of Appointment of Prof. Dr. Yesim Salepp dated 10 September 2025;
- 3.4 a contact information sheet containing the contact details of the Parties and their representatives;
- 3.5 SIAC Award Checklist;
- 3.6 a copy of the papers that have been filed in this arbitration;
- 3.7 SIAC Practice Note for Administered Cases (PN 01/25, 1 January 2025);
- 3.8 SIAC Practice Note on the Appointment of Tribunal Secretaries (PN 02/25, 1 January 2025); and
- 3.9 SIAC Practice Note on Arbitrator Conduct in Cases involving External Funding (PN 01/17, 31 March 2017).

#### Conduct of the Proceedings

- 4. In accordance with Rule 19 of the SIAC Rules, the Tribunal may, after consulting with the Parties, conduct the arbitration in such manner as it considers appropriate. As soon as practicable after the constitution of Tribunal, the Tribunal shall conduct a preliminary meeting with the Parties to discuss the relevant procedures pertaining to the arbitration. Unless already submitted, the Claimant is to file its Statement of Claim and the Respondent is to file its Statement of Defence (and Counterclaim, if any) within a period of time to be determined by the Tribunal.
- 5. We would like to be kept informed of the progress of the arbitration at all times and would appreciate it if the Tribunal could send us copies of all correspondence with the Parties.
- 6. Further, we would be grateful if the Tribunal could inform us: (i) if there is any revision to the amount in dispute as and when such revision occurs; and (ii) when a hearing has been fixed in this arbitration.

#### **Awards**

- 7. We remind the Tribunal to send us its draft award(s) (interim as well as final) in order that we may verify the consistency of the draft award(s) as to form. Once we confirm that this is in order, we would request that the Tribunal send us signed copies of the original award(s) which we will then forward to the Parties.
- 8. Please note that SIAC has prepared a checklist to assist arbitrators in drafting awards in arbitrations administered by SIAC. This checklist aims to facilitate the Registrar's approval of draft awards and expedite the finalisation of arbitral awards. Tribunals are required to provide





- a completed checklist when submitting a draft award for the Secretariat's review. A copy of this checklist is enclosed for your reference.
- 9. We also encourage the Tribunal to consider sending us other substantive decisions or orders for our review prior to issuance.

#### **Fees**

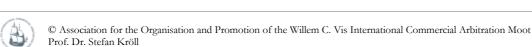
- 10. Based on the sum in dispute currently known to us at USD 3,300,000.00 (*i.e.*, SGD 4,259,310.00 as at 31 July 2025), the Tribunal's fees are subject to a maximum of SGD 354,035.16 for a three-member tribunal. This limit may be revised if there is any change in the sum in dispute or based on information as may subsequently become available. Please note that the actual remuneration payable to the arbitrators will be fixed by the Registrar in accordance with, *inter alia*, the stage of proceedings at which the matter is concluded. You will bear all bank charges incurred to process payments of your fees and expenses.
- 11. Please note that it is central to SIAC's mission that arbitrations under the SIAC Rules are conducted fairly and with a view to the expeditious and cost-effective conduct of the arbitration proportionate to the complexity of the issues arising for determination, and the sum in dispute. The SIAC Secretariat will closely monitor the conduct of the arbitration to ensure that these goals are realised, and the Registrar will take into account the performance of the Tribunal when determining the costs of arbitration.

#### **SIAC Practice Notes**

- 12. We draw your attention to the following SIAC Practice Notes that apply to this arbitration (the *"Practice Notes"*):
  - 12.1 SIAC *Practice Note for Administered Cases* (PN 01/25, 1 January 2025), which applies to the conduct of these proceedings as the arbitration is governed by the SIAC Rules;
  - 12.2 SIAC Practice Note on the Appointment of Tribunal Secretaries (PN 02/25, 1 January 2025), which applies to the appointment of administrative secretaries by tribunals in all cases administered by SIAC; and
  - 12.3 SIAC Practice Note on Arbitrator Conduct in Cases involving External Funding (PN 01/17, 31 March 2017), which applies to all arbitrations administered by SIAC under the SIAC Rules, where the involvement of an external funder is permissible.

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13. A copy of these *Practice Notes* is enclosed. The Tribunal members have agreed to accept their appointments under these *Practice Notes* and are expected to abide by them.





#### Secretariat

14. Please do not hesitate to contact the SIAC Secretariat team listed below should you have any questions or require any clarifications. Our contact details, for your convenience, are as follows:

(Ms) Solera Odensa	
(Ms) Sniara Begonia	
(Ms) Lily Vanda Day	Email: VIS-SIAC@siac.org.sg
Deputy Counsel	<b>Tel:</b> +65 6713 9777
(Ms) Laelia Rosea Lee	
Counsel	

15. We wish you smooth progress in this arbitration.

Thank you.

Yours sincerely,

[signed]

Solera Odensa Deputy Counsel

#### Encl –

- (1) the Letter of Appointment of Mr James Bateman dated 27 August 2025 (not reproduced)
- (2) the Letter of Appointment of Mr John Lindley dated 27 August 2025 (not reproduced)
- (3) the Letter of Appointment of Prof. Dr. Yesim Salepp dated 10 September 2025 (not reproduced)
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- (9) SIAC Practice Note on Arbitrator Conduct in Cases involving External Funding (PN 01/17, 31 March 2017) (not reproduced)



Prof. Dr. Yesim Salepp
Totonacs Drive 1223
1011 Vindobona
Danubia
dg@greenhouse-arbitration.com

By email and courier
Joseph Langweiler
Advocate at the Court
75 Court Street
Capital City
Mediterraneo

Julia Clara Fasttrack Advocate at the Court 14 Capital Boulevard Oceanside Equatoriana

cc. SIAC

### Arbitral Proceedings Orchis Worldwide Ltd v. Darwin Natural Food plc SIAC ARB1991/25/VIS

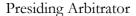
19 September 2025

Dear Colleagues,

The Arbitral Tribunal would like to discuss with you in a TelCo on 8 October 2025 the further conduct of the proceedings after having familiarized itself with the file.

Kind regards,

For the Arbitral Tribunal



Yesim Solepp

Prof. Dr. Yesim Salepp Totonacs Drive 1223 1011 Vindobona Danubia dg@greenhouse-arbitration.com

By email and courier
Joseph Langweiler
Advocate at the Court
75 Court Street
Capital City
Mediterraneo

Julia Clara Fasttrack Advocate at the Court 14 Capital Boulevard Oceanside Equatoriana

cc. SIAC

### Arbitral Proceedings Orchis Worldwide Ltd v. Darwin Natural Food plc SIAC ARB1991/25/VIS

9 October 2025

Dear Colleagues,

The Arbitral Tribunal appreciates your cooperation during yesterday's TelCo.

Please find attached Procedural Order No. 1 which is based on the discussion during the TelCo.

Kind regards,

For the Arbitral Tribunal

Yesim Solepp Presiding Arbitrator

#### PROCEDURAL ORDER NO 1

of 9 October 2025

#### Arbitral Proceedings Orchis Worldwide Ltd v. Darwin Natural Food plc SIAC ARB1991/25/VIS

- I. Following the receipt of the file on 10 September 2025, the Arbitral Tribunal discussed the further conduct of the proceedings with both Parties in a telephone conference on 8 October 2025.
- II. The Arbitral Tribunal takes note of the fact that in the telephone conference of 8 October 2025 both Parties agreed:
  - that the agreement including the arbitration clause is governed by the CISG;
  - that the decision of SIAC as to the applicable rules is of a preliminary nature;
  - to empower the Arbitral Tribunal
    - i. to decide on the version of the applicable rules and
    - ii. then continue the proceedings on the basis of those rules without the need to initiate new proceedings.
- III. In the light of these agreements and considerations the Arbitral Tribunal hereby makes the following orders:
  - 1. In their next submissions and at the Oral Hearing in Vindobona (Hong Kong) the Parties are required to address the following issues:
    - a. Which version of the SIAC Arbitration Rules applies to this arbitration?
    - b. Should the Arbitral Tribunal order the requested disclosure of the agreements under the SIAC Rules 2016 or Rule 38.4 SIAC Rules 2025?
    - c. Is CLAIMANT entitled to damages due to a breach of contract by RESPONDENT which is not excused by Article 79 CISG?
    - d. In case CLAIMANT should be entitled to damages, can the damages be calculated on the basis of Article 75 CISG in the way it is done by CLAIMANT, i.e. taking the difference between in the price paid by Herbal Cosmetics for the delivery of the 3,300 Orchids on 14 May 2024 and the price RESPONDENT would have paid for the same amount under the Agreement.

The Parties are free to decide in which order they address the various issues. **No further** questions going to the merits of the claims should be addressed at this stage of the proceedings, in particular no questions relating to the claim for damages.

- 2. For their submissions the following Procedural Timetable applies:
  - a. CLAIMANT's Submission: no later than 11 December 2025;
  - b. RESPONDENT's Submission: no later than 22 January 2026.



- 3. The submissions are to be made in accordance with the Rules of the Moot agreed upon at the telephone conference.
- 4. It is undisputed between the Parties that Equatoriana, Mediterraneo and Danubia are Contracting States of the CISG and Member States of the New York Convention. The general contract law of all three countries is a verbatim adoption of the UNIDROIT Principles on International Commercial Contracts. Danubia has adopted the UNCITRAL Model Law on International Commercial Arbitration with the 2006 amendments (Article 7 – Option 1).
- 5. There is consistent jurisprudence in all the countries concerned that in sales contracts governed by the CISG, the latter also applies to the conclusion and interpretation of the arbitration clause contained in such contracts, in so far as the applicable arbitration law does not contain any conflicting provisions.
- 6. In the event, Parties need further information, Requests for Clarification must be made in accordance with paragraph 29 of the Rules of Moot no later than 7 November 2025 via their online party (team) account. No team is allowed to submit more than ten questions.
- 7. Where an institution is participating in both Hong Kong and Vienna, the Hong Kong team should submit its questions together with those of the team participating in Vienna via the latter's account on the Vis website.

Clarifications must be categorized as follows:

- (1) Questions relating to the Parties involved and their business.
- (2) Questions relating to CITES and the decision to include the Vanilla Orchid in Appendix I.
- (3) Questions relating to the negotiation, drafting and conclusion of the arbitration clause.
- (4) Questions relating to the negotiation, drafting and conclusion of the remainder of the contract.
- (5) Questions relating to the contracts with Herbal Cosmetic.
- (6) Questions concerning the agreements with AtJ, LitSure or the parent company concerning funding.
- (7) Questions concerning the applicable laws and rules.
- (8) Other questions.
- IV. Both Parties are invited to attend the Oral Hearing scheduled for in Vindobona, Danubia (in Hong Kong). The details concerning the timing and the venue will be provided in due course.

Vindobona, 9 October 2025

For the Arbitral Tribunal



Presiding Arbitrator



### Clarification:

- The *Vanilla Planafolia Mediterreaniensis* as well as the *Planfolia Equatoriana* do not exist but are inventions for the present case. While they have many features of the orchids used for the production of vanilla, several important features were made up or exaggerated for the purposes of the case (sensitivity, life cycle, propagation problems, flowering period, prize).
- Equally, the dates for the Conference of the Parties to CITES are entirely made up, as is Resolution Conf. XX.8 allowing an inclusion of species into Appendixes I or II with immediate effect. Under Article XV (1)(c) CITES amendments "adopted at a meeting shall enter into force 90 days after the meeting".

#### PROCEDURAL ORDER NO. 2

of 17 November 2025

# in the Arbitral Proceedings: Orchis Worldwide Ltd. v. Darwin Natural Food plc SIAC ARB1991/25/VIS

#### 1. What is the correct name of the Vanilla Planafolia Mediteraniensis (Vanilla Orchid)?

The Vanilla Planafolia Mediteraniensis was developed to celebrate the 33rd Vis Moot Court and bears the official name: Vanilla Planafolia **Mediterraniensis** SIAC Rules Vis Moot (although there is debate as to whether the name should contain one or two "r"s). It is extremely rare, highly valuable and was, until 9 October 2025, unknown to ChatGPT. Any subsequent references are likely hallucinations or based on a breach of the Vis Rules.

#### 2. How did the market price for the Vanilla Orchid develop?

The market price for the Vanilla Orchid fluctuated significantly over the past five years. In 2021–2022, the price was around 2,000 USD. It rose to approximately 2,500 USD in September 2023 as some buyers sought to purchase plants amid recommendations to move the Orchid to Appendix I, while others remained sceptical about possible restrictions. In February 2024, however, the price dropped sharply to about 1,100 USD after the species was placed in Appendix I. Sellers rushed to liquidate stock, creating oversupply, while buyers hesitated due to legal and logistical concerns. The price remained stable at 1,100 USD through March 2024 as the market awaited further potential restrictions from Equatoriana, one of the largest markets for Vanilla Orchids. By October 2024, the price surged to roughly 3,200 USD when it became apparent that, within the planting window for new Orchids that year, nurseries shifted their focus to other plants, creating a potential shortage and pushing prices upward again.

#### 3. Are Vanilla Orchids grown by Claimant artificially propagated?

Claimant predominantly propagates Vanilla Orchids from cultivated parental stock. Occasionally, up to 10% of parental stock per year is sourced from wild plants to maintain genetic diversity, with orchids propagated from wild cuttings labelled accordingly. In May 2021, a disease outbreak destroyed approximately 30% of the Claimant's propagation stock. To replace the loss, Claimant urgently sourced additional wild cuttings. As the propagation window for plants intended to flower in 2024 was nearly closed, propagation had to begin immediately with all available materials. Due to the urgency, all materials were propagated together, and the wild-sourced cuttings were not separated or labelled.

#### 4. Are there any limitations on the transport and replanting of Vanilla Orchids?

The Vanilla Orchid flowers in June/July. The optimal transport and replanting period is from December to early April. Transport after April may negatively affect the following flowering season. Early delivery is advantageous for Claimant, reducing maintenance costs (3 USD per month per plant (energy/personnel)) and enabling essential greenhouse maintenance before the propagation of the next generation of plants begins in May.

### 5. Did Respondent participate in or influence the negotiation of the primary contract between Claimant and the Botanical Garden?

No. Although Respondent funded research at the Botanical Garden to improve the Vanilla Orchid's resistance, it did not participate in the acquisition of the orchids or contractual negotiations. Mr. Albius attended the dinner during Ms. Theophrastus' visit to the Botanical



Garden in January 2022 in his capacity as a board member of the Botanical Garden and representative of the main research sponsor, which provided inter alia the funds for acquiring the orchids.

## 6. Did Respondent have access to the negotiation history between Claimant and the Botanical Garden, in particular the emails of Ms. Gobley of 26 November 2021?

Yes. After acquiring the Botanical Garden, Respondent had access to its email servers. It is unknown whether anyone read Ms. Gobley's email containing the draft dispute resolution clause, later adopted unamended as Clause 15 of the Sales Agreement. Mr. Albius neither read the email nor communicated with Ms. Gobley, who had left the Botanical Garden in March 2022 when the financial problems of the Botanical Garden became apparent.

### 7. Why did Ms. Gobley suggested an arbitration clause containing a "revised" version of the SIAC-SIMC Arb-Med-Arb Protocol?

The idea of the med-arb combination came originally from one board member who had participated in an Arb-Med-Arb procedure under the SIAC-SIMC protocol. She suggested to Ms. Gobley amending the model clause to start directly with mediation, assuming that through the use of the amended protocol, the mediation would form part of the arbitration process. Ms. Gobley, not being a dispute resolution specialist, did not verify the assumption and reproduced the suggestion. The idea was to solve as many disputes in mediation as possible to avoid arbitration without running the risk that the initiation of "stand-alone" mediation proceedings would not stop the statute of limitations from expiring, and to have the opportunity to turn the settlement into an award. Ms. Gobley also added a reference to the "current Arbitration Rules", which were the ones she had read. The clause was not discussed further between Claimant and the Botanical Garden and was accepted by Claimant as proposed.

### 8. Which issues were discussed between Claimant and Respondent during the contract negotiations?

Discussions primarily focused on modifications to the Botanical Garden contract: quantity (increased from 300 to 3,000 +/- 10%), price (2,000 USD), and the delivery terms. Claimant's template used for the Botanical Garden contract, to which a new Clause 15 had been added at the time, was otherwise acceptable to Mr. Albius. The Parties filled the blanks with the agreed terms (underlined parts) and added that the "Agreement replaces the earlier agreement" with the Botanical Garden. They did not discuss the consequences of possible regulatory changes or of the Force Majeure Clause, or who would determine the exact number of orchids to be delivered. In essence, the discussion on that point is summarised in R 2 and was not more specific. Beyond the provision mentioned below, Schedule 1 also does not contain any provision which could be relevant for the right to determine the quantity of orchids.

#### 9. Is the provision "+/- 10%" regularly used by Claimant or in the industry?

Yes. Claimant uses the formula in its contracts involving more than 2,000 orchids to allow flexibility in case of unforeseen fluctuations in the quantities of orchids available for delivery due to extraordinary losses/successes in the growing of orchids. The contract with Respondent was Claimant's first large contract, where Claimant agreed on delivery FCA and gave the buyer the opportunity to determine the exact time of delivery. Claimant could have supplied 3,300 orchids, as there had been very few losses in the batch to be sold for the flowering season in 2024.

#### 10. How many orchids did Respondent intend to use for research?

Respondent planned to use "the" 300 orchids originally due under the Botanical Garden contract for research purposes.



#### 11. Was the contract price of 2,000 USD per orchid the market price on 25 August 2022?

There is no established market price for FCA contracts, as in most cases, the parties either agree on "C" or "D" INCOTERMS. For "C" terms, prices ranged from 2,100 – 2,200 USD. Given the quantities sold and Claimant's interest in securing a major new customer due to the insolvency of its previous customer, Claimant agreed to 2,000 USD per plant. Transport costs range between 50 USD and 75 USD on the free market.

#### 12. Did Respondent pay the deposit under Clause 3.3?

No. The Parties agreed, as with the Botanical Garden, that Respondent would open a letter of credit under Clause. 3.4 by 1 January 2023, which Respondent did.

# 13. Did the Parties agree in Schedule 1 on the Delivery Schedule referenced in Clause 4.2? No. They merely agreed that Respondent, responsible for transport, had to inform Claimant three months ahead of the chosen delivery date within the agreed window.

### 14. Why did Respondent not apply for an anticipatory permit in November 2023, as was discussed by the parties?

Respondent believed no permit would be needed, expecting that the Appendix I decision would not be taken before 1 February 2024 and that the planned delivery in March 2024 would still fall within the 90-day period of Article XV 1(c) CITES. The immediate application pursuant to Conf.XX.8, adopted in 2020, had never been invoked before, and both countries involved historically complied with CITES obligations leniently, so Respondent was not concerned that either would adopt stricter national measures.

### 15. Would Claimant have been able to deliver in January, and what additional costs would Respondent incur in case of earlier delivery?

Claimant could have delivered in January without affecting the orchids. The best time to deliver orchids is from December to early May. Transport capacity in January was available on short notice but would have been twice as expensive as the transportation in March 2024, which had been organised by Respondent at a price of 50 USD per plant. Furthermore, the orchids would have to be planted either in the unsuitable existing greenhouses or stored in transport containers for two months, risking at least 20% losses under normal weather conditions and potentially total loss under adverse weather. Planting in old greenhouses would not result in immediate loss, but it was very likely that over the course of the three years, more than double the number of orchids would be lost, and energy costs would be at least three times higher compared to new greenhouses. Additionally, there was the threat of a further loss of reputation and further actions by the NGOs.

### 16. What occurred between 2 and 10 February 2024 preventing the call between Mr. Haarman and Mr. Albius?

Mr. Albius was sick until 6 February, after which he had to assess the new situation created by the inclusion of the Vanilla Orchid in Appendix I with immediate effect, the boycott requests by the NGOs, the serious drop in sales and the statement of the Minister of Agriculture and Nature.

## 17. Did Respondent attempt to apply for the necessary permits prior to notifying the Claimant of its inability to obtain them?

Yes. Respondent conducted an internal review and contacted the authorities. On 5 February 2024, Respondent applied for an import permit. On 14 February 2024, it was informed by the relevant Equatorianian authority that no permits would be issued pending further ministerial guidance. Following the termination of the contract, Respondent withdrew its application. No



other applications for import permits for Vanilla Orchids have been filed for since, neither by Respondent nor by any other importer.

### 18. Has Equatoriana implemented more restrictive legislation on the import of Vanilla Orchids pursuant to Article XIV CITES?

Following the announcement on 8 February 2024 of a shift toward a more restrictive approach to permits, on 26 February 2024, the Equatorianian government signaled its intention to go further and to prohibit trade in orchids entirely. Under the applicable domestic procedure, adoption of such a regulation would take about 1 to 3 months. However, the process stalled within the government, and the proposed prohibition ultimately was not finalised, overshadowed by more pressing matters.

#### 19. Did Herbal Cosmetics obtain an import permit from the authorities in Ruritania?

Yes. Ruritania routinely issues import permits when applicants assert that a certain amount of species is used for research purposes, with no further proof required.

- 20. Could Claimant pursue the present claim without the financial support of AtJ-Funding? Probably not. In March 2025, a former manager of Claimant, who was fired for embezzling funds, sabotaged greenhouse controls, destroying 15,000 orchids to be delivered in 2025 2027. Claimant's insurance likely will not cover the losses, leaving Claimant solvent only until June 2026. Thereafter, it depends on the terms of the settlement agreements. Claimant is negotiating future delivery of vanilla orchids in 2026 and 2027, expecting to supply only a fraction of the vanilla orchids contracted for from its own nursery and to purchase the rest at unconfirmed prices. Claimant contracted with both AtJ-Funding and LitSure in February 2025 to remove cost risks associated with the dispute and the arbitral proceedings from its balance sheets.
- 21. Does the involvement of AtJ-Funding and LitSure raise independence issues with a member of the arbitral tribunal?

22. Is AtJ-Funding (Response to the Notice of Arb) in this case the same entity as AtJ-Financing (R4) mentioned in the newspaper report?

23. What is LitSure's reputation on the market?

A very good one.

No.

24. Do the contracts between Claimant and LitSure and Claimant and AtJ contain non-disclosure/ confidentiality clauses?

Yes. They provide "The Parties agree not to disclose the existence or the terms and conditions of this Agreement unless obligated to do so by law (including regulatory disclosure requirements) or ordered to do so by a court of law or arbitral tribunal or agreed by the Parties in writing in advance. Funded Party agrees to notify Funder promptly if Respondent seeks disclosure or discovery of this Agreement or its terms and to consult with Funder regarding Funded Party's response to such requests."

25. Did AtJ-Financing have any involvement in arranging or require the Claimant to obtain the adverse costs insurance policy with LitSure?

No. Claimant approached LitSure after AtJ informed it that including a potential adverse cost coverage in the budget would make funding too expensive.

26. Does the funding agreement include any information on Claimants arbitration strategies?

The funding agreement does not expressly describe any arbitration strategy. It specifies an amount that AtJ commits to the funding of the arbitration and a formula for the calculation of



the amount payable to the funder in case Claimant prevails in the arbitration. It contains no settlement thresholds that would require Claimant to accept a settlement if the threshold is reached.

#### 27. Has Claimant indicated it may claim compensation for the funding costs?

At the CMC discussions, Claimant indicated that it might seek reimbursement of "reasonable funding costs" in the course of the proceedings, which was the reason for its reservation in claim no. 3.

## 28. Did Respondent formally notify Claimant of its inability to perform the contract as a result of a force majeure event?

No written notice was issued. In his first phone call of 10 February 2024, Mr. Albius informed Claimant of the new development in Equatoriana in relation to import permits and that while the permit would definitely not be granted in time for the planned delivery on 27 March 2025, he had serious doubts as to whether delivery could take place at all. In his second phone call on 27 February 2024, Mr. Albius informed Claimant of the plans of Darwin Natural Foods to divest of its spice line and that "under these circumstances it was impossible for [Respondent] to fulfill the contract" (R 1).

#### 29. Was the sale to Herbal Cosmetics a reasonable cover sale under Art. 75 CISG?

Insofar as the sale to Herbal Cosmetics can be classified in relation to timing and quantities as a cover sale in the sense of Art. 75 CISG, it can be considered reasonable.

### 30. How were the mediation proceedings initiated in December 2024, and when did they end?

In its request for mediation, Claimant had mentioned that it wanted to start the mediation "as the first step of the dispute resolution process under the arbitration clause contained in clause 15", which it also attached. No explicit reference to the AMA-Protocol was made in the request. The mediation was terminated on 1 June 2025 by an agreement of the Parties after they reached an impasse.

# 31. Are there any further deviations from the CITES Convention apart from the ones mentioned (Conf.XX.8; dates of meetings; fictitious States) which should be taken into account?

No. No reservations were declared by any of the states involved.

### 32. Are Danubia, Mediterraneo and Equatoriana signatories to the Singapore Convention on Mediation?

Only Danubia is a signatory.

## **33.** Are Danubia, Equatoriana and Mediterrano civil law or common law jurisdictions? Equatoriana and Danubia are common law jurisdictions, Mediterraneo is a civil law jurisdiction.

# 34. Are there any specific laws in Danubia, Equatoriana or Mediterrano on third-party funding or ATE-insurance, and where are AtJ-Funding/LitSure based?

All three jurisdictions allow for third-party funding and ATE-insurance with no relevant special rules. AtJ-Funding and LitSure are incorporated in Danubia.

#### 35. Has Equatoriana modified Art. 10.7 PICC in its national contract law?

No. Its new PICC-based contract law only entered into force on 1 January 2024. The old contract law did not contain a comparable provision, and courts twice held that initiating mediation proceedings did not toll limitation periods.

## 36. Has any interpretation of the 2016 SIAC Rules in Danubia allowed a tribunal to compel the disclosure of a third-party funder?



No. Its Supreme Court, however, upheld an SIAC award rendered under the 2016 SIAC rules in 2020, where the sole arbitrator rejected a request to disclose a funding agreement due to a lack of the required powers.

37. Is there any reason why issue III 1 c is limited to the excuse by Article 79 CISG, or are we allowed, in light of Respondent's request c to "reject Claimant's damage claims", to argue also on the basis of the force majeure clause?

In framing the issue, the Arbitral Tribunal merely restated the Parties' submissions up to that point. Since then, Ms. Fasttrack has clarified that, should the Arbitral Tribunal find Article 79 CISG inapplicable to the present case, Respondent will also rely on Clause 12 of the Contract in its defence.

38. How should PO 1 statement that "[n]o further questions going to the merits of the claims should be addressed at this stage of the proceedings" be understood?

Only the 3,300,000 USD claim mentioned in Claimant's request No. 1 is currently at issue. No further losses should be discussed. Teams are, in principle, free to rely exclusively on Art. 75 CISG invoked by Claimant, which does not want to open its books for Respondent to prove damages, or to advance the claim on a different legal basis. The reserved "reasonable financing costs" claim has not been submitted yet and should thus not be discussed as a <u>separate</u> claim, but, if at all, as an argument within one of the other claims raised.

39. Claimant would like to make the following corrections and clarifications to its submissions:

In the Notice of Arbitration, the following corrections are necessary

- a. In Claimant Exhibit C 4, the year when the patent was obtained was 2022, not 2023.
- b. In Claimant Exhibit C 6, in para. 14, the date should be "27 February 2024" (instead of 23 February 2024), and in para. 15, the date should be "14 May 2024" instead of "15 April 2024".

Vindobona, 17 November 2025

For the Arbitral Tribunal

Tesim Solepp

Presiding Arbitrator