

Polish Supreme Court ruling
dated 11 October 1935
Case No. C I 339/35

Summary by arbitraz.laszczuk.pl:

An arbitration court issued an award in 1933 in favour of the claimant, Albin W., ordering that possession of an estate known as Bratomierz be delivered to him in tenancy by the respondents, Weronika, Marja, Janina and Alfred M., and awarding the costs of the proceeding.

Albin W. applied to the regional court for enforcement of the award. The respondents moved to set aside the award on the grounds *inter alia* that the award for costs exceeded the arbitration clause, which did not mention costs, and that the award was based on a forged document, namely the tenancy agreement. The regional court denied the petition to set aside the award and issued an enforcement clause for the award.

The Wilno Appellate Court upheld the judgment of the regional court and denied the appeal.

The appellate court refused to consider the allegation that the tenancy agreement was forged because it went to the merits of the dispute decided by the arbitration court and because the petitioners failed to present a judgment holding that the document was forged.

On cassation appeal, the Supreme Court of Poland held that the arbitration court had properly awarded costs. Both parties had sought costs in writing and thus the arbitration clause had effectively been supplemented to cover the award of costs. The court refused to review the amount of the costs because that went to the merits of the award.

The Supreme Court held that the claim that the award was obtained on the basis of a forged document was grounds to set aside an award. The court found that the issue of the authenticity of the document was not considered by the arbitration court, and the original agreement was not presented until the proceeding before the regional court. Furthermore, there was no legal requirement that a claim to set aside an arbitration award on these grounds had to be supported by a judgment holding the document in question

to be forged. The court vacated the judgment below accordingly and remanded the case to the appellate court for reconsideration.

Excerpts from the text of the court's ruling:

1. Award of the costs of the proceeding by the arbitration court, even though not mentioned in the arbitration clause, does not invalidate the award if it was made at the request of both parties, expressed in writings submitted to the arbitration court, as in this way the clause was supplemented in compliance with the requirements as to form in Civil Procedure Code Art. 480.

2. Determination of the amount of the costs of the proceeding before the arbitration court rests with the arbitration court and lies outside the bounds of review by the state court (Civil Procedure Code Art. 502 and 503).

3. Discovery of the forgery of a document may be grounds for setting aside an arbitration award. ... The view that forgery of a document must be evidenced by a judgment is not founded on any provision of law, and more specifically is contrary to Civil Procedure Code Art. 445 §1(1) and thus contrary to Art. 503 §1(5).