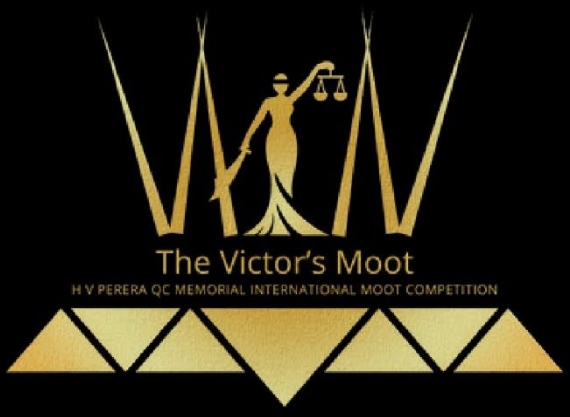


THE MOOT PROBLEM

THE 8TH VICTOR'S MOOT

THE MOOT SOCIETY OF SRI LANKA LAW COLLEGE

CONTENTS

Document	Page
Letter by Vander (20th January 2024)	01
Notice of Arbitration (20th January 2024)	02
Claimant Exhibit C1 – Contract (1st February 2023)	05
Claimant Exhibit C2 – Letter by ETA (5th April 2023)	08
Claimant Exhibit C3 – Extract from Newspaper (3rd May 2023)	09
Claimant Exhibit C4 – Letter by Viktor Evans (15th May 2023)	10
SIAC Acknowledgement of a Notice of Arbitration (21st January 2024)	11
SIAC Notification of a Notice of Arbitration (22nd January 2024)	13
SIAC Letter to Parties on Co-Arbitrator nominated by Claimant (24th January 2024)	15
Letter by Talis (30th January 2024)	16
Response to Notice of Arbitration (30th January 2024)	17
Respondent Exhibit R1 – Email Chain between the Parties (December 2023)	21
Respondent Exhibit R2 – Letter by Magnus PLC (25th February 2023)	24
Respondent Exhibit R3 – Internal Memorandum of Firefly Inc. (15th January 2023)	26
SIAC Letter to Parties on Co-Arbitrator nominated by Respondent (13th February 2024)	27
SIAC Notification of Centre decision (18th February 2024)	28
Letter by Presiding Arbitrator (25th February 2024)	30
Procedural Order No. 1 (25th February 2024)	31

John Vander,
35 Justice Square,
Zaun,
Westland.
Tel (00) 726 9845; Telefax (00) 726 9846
Vander@legal.me

20th January 2024

Registrar,
Singapore International Arbitration Centre (SIAC),
28 Maxwell Road,
#03-01 Maxwell Chambers Suites,
Singapore.

Dear Sir,

I hereby submit the enclosed Notice of Arbitration on behalf of my client *Firefly Inc.* pursuant to Article 3 of the SIAC Arbitration Rules 2016. A copy of the Power of Attorney authorizing me to represent *Firefly Inc.* in this arbitration is also enclosed.

The relevant filing fees have already been paid by my client.

The contract giving rise to this arbitration provides that the place of Arbitration shall be London, United Kingdom, and that the arbitration shall be conducted in English. The arbitration agreement provides for three arbitrators. *Firefly Inc.* hereby nominates Dr. Corin Revek, 41 Central Street, Piltover, Westland as its arbitrator.

The required documents are attached.

Sincerely yours.

John Vander

John Vander

Attachments:
Notice of Arbitration with Exhibits
Power of Attorney (*not reproduced*)
Confirmation of Payment of Filing Fee (*not reproduced*)

Notice of Arbitration

(pursuant to Rule 3 of the SIAC Arbitration Rules 2016)

in the Arbitral Proceedings
Firefly Inc. vs. Magnus PLC

20th January 2024

PARTIES AND REPRESENTATION

1. Claimant is:

   Firefly Inc.
   Cross Street 7624
   Zaun,
   Westland.
2. Claimant is represented in this arbitration by John Vander, 35 Justice Square, Zaun, Westland.
3. Respondent is:

   Magnus PLC
   12 Main Street
   Piltover,
   Eastland.

STATEMENT OF FACTS

4. On 15th January 2023, the Respondent, a telecommunication service provider, represented to the Claimant that it was legally entitled to sell 15% of its allocated bandwidth in the local radio frequency spectrum for 4G mobile telephones of Eastland to the Claimant. This representation was a material inducement for the Claimant to enter into a Contract (**Claimant Exhibit C1**) with the Respondent and make the necessary financial arrangements.
5. Radio frequency spectrum is a scarce and finite resource, used for wireless communication. The Eastland Telecommunications Authority (ETA) is responsible for the allocation of this spectrum to licensed telecommunications operators within the country.
6. Subsequently, the parties executed the Contract on 1st February 2023, whereby the Respondent agreed to sell and transfer 15% of its allocated bandwidth to the Claimant for a consideration of USD 15 Million. The Claimant fulfilled its obligations under the Contract by remitting the agreed consideration on 10th February 2023.
7. After the execution of the Contract, the Claimant began making significant investments to integrate the acquired bandwidth into its operational framework. These investments included the procurement of necessary telecommunications equipment, the hiring of technical experts, and the initiation of marketing campaigns to promote its services leveraging the promised bandwidth. These actions resulted in substantial financial outlays by the Claimant.

8. On 5th April 2023, during regulatory checks and discussions (**Claimant Exhibit C2**) with the ETA, the Claimant discovered that the Respondent was legally restricted from selling more than 10% of its allocated bandwidth to any single entity unless specific approval has been obtained, pursuant to telecommunications regulations in Eastland's Radio Frequency Spectrum Act (RFS Act) Section 12 that provides as follows;

> *"(1) Licensed telecommunications operators are prohibited from transferring more than 10% of their allocated bandwidth to any single entity within the same licensing period unless prior specific approval has been obtained for such transfer from the Eastland Telecommunications Authority.*
>
> *(2) Operators must disclose the details of any proposed bandwidth transfer to the Eastland Telecommunications Authority for approval at least 30 days prior to execution.*
>
> *(3) Any unauthorized transfer exceeding the stipulated threshold shall be deemed invalid, and the operator may be subject to fines, suspension, or revocation of its license."*

9. The Claimant further learned on 3rd May 2023, that Magnus PLC had been previously cautioned by the ETA for non-compliance with bandwidth transfer restrictions in unrelated transactions (**Claimant Exhibit C3**). Internal communications obtained by the Claimant revealed that the Respondent knowingly misrepresented its authority to transfer 15% bandwidth to secure the Claimant's financial commitment.
10. Efforts to validate the bandwidth transfer were hindered by the Respondent's refusal to disclose critical documentation related to regulatory clearance. Upon inquiry by the Claimant on 15th May 2023, the Respondent misrepresented factual circumstances (**Claimant Exhibit C4**), further evidencing the Respondent's bad faith in executing the Contract.
11. The Respondent's failure to disclose the regulatory limitation and subsequent attempts to conceal its breach of legal obligations constitute material misrepresentation and fraudulent conduct. The Claimant asserts that these actions directly caused financial losses, operational setbacks, and reputational harm and breach of contract.

LEGAL EVALUATION

12. The Respondent's actions constitute a fundamental breach of contract under applicable contract law principles. The Respondent induced the Claimant to enter into the Contract and perform its obligations by representing its ability to transfer 15% of its allocated bandwidth. However, the Respondent's inability to fulfill this key term due to regulatory restrictions rendered the performance of the Contract impossible. This failure to perform the agreed-upon obligations constitutes a breach of an essential term of the Contract.

13. The Respondent's representation that it was legally entitled to sell 15% of its bandwidth constitutes a material misrepresentation. Here, the Respondent knowingly or negligently misrepresented its capacity to sell bandwidth in excess of the regulatory cap of 10%, as established in Section 12(1) of Eastland's RFS Act.

14. Under the doctrine of fraudulent misrepresentation, a party that knowingly makes a false statement with the intent to deceive the other party is liable for the damages that result from reliance on that

misrepresentation. In the present case, the Respondent's deliberate concealment of its regulatory constraints and provision of falsified documentation demonstrate clear intent to mislead the Claimant.

15. Even if the misrepresentation were deemed negligent rather than fraudulent, the Claimant relied on the Respondent's statements to its detriment, fulfilling its obligations under the Contract and incurring substantial financial losses. As such, the Respondent's actions satisfy the criteria for actionable misrepresentation.

16. Following the discovery of the regulatory restrictions and the Respondent's inability to lawfully transfer the agreed bandwidth, the Claimant engaged in multiple attempts to resolve the matter amicably. Between the months of October and December 2023, the parties conducted several rounds of discussions, both through direct negotiations and with the involvement of legal representatives, in an effort to reach a mutually acceptable resolution. However, these negotiations ultimately proved unsuccessful. Given the circumstances, the Claimant has no alternative but to pursue arbitration under the terms of the Contract.

REQUEST

17. In light of the aforementioned circumstances, Claimant prays the Arbitral Tribunal for the following orders:
    (a) A declaration that the Respondent has breached the Contract and committed misrepresentation;

    (b) Damages in the amount of USD 30 Million, representing the consideration paid under the Contract and consequential losses;

    (c) Interest on the damages awarded at the rate of 5% per annum from the date of payment until the date of recovery;

    (d) Reimbursement of all costs incurred by the Claimant in connection with this arbitration, including but not limited to legal fees and arbitration costs; and

    (e) Any other relief that the Arbitral Tribunal deems just and equitable.

John Vander

John Vander

CLAIMANT EXHIBIT C1

This Contract is entered into on this 1st day of February 2023, by and between:
Firefly Inc. (hereinafter referred to as the "Buyer"), a company incorporated under the laws of Westland, having its registered office at Cross Street 7624, Zaun, Westland; and
Magnus PLC (hereinafter referred to as the "Seller"), a company incorporated under the laws of Eastland, having its registered office at 12 Main Street, Piltover, Eastland.
Collectively referred to as the "Parties" and individually as a "Party."

WHEREAS, the Seller is a licensed telecommunications operator in Eastland and possesses bandwidth allocation rights within the telecommunications spectrum regulated by the Eastland Telecommunications Authority (ETA);

WHEREAS, the Buyer desires to acquire 15% of the Seller's allocated bandwidth in the telecommunications spectrum in Eastland to expand its operations; and

WHEREAS, the Seller is willing to sell and transfer such bandwidth allocation to the Buyer for a consideration mutually agreed upon by the Parties.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties, and agreements set forth herein, the Parties agree as follows:

Clause 01: Definitions
"Bandwidth" means the 15% of the allocated telecommunications spectrum currently under the control of the Seller, as regulated by the ETA.

"ETA Approval" means the regulatory clearance required from the Eastland Telecommunications Authority for any transfer of bandwidth allocation.

"Consideration" means the total amount of USD 15 Million to be paid by the Buyer to the Seller in accordance with Clause 4.

Clause 02: Subject Matter
2.1 The Seller agrees to sell and transfer 15% of its allocated bandwidth to the Buyer, and the Buyer agrees to purchase and accept such bandwidth, subject to the terms and conditions set forth herein.

2.2 The transfer of bandwidth shall be deemed effective upon execution of this Contract, regardless of any pending regulatory approvals or processes.

2.3 The Buyer shall be entitled to commence integration activities related to the acquired bandwidth immediately upon payment of the Consideration.

Clause 03: Representations and Warranties

3.1 By the Seller:

(a) The Seller warrants that it holds valid rights to the allocated bandwidth and has the authority to transfer the same to the Buyer.

(b) The Seller represents that, to the best of its knowledge, there are no regulatory restrictions that would prevent the transfer of the bandwidth under this Contract.

3.2 By the Buyer:

(a) The Buyer represents that it has conducted its own due diligence concerning the regulatory framework applicable to the transfer of bandwidth in Eastland.

(b) The Buyer warrants that it has the financial capability to fulfill its obligations under this Contract.

Clause 04: Consideration

4.1 The Buyer agrees to pay the Seller USD 15 Million as consideration for the bandwidth transfer.

4.2 Payment shall be made in full within ten (10) business days of the execution of this Contract, without any deductions, set-offs, or withholding of taxes.

Clause 05: Regulatory Approval

5.1 The Seller shall use its best efforts to obtain ETA Approval for the transfer of bandwidth within a reasonable timeframe.

5.2 The Buyer acknowledges that regulatory approval processes are subject to the discretion of the ETA and accepts all risks associated with delays or denials of such approval.

5.3 In the event that ETA Approval is not obtained within six (6) months from the date of this Contract, the Parties shall negotiate in good faith to determine an appropriate course of action.

Clause 06: Limitation of Liability

6.1 The Seller shall not be liable for any losses, damages, or claims arising from the failure to obtain ETA Approval, except where such failure is due to willful misconduct or gross negligence on the part of the Seller.

6.2 The Buyer acknowledges that it assumes the risk of any regulatory non-compliance associated with the integration or use of the bandwidth.

Clause 07: Confidentiality

7.1 The Parties agree to maintain the confidentiality of the terms of this Contract and any information exchanged in connection with its performance.

Clause 08: Governing Law

8.1 This Agreement shall be governed by and construed in accordance with the laws of Noxus (Identical to the Laws of England), without regard to its conflict of law provisions

Clause 09: Dispute Resolution

9.1 Any dispute, controversy, or claim arising out of this Contract, including any question regarding its existence, validity, or termination, shall be resolved by the parties through negotiation and failing which should be finally resolved by arbitration administered by the Singapore International Arbitration Centre (SIAC) in accordance with the Arbitration Rules of the Singapore International Arbitration Centre (SIAC Rules) for the time being in force, which rules are deemed to be incorporated by reference in this clause.

9.2 The seat of arbitration shall be London, United Kingdom.

9.3 The language of arbitration shall be English.

9.4 The Tribunal shall consist of three arbitrators to be appointed in accordance with the SIAC Rules.

9.5 The decision of the arbitral tribunal shall be final and binding on the Parties.

…….

CLAIMANT EXHIBIT C2

Eastland Telecommunications Authority (ETA)
15 Regulatory Avenue, Piltover, Eastland
Tel: +123 456 7890 | Email: inquiry@eta.eastland

Date: 5th April 2023

To: Firefly Inc.
Cross Street 7624, Zaun, Westland

Subject: Clarification on Bandwidth Transfer by Magnus PLC

Dear Sir/Madam,

We refer to your inquiry dated 28th March 2023, regarding the transfer of 15% of the allocated bandwidth by Magnus PLC. The Eastland Telecommunications Authority (ETA) has reviewed its records and the applicable regulatory provisions under the Radio Frequency Spectrum Act (RFS Act), Section 12, and provides the following clarification.

Pursuant to Section 12(1) of the RFS Act, licensed telecommunications operators are restricted from transferring more than 10% of their allocated bandwidth to any single entity within the same licensing period.
Any transfer exceeding this threshold requires express approval from the ETA following a comprehensive review of market impact, competition concerns, and compliance with national spectrum allocation policies.

ETA records indicate that Magnus PLC has not been granted approval of a 15% bandwidth transfer.
Any unauthorized transfer beyond the permissible threshold may be deemed invalid and subject the operator to regulatory penalties, including monetary fines, suspension, or revocation of its license under Section 12(3) of the RFS Act.

Sincerely,

Sky Young

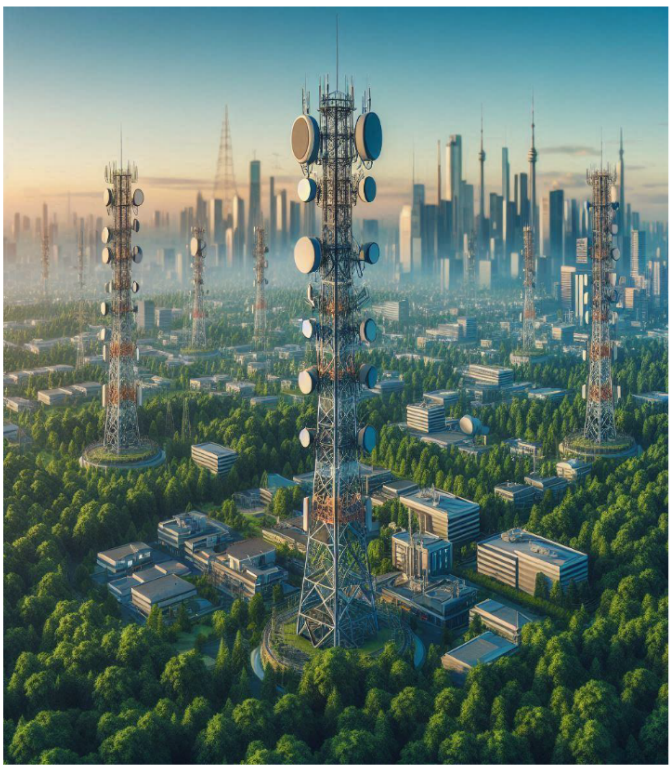
Sky Young
Director, Regulatory Compliance
Eastland Telecommunications Authority (ETA)

CLAIMANT EXHIBIT C3

Eastland Business Daily

ISSUE 56 | May 2023 Business today www.ebd.com

Magnus PLC Receives Regulatory Warning from Eastland Telecommunications Authority



Piltover, Eastland – May 3, 2023

Magnus PLC, a major telecommunications provider, has received a formal warning from the Eastland Telecommunications Authority (ETA) for alleged non-compliance with bandwidth transfer regulations under the Radio Frequency Spectrum Act (RFS Act).

The ETA has raised concerns that Magnus PLC may have exceeded the *permissible* 10% transfer limit to a single entity without securing the required regulatory approvals. Under Section 12 of the RFS Act, such unauthorized transfers are deemed invalid and can lead to fines, suspension, or even revocation of operating licenses.

An ETA spokesperson commented, "Ensuring compliance with spectrum regulations is crucial for maintaining fair competition and market stability. Any violations will be addressed with appropriate regulatory action."

Reports indicate that the company has yet to provide full disclosure of relevant regulatory documentation, prompting heightened oversight from the ETA.

While Magnus PLC has not yet issued an official response, industry analysts speculate that it may seek retroactive approvals or challenge the warning through legal avenues. The telecommunications sector is closely watching how the regulator will enforce its policies, as this case could set a precedent for future spectrum transactions.

As developments unfold, stakeholders will be monitoring whether Magnus PLC takes corrective action or faces further regulatory consequences. Stay updated with *Eastland Business Daily* for further coverage on this matter.

CLAIMANT EXHIBIT C4

Magnus PLC
12 Main Street
Piltover, Eastland
Tel: +145 546 7899 | Email: ceo@magnusplc.eastland

Magnus

Date: 15th May 2023

To:
Firefly Inc.
Cross Street 7624
Zaun, Westland

Subject: **Status Update on Regulatory Matters Regarding Bandwidth Transfer**

Dear Messrs.,

We are pleased to provide you with an update regarding the regulatory aspects of our agreed bandwidth transfer. As previously discussed, we have engaged with the Eastland Telecommunications Authority (ETA) regarding the necessary steps to ensure compliance with applicable regulations.

Based on our understanding and prior experience with similar transactions, we anticipate that there are no material impediments to proceeding as agreed. Our interactions with regulatory authorities have not indicated any concerns that would affect the planned transaction, and we are confident that all required considerations have been appropriately addressed.

We trust that this provides the necessary assurance for your operational planning. Should any additional documentation or formalities be required, we will work closely to ensure alignment with any applicable guidelines. Please do not hesitate to reach out for further clarification or if additional steps are necessary to finalize the process.

Sincerely,

Viktor Evans

Viktor Evans
CEO
Magnus PLC

Mr. John Vander,
35 Justice Square,
Zaun,
Westland.

Dear Sir,

The Singapore International Arbitration Centre ("Centre") acknowledges receipt of your Notice of Arbitration ("Notice") dated 20th January 2024. Pursuant to Rule 3 of the SIAC Arbitration Rules in force as from 1st August 2016 ("Rules"), this arbitration commenced on that date.

The caption and reference of this arbitration are indicated above. Please ensure that the caption is accurate and includes the reference Moot-10-5/KT in all future correspondence.

In all future correspondence, any capitalised term not otherwise defined will have the meaning ascribed to it in the Rules and references to the Rules generally will appear as:
"(Rule ***)".

Filing Fee
We acknowledge receipt of the US$ 3000 non-refundable filing fee.

Your Case Management Team
Sevika Anderson, Counsel……(direct dial number 04 67 35 47 30)
Cassandra Jones, Deputy Counsel……(direct dial number 04 67 35 47 31)
Finn Johnson, Assistant……(direct dial number 04 67 35 47 32)
Email……..…arb105@siac.org.sg

Please find enclosed a Note that highlights key features of SIAC arbitration which also includes provisions for Expedited Procedure.

Finally, we invite you to visit our website at *siac.org.sg* to learn more about our Dispute Resolution Services.

Yours faithfully,
Kevin Nash
Registrar
Singapore International Arbitration Centre

encl. - SIAC Rules of Arbitration (*click here to download them*)
- Note to Parties and Arbitral Tribunals on the Conduct of the Arbitration under the SIAC Rules of Arbitration (*not reproduced*)

Sevika Anderson, Counsel **(direct dial number 04 67 35 47 30)**
Cassandra Jones, Deputy Counsel **(direct dial number 04 67 35 47 31)**
(Email: arb200@wipo.org)

Mr. John Vander,
35 Justice Square,
Zaun,
Westland.

MAGNUS PLC
12 Main Street
Piltover,
Eastland.

Dear Sirs,

Further to the Centre's correspondence to FIREFLY INC ("Claimant") dated 21st January 2024, we notify the Notice of Arbitration ("Notice") to MAGNUS PLC ("Respondent")

Notification of a Notice of Arbitration

The Centre notifies Respondent that, on 21st January 2024, it received the Request from Claimant represented by Mr. John Vander, naming MAGNUS PLC as Respondent. Pursuant to Rule 3 of the SIAC Arbitration Rules in force as from 1st August 2016 ("Rules"), this arbitration commenced on that date.

In all future correspondence, any capitalised term not otherwise defined will have the meaning ascribed to it in the Rules and references to the Rules generally will appear as:
"(Rule ***)".

The caption and reference of this arbitration are as follows: **Moot-10-5/KT** FIREFLY INC (Westland) vs/ MAGNUS PLC (Eastland). Please include the reference **Moot-10-5/KT** in all future correspondence.

Response to the Notice of Arbitration
Respondent's Response to the Notice of Arbitration ("Response") is due within 14 days pursuant to Rule 4.

Constitution of the Arbitral Tribunal
The arbitration agreement provides for three arbitrators. The Claimant nominated Dr. Corin Revek as co-arbitrator.
We invite the Respondent to nominate a co-arbitrator in the Response (Rule 11.1). Failing nomination within 14 days, the President will appoint a co-arbitrator on its behalf (Rule 11.2). The two co-arbitrators once nominated by both parties, within a time period of 14 days, shall appoint the third arbitrator who shall be the presiding arbitrator unless the parties agree upon another procedure (Rule 11.3)

Place of Arbitration
London, United Kingdom.

Language of Arbitration
The arbitration agreement provides for English as the language of the Arbitration.

Representation
All future correspondence addressed to Claimant will be sent solely to Mr. John Vander.
If Respondent is represented by counsel, we invite Respondent to provide the relevant contact details.

Your Case Management Team
Sevika Anderson, Counsel……(direct dial number 04 67 35 47 30)
Cassandra Jones, Deputy Counsel……(direct dial number 04 67 35 47 31)
Finn Johnson, Assistant……(direct dial number 04 67 35 47 32)
Email……..…arb105@siac.org.sg

Please find enclosed a Note that highlights key features of SIAC arbitration which also includes provisions for Expedited Procedure.
Finally, we invite you to visit our website at *siac.org.sg* to learn more about our Dispute Resolution Services.

Yours faithfully,
Kevin Nash
Registrar
Singapore International Arbitration Centre

encl. – Notice of Arbitration with documents annexed thereto (*not reproduced*)
- Case Information (*not reproduced*)
- All correspondence exchanged to date (*not reproduced)*
- SIAC Rules of Arbitration (*click here to download them*)
- Note to Parties and Arbitral Tribunals on the Conduct of the Arbitration under the SIAC Rules of Arbitration (*not reproduced*)

Sevika Anderson, Counsel **(direct dial number 04 67 35 47 30)**
Cassandra Jones, Deputy Counsel **(direct dial number 04 67 35 47 31)**
(Email: arb200@wipo.org)

Mr. John Vander,
35 Justice Square,
Zaun,
Westland.

MAGNUS PLC
12 Main Street
Piltover,
Eastland.

Dear Sirs,
The Centre encloses a copy of the Statement of Acceptance, Availability, Impartiality and Independence, as well as the *curriculum vitae* of Dr. Corin Revek, whom Claimant has nominated as co-arbitrator.

Yours faithfully,
Sevika Anderson
Counsel
Singapore International Arbitration Centre

encl. - *curriculum vitae* of Dr. Revek *(not reproduced)*
- Statement of Acceptance, Availability, Impartiality and Independence of Dr. Revek *(not reproduced)*

c.c. - Dr. Revek

Jayce Talis,
41 Hammer Avenue,
Piltover,
Eastland.
Tel. (0) 824 25 96 Telefax (0) 824 25 97
Talis@lawyer.pl

30th January 2024

Firefly Inc. vs Magnus PLC.
SIAC Case No. Moot-10-5/KT

Dear Ms. Anderson,

I hereby indicate that I represent the Respondent in the aforementioned arbitral proceedings. A power of attorney is enclosed herewith.
Please find enclosed the Respondent's Response to Notice of Arbitration, a copy of which has been sent directly to the Claimant.
RESPONDENT nominates as its arbitrator **Mr. Oliver Grayson, 12 Oak Hills, Piltover, Eastland.**

Kindly take the necessary steps for his confirmation as a co-arbitrator.

Best Regards,

Jayce Talis

Jayce Talis

Attachments:
Response to Notice of Arbitration with Exhibits
Power of Attorney (*not reproduced*)
CV of Mr. Grayson (*not reproduced*)

c.c. – John Vander

Response to Notice of Arbitration

(pursuant to Rule 4 of the SIAC Arbitration Rules 2016)

in the Arbitral Proceedings
Firefly Inc. vs. Magnus PLC
SIAC Case No. Moot-10-5/KT

30th January 2024

INTRODUCTION

1. Magnus PLC ("Respondent") hereby submits its formal Response to the Notice of Arbitration filed by Firefly Inc. ("Claimant").

2. The Respondent categorically denies the allegations of misrepresentation, breach of contract, and fraudulent conduct advanced by the Claimant. The representations made by the Respondent were either statements of opinion or communications arising from the evolving regulatory environment.

PRELIMINARY OBJECTION TO JURISDICTION

3. The Respondent asserts that the Claimant has prematurely initiated arbitration proceedings without exhausting the mandatory dispute resolution mechanisms prescribed in Clause 9 of the Contract. The Claimant failed to engage in good-faith negotiations before escalating the matter to arbitration. Accordingly, the Tribunal lacks jurisdiction to entertain the claims until the dispute resolution procedures are fully exhausted.

4. The Respondent further submits that ongoing negotiations between the parties render the arbitration premature. Throughout December 2023, the parties engaged in discussions (**Respondent Exhibit R1**) aimed at resolving the issues arising from the transaction, with senior executives from both companies exchanging correspondence regarding potential solutions. Notwithstanding these ongoing negotiations, the Claimant unilaterally proceeded to file the Notice of Arbitration, disregarding the amicable resolution process that was still underway.

5. Further, the Tribunal should decline jurisdiction because the alleged dispute primarily involves regulatory matters falling within the exclusive competence of the Eastland Telecommunications Authority (ETA), a public regulatory body, rather than a private contractual matter suitable for arbitration.

6. The Respondent states that the instant dispute is one that does not "arise out of" the contract since the dispute revolved around the refusal of the regulatory approval by the ETA. Therefore, the current dispute does not fall within the scope of the Arbitration Clause in the agreement between the Parties and the Tribunal does not have the Jurisdiction to hear and determine the instant matter.

FACTS

7. The Respondent, Magnus PLC, is a reputable telecommunications operator in Eastland, holding licenses issued by the ETA. Over the years, the Respondent has maintained a track record of compliance with applicable regulations under the Radio Frequency Spectrum Act ("RFS Act").

8. In late 2022, the Claimant approached the Respondent to explore potential business arrangements, including the transfer of a portion of the Respondent's allocated bandwidth. The Respondent engaged in good faith discussions, clarifying that any transfer would be subject to regulatory approval and compliance with the RFS Act.

9. On 15th January 2023, the Respondent conveyed its intention to transfer bandwidth to the Claimant, specifically noting that the transaction was contingent on the ETA's approval and compliance with regulatory caps under Section 12 of the RFS Act.

10. The Contract executed on 1st February 2023, included provisions explicitly recognizing the need for regulatory approval. The Respondent denies any assertion that it unconditionally guaranteed the transfer of 15% of its bandwidth. Furthermore, The Respondent initiated the regulatory approval process promptly upon execution of the Contract as set out in the Letter dated 25th February 2023 sent by the Respondent to the ETA (**Respondent Exhibit R2**).

11. The Claimant's decision to proceed with substantial investments, including procurement of equipment, hiring of personnel, and marketing campaigns, was made unilaterally and without final confirmation of regulatory approval. The Respondent repeatedly cautioned the Claimant about the contingent nature of the transfer.

12. Respondent states that Internal communications within the Claimant company dated 15th January 2023 (**Respondent Exhibit R3**), reveal that its senior executives were fully aware of the regulatory risks associated with the contract. Despite acknowledging in internal discussions that the bandwidth transfer was contingent on ETA approval and posed a significant regulatory risk, the Claimant elected to proceed with the agreement.

13. The Respondent asserts that since the restriction imposed by Section 12 of the RFS Act was publicly available to the Claimant as a part of the statutory provisions governing the transfer, the Claimant cannot claim that the Claimant was not aware of such restrictions on transfer of bandwidth and the consequence of such transfer without the approval of the ETA.

14. The Claimant's allegation that the Respondent knowingly misrepresented its authority to transfer bandwidth is unfounded. The Respondent categorically denies allegations regarding altered or falsified correspondence. Any delays or complications in the regulatory process were beyond the Respondent's control and were communicated to the Claimant promptly.

15. The Respondent asserts that its inability to complete the transfer was caused solely by regulatory constraints and not by any misconduct or breach of contractual obligations.

LEGAL EVALUATION

16. The Respondent denies that it knowingly or negligently made any material misrepresentation to the Claimant regarding the ability to proceed with the transaction. At all times, the Respondent acted in good faith and provided information that was available at the time.

17. The Contract explicitly acknowledges the need for compliance with regulatory requirements. The Claimant assumed all risks associated with regulatory approvals and other external factors. The Respondent did not provide any guarantee or assurance regarding approvals or the outcome of the transaction.

18. The Respondent denies all allegations of fraudulent misrepresentation. The Claimant was fully informed that regulatory approval was a precondition for the transfer. At no point did the Respondent knowingly provide false information and the provisions of the RFS Act was publicly available.

19. The Claimant's reliance on the Respondent's representations, without adequately considering the regulatory contingencies, was unreasonable. The Respondent's good faith efforts to obtain approval are well-documented and the Respondent refutes any suggestion of deceit.

20. The Claimant's unilateral investments were premature and undertaken at its own risk. The Respondent repeatedly emphasized the need for regulatory approval prior to finalizing the transfer. The Claimant's failure to mitigate its losses undermines its claims for consequential damages.

21. Any purported damages claimed by the Claimant lack causation and are speculative. The Claimant's financial outlays were not induced by any misconduct on the part of the Respondent. Further, the claimed losses are excessive, speculative, and not within the reasonable contemplation of the parties at the time of their dealings.

22. The Contract's express terms require compliance with regulatory requirements. The Claimant's attempt to enforce obligations that contravene public law and regulatory limits is untenable.

RELIEF SOUGHT

23. In light of the foregoing, the Respondent respectfully requests the Arbitral Tribunal to:

    (a) Dismiss the Claimant's claims *in limine*;

    (b) A declaration that the Respondent has not breached the Contract nor engaged in misrepresentation;

    (c) An order that the Claimant bear all arbitration costs, including the Respondent's legal fees;

(d) Compensation of USD 10 Million for reputational harm suffered by the Respondent due to the baseless allegations made by the Claimant; and

(e) Grant any further relief that the Tribunal deems just and appropriate in the circumstances

Jayce Talis

Jayce Talis

RESPONDENT EXHIBIT R1

From: Violet Smith vsmith@firefly.westland
To: Viktor Evans ceo@magnusplc.eastland
Date: December 5, 2023, 10:12 AM
Subject: Re: Follow-Up on Bandwidth Transfer

Dear Viktor,

Following up on our previous discussions, we are becoming increasingly concerned about the delays in obtaining regulatory approval. Our team is working on contingency plans, but we need clarity on whether this transaction will realistically move forward. Do you have any concrete updates from the ETA?

Best regards,
Violet Smith
CEO, Firefly Inc.

From: Viktor Evans ceo@magnusplc.eastland
To: Violet Smith vsmith@firefly.westland
Date: December 8, 2023, 3:47 PM
Subject: Re: Follow-Up on Bandwidth Transfer

Dear Violet,

I understand your concerns. Unfortunately, the approval process is taking longer than expected, and we have not yet received any clear direction from the ETA. We continue to explore possible alternatives, but at this stage, we are still facing regulatory roadblocks.

Let’s keep the dialogue open and see if there are any viable workarounds.

Best regards,
Viktor Evans
CEO, Magnus PLC

From: Violet Smith vsmith@firefly.westland
To: Viktor Evans ceo@magnusplc.eastland
Date: December 15, 2023, 9:20 AM
Subject: Re: Follow-Up on Bandwidth Transfer

Dear Viktor,

I appreciate your response, but we are not seeing any meaningful progress. Our team has reviewed possible alternatives as well, and unless we receive some firm commitment on a path forward, we may need to reassess our position. At this point, we are facing significant operational pressures, and prolonged uncertainty is not sustainable for us.

Best,
Violet

From: Viktor Evans ceo@magnusplc.eastland
To: Violet Smith vsmith@firefly.westland
Date: December 22, 2023, 5:30 PM
Subject: Re: Follow-Up on Bandwidth Transfer

Dear Violet,

I completely understand your frustration. That said, given the regulatory complexities, I don't want to make any commitments that may not be achievable. We have reached out to the ETA again, but they have not provided any assurances on timing or feasibility.

At this point, it may be difficult to move forward unless there is some shift in the regulatory landscape.

Best regards,
Viktor

From: Violet Smith vsmith@firefly.westland
To: Viktor Evans ceo@magnusplc.eastland
Date: December 29, 2023, 11:45 AM
Subject: Re: Follow-Up on Bandwidth Transfer

Dear Viktor,

I hear you, but this uncertainty has put us in a very difficult position. Without a clear resolution in sight, we are left with little choice but to formally assess our next steps. If Magnus is unable to provide a definitive way forward soon, we will need to take action accordingly.

Best,
Violet

From: Viktor Evans ceo@magnusplc.eastland
To: Violet Smith vsmith@firefly.westland
Date: December 31, 2023, 2:15 PM
Subject: Re: Follow-Up on Bandwidth Transfer

Dear Violet,

I understand that Firefly Inc. is under pressure to make decisions, but I strongly urge you not to take any drastic steps until we receive a formal response from the ETA. The approval process is still ongoing, and taking premature action could complicate matters further for both of us.

I will reach out again to the ETA for an update and let you know as soon as we receive any feedback. In the meantime, I believe we should continue discussing potential alternative solutions that might work for both parties if the approval process faces further delays. There may still be room for negotiation to find a way forward that minimizes risk for both Firefly and Magnus.

Let’s remain open to working together and exploring any viable options while awaiting the regulatory decision.

Best regards,
Viktor

RESPONDENT EXHIBIT R2

Magnus PLC
12 Main Street
Piltover, Eastland
Tel: +145 546 7899 | Email: ceo@magnusplc.eastland

Magnus

Date: 25th February 2023

To:
Sky Young
Director, Regulatory Compliance
Eastland Telecommunications Authority (ETA)

Subject: **Request for Regulatory Approval to Transfer 15% of Allocated Bandwidth**

Dear Madam,

Magnus PLC ("Magnus" or "the Company") submits this formal request to the Eastland Telecommunications Authority (ETA) for approval to transfer 15% of its allocated bandwidth to Firefly Inc. ("Firefly") pursuant to the proposed business arrangement between the parties.

As a licensed telecommunications operator in Eastland, Magnus has consistently adhered to all applicable regulatory requirements under the Radio Frequency Spectrum Act (RFS Act) and remains committed to full compliance with the prevailing regulatory framework.

Magnus and Firefly have entered into a contractual arrangement whereby Magnus intends to transfer 15% of its existing bandwidth allocation to Firefly for commercial use.
The proposed transfer aligns with industry best practices and will facilitate increased competition and service efficiency within the Eastland telecommunications sector.
Magnus acknowledges that any such transfer is subject to regulatory oversight and approval by the ETA under Section 12 of the RFS Act.

In compliance with regulatory requirements, Magnus has undertaken the following steps:

1. Conducted a preliminary review of the technical and operational feasibility of the transfer;
2. Ensured that the proposed transfer will not result in spectrum congestion or exceed regulatory spectrum caps;
3. Provided Firefly with transparency regarding the regulatory approval process and its contingent nature.

Magnus respectfully requests the ETA's review and approval of the proposed bandwidth transfer. We would appreciate guidance on any additional documentation or compliance requirements necessary to facilitate the approval process.

We kindly request a meeting with your esteemed office at your earliest convenience to discuss this matter further. Please confirm a suitable date and time for such discussions.

Should you require any further information, please do not hesitate to contact us. We look forward to your prompt consideration of this request.

Yours sincerely,

Viktor Evans

Viktor Evans
CEO
Magnus PLC

RESPONDENT EXHIBIT R3

INTERNAL MEMORANDUM

Date: 15th January 2023
To: Senior Management Team
From: Strategy & Legal Department
Subject: **General Considerations Regarding Bandwidth Agreement with Magnus PLC**

Dear Team,

Following our discussions regarding the proposed agreement with Magnus PLC for the transfer of bandwidth, we have conducted a preliminary review of the key business and operational considerations. While the opportunity presents significant potential for expansion, there are a few procedural and administrative elements that may require further attention as we proceed.

It is understood that any transaction of this nature is subject to standard industry processes and approvals, which are outside our direct control. While we anticipate that Magnus PLC will work collaboratively to ensure smooth execution, we should remain adaptable to any developments that may arise. As with any large-scale commercial arrangement, there may be external factors that could impact timelines and implementation.

Given the commercial importance of this transaction, we should continue to monitor progress and maintain open communication with Magnus PLC regarding any updates or requirements. It may also be beneficial to ensure that our operational planning remains flexible in case of any adjustments needed along the way.

Please let us know if further clarifications or additional assessments are required as we move forward.

Best regards,
Jason Deckard
Head of Strategy & Legal Department
Firefly Inc.

CONFIDENTIAL

Sevika Anderson, Counsel **(direct dial number 04 67 35 47 30)**
Cassandra Jones, Deputy Counsel **(direct dial number 04 67 35 47 31)**
(Email: arb200@wipo.org)

Mr. John Vander,
35 Justice Square,
Zaun,
Westland.

Mr. Jayce Talis,
41 Hammer Avenue,
Piltover,
Eastland.

Dear Sirs,
The Center encloses a copy of the Statement of Acceptance, Availability, Impartiality and Independence, as well as the *curriculum vitae* of Mr. Oliver Grayson, whom the Respondent has nominated as co-arbitrator.

We are now in a position to invite the Centre to confirm the co-arbitrators and to appoint the presiding arbitrator pursuant to Rule 11 of the SIAC Rules, as the parties have not expressly agreed on a procedure for the appointment of a presiding arbitrator. Unless the Center is informed otherwise on or before **14th February 2024**, it shall take the relevant steps for the constitution of the tribunal pursuant to Rule 11.2 SIAC Rules.

Yours faithfully,
Sevika Anderson
Counsel
Singapore International Arbitration Centre

encl. - *curriculum vitae* of Mr. Grayson *(not reproduced)*
- Statement of Acceptance, Availability, Impartiality and Independence of Mr. Grayson *(not reproduced)*

c.c. – Mr. Grayson

Sevika Anderson, Counsel **(direct dial number 04 67 35 47 30)**
Cassandra Jones, Deputy Counsel **(direct dial number 04 67 35 47 31)**
(Email: arb200@wipo.org)

Dr. Silco Harris
78 Shimmer Avenue,
Pleran City,
Noxus.

Dr. Corin Revek
41 Central Street,
Piltover,
Westland.

Mr. Oliver Grayson
12 Oak Hills,
Piltover,
Eastland.

Mr. John Vander
35 Justice Square,
Zaun,
Westland.

Mr. Jayce Talis
41 Hammer Avenue,
Piltover,
Eastland.

Dear Sirs,

On 18th February 2024, the Singapore International Arbitration Centre ("Centre"):

- confirmed Dr. Corin Revek as co-arbitrator upon Claimant's nomination (Rule 11.1).
- confirmed Mr. Oliver Grayson as co-arbitrator upon Respondent's nomination (Rule 11.1).
- appointed Dr. Silco Harris as president of the arbitral tribunal (Rule 11.3).

A copy of the Statement of Acceptance, Availability, Impartiality and Independence, as well as the *curriculum vitae*, of Dr. Silco Harris is enclosed for your information.

Yours faithfully,
Sevika Anderson
Counsel
Singapore International Arbitration Centre

encl. - Statement of Acceptance, Availability, Impartiality and Independence of Dr. Harris *(not reproduced)*
- *curriculum vitae* of Dr. Harris *(not reproduced)*

Dr. Silco Harris
78 Shimmer Avenue
Pleran City
Noxus

Mr. John Vander
35 Justice Square,
Zaun,
Westland.

Mr. Jayce Talis
41 Hammer Avenue,
Piltover,
Eastland.

Firefly Inc. vs Magnus PLC.
SIAC Case No. Moot-10-5/KT

25th February 2024

Dear Colleagues,

The Arbitral Tribunal appreciates your cooperation during yesterday's Telephone Conference. Please find attached Procedural Order No. 1 which is based on the discussion during the said Telephone Conference.

Best Regards,

For the Arbitral Tribunal

Silco Harris

Presiding Arbitrator

PROCEDURAL ORDER NO. 1

of 25th February 2024
in the Arbitral Proceedings
Firefly Inc. vs Magnus PLC.
SIAC Case No. Moot-10-5/KT

1. After its constitution and receipt of the file from the Singapore International Arbitration Centre, the Arbitral Tribunal had agreed with the Parties on its Terms of Reference which were signed by all.

2. In light of these circumstances, the Arbitral Tribunal makes the following orders:

   In their next submissions and at the Oral Hearing in London, the Parties are required to address the following issues:

   a. Jurisdiction of the Tribunal to hear and determine the current matter based on the Arbitration Clause in the contract between the parties
   b. Arbitrability of the Dispute between the Parties based on the scope of the Arbitration Agreement
   c. Breach of Contract between the Claimant and the Respondent on misrepresentation or any other grounds

3. The submissions are to be made in accordance with the Rules of the Moot agreed upon at the telephone conference.

4. In the event that the Parties need further information, Requests for Clarification must be made in accordance with para. 7.5 of the Rules of the Moot no later than 26th April 2025 via email to *thevictorsmoot@gmail.com*

5. Both Parties are invited to attend the Oral Hearing in London, United Kingdom. The details concerning the timing and the venue will be provided in due course.

For the Arbitral Tribunal

Silco Harris

Presiding Arbitrator