

Wet ink signature required for Swedish arbitral awards (Svea Court of Appeal)

by *Practical Law Arbitration*, with *Westerberg & Partners*

Legal update: case report | Published on 27-Apr-2023 | Sweden

In *Friendly Building AB v Elsafemhundranio Kommanditbolag (Case T 3385-22) (18 April 2023)*, the Svea Court of Appeal rejected an application to annul an arbitral award, finding that while the Swedish Arbitration Act requires wet ink signatures on awards, a defect can be cured.

Ginta Ahrel (Partner) and Mathilda Wahlgren (Associate), Westerberg & Partners

The Svea Court of Appeal has rejected a challenge to a Swedish arbitral award but held that the formal requirements of the Swedish Arbitration Act required a wet ink signature.

An award was rendered in a Swedish-seated arbitration between Friendly Building AB (Friendly Building) and Elsafemhundranio Kommanditbolag (Elsa). Friendly Building applied to annul or set-aside the award on several grounds, including that the award did not fulfil the formal requirements of section 31 of the Swedish Arbitration Act (Act), as the award had not been signed using "wet ink" signatures by the arbitrators when it was rendered.

On the facts, it was established that when the award was rendered, on 21 January 2022, the arbitrators did not apply wet ink signatures to the award. Instead, the tribunal had pasted their scanned signatures into the Word-version of the award, which was then converted to a PDF file and distributed to parties via email. However, about a week later, the tribunal circulated the signature page among its members for signature and, thereafter, sent it to the parties, together with the version of the award previously shared by email.

The court held that the award, as issued on 21 January 2022, did not meet the formal requirements of section 31 of the Act, which requires that an award must be signed by the arbitrators. The court concluded that scanned signatures of the kind applied by the tribunal in this case did not satisfy that requirement.

However, the court noted that this was an error of formal nature, which was capable of correction by the tribunal. The fact that the arbitrators had later provided a wet ink signed signature page and re-circulated the Award to parties amounted to a correction of the award. Thus, the formal requirements of section 31 of the Act were fulfilled and the invalidity of the Award rendered on 21 January was cured. The request to annul the Award was therefore rejected.

This case underlines the importance of following the formal requirements prescribed by the Act. Yet, from a practical point of view, the requirement of a wet ink signature in all circumstances appears somewhat outdated and one might ask whether a proper digital signature would suffice. Generally, the Swedish courts take a pragmatic approach to such issues but to authors' knowledge this question has not yet been tested.

Case: [Friendly Building AB v Elsafemhundranio Kommanditbolag \(Case T 3385-22\) \(Svea Court of Appeal\) \(18 April 2023\)](#).

END OF DOCUMENT
