

ISTANBUL ARBITRATION CENTRE ARBITRATION RULES

Section I INTRODUCTORY PROVISIONS

ARTICLE 1

The Istanbul Arbitration Centre and the Board of Arbitration

1. The Istanbul Arbitration Centre is an independent institution of arbitration, which has been established for the purpose of providing institutional arbitration services.
2. The Board of Arbitration (Board) is an autonomous body of the Istanbul Arbitration Centre. The structure and functional procedures of the Board are set forth in the Rules on the Structure and Functional Procedures of Istanbul Arbitration Centre Board of Arbitration and Secretariat (Appendix-2). The Board is responsible for the administration of both the application of the Istanbul Arbitration Centre Arbitration Rules (Rules) and the resolution of disputes either by a Sole Arbitrator or an Arbitral Tribunal in accordance with the Rules. The Board does not itself resolve disputes.
3. The Secretariat, the structure and functional procedures of which are set forth in the Rules on the Structure and Functional Procedures of the Istanbul Arbitration Centre Board of Arbitration and Secretariat (Appendix-2), assists the Board in its work.

ARTICLE 2

Scope of Application

1. In cases where the parties have agreed to submit their disputes under the Istanbul Arbitration Centre Arbitration Rules, the Rules herein under shall be applicable to arbitration.
2. The parties may refer to the Istanbul Arbitration Centre as ITM, ISTAC or by any other reference, which may allow to be understood to mean that the Istanbul Arbitration Centre Arbitration Rules have been chosen. In cases where the parties state ITM, ISTAC or any other similar terms, it is deemed to have been

agreed that the parties submit to arbitration in accordance with the Istanbul Arbitration Centre Arbitration Rules.

3. In an ad hoc arbitration, the parties may agree for the appointment of the arbitrators by the Board. In this case, the fee shall be paid on the date of the application in accordance with the Istanbul Arbitration Centre Rules on Costs and Fees Scales (Appendix-3).
4. These Rules, along with its Appendices, constitute an integral part.

ARTICLE 3

Definitions

1. In addition to the terms that are defined separately in the articles, pursuant to the Rules the following terms shall have the meanings assigned in this article:
 - a) **Arbitration Agreement:** An agreement made by the parties to submit to arbitration all or certain disputes which have arisen or, which may arise between them. An Arbitration Agreement may be made in the form of an arbitration clause in a contract or in the form of a separate agreement.
 - b) **Sole Arbitrator:** A single arbitrator whose duty is to resolve the dispute.
 - c) **Arbitral Tribunal:** A panel of more than one arbitrator whose duty is to resolve the dispute.
 - d) **Request for Arbitration:** A pleading, the required content of which is set by Article 7 of the Rules and which initiates the arbitral proceedings.
 - e) **Answer to the Request for Arbitration:** A pleading, the required content of which is set by Article 8 of the Rules and which is submitted as a response to the Request for Arbitration.

ARTICLE 4

Pleadings and Written Statements

1. All pleadings, written statements and documentation submitted by the parties as well as annexes thereto, shall be supplied in the number of copies sufficient to provide one copy for each party, one copy for each arbitrator, and one copy for the Secretariat.
2. A copy of any statement, documentation, pleading, written communication and notification sent by the parties, the Sole Arbitrator or Arbitral Tribunal shall be transmitted to the Secretariat.

ARTICLE 5

Notification

1. All notifications from the Sole Arbitrator, the Arbitral Tribunal or the Secretariat shall be made to the last address of the party or its representative, as notified either by that party or by the other party.

2. All notifications may be made by delivery against receipt, registered post, courier, facsimile, email, or any other means of communication, which may provide a record of its transmission.
3. All notifications shall be deemed to have been made on the day that they were delivered to the last address of the designated recipient. Notifications, which are made by facsimile, email or any other means of communication, shall be deemed to have been made on the day that they shall be deemed to have been received.

ARTICLE 6

Time Limits

1. Pursuant to the Rules the time limits shall begin to run on the day following the day when a notification is made or deemed to have been made. If this date is an official holiday or a non-business day of the country where the notification is deemed to have been made, the period of time shall begin to run on the first following business day.
2. In the calculation of time limits, official holidays and non-business days shall be included as well.
3. If the last day of the time limits is either an official holiday or a non-business day of the country where the notification is deemed to have been made, the time limit shall expire at the end of the first following business day.

Section II

COMMENCEMENT OF THE ARBITRATION PROCEEDINGS

ARTICLE 7

Request for Arbitration

1. Any party wishing to commence an arbitration under the Rules shall submit its Request for Arbitration to the Secretariat along with the number of copies required by Article 4 of the Rules. The Secretariat shall notify the claimant and the respondent of the receipt of the request and the date of such receipt.
2. The Request for Arbitration shall include the following:
 - a) Full names, titles, addresses, telephone and facsimile numbers and email addresses of each of the parties and, if any, of their representatives;
 - b) Brief explanations on the subject matter, nature and circumstances of the dispute;

- c)** General information of the facts upon which relief sought by the claimant is based;
 - d)** Along with the relief sought, the amount of the any quantified claims, and for the claims for which the amount cannot be determined, an estimate of their monetary value;
 - e)** A copy of the Arbitration Agreement and any other relevant documents, which are considered necessary;
 - f)** Statements concerning the number of arbitrators, the choice of arbitrators, the seat of arbitration, the language of arbitration and the applicable law.
- 3.** Together with the Request for Arbitration, the claimant shall deposit the registration fee in accordance with the Istanbul Arbitration Centre Rules on Costs and Fees Scales (Appendix-3) that are in force on the date of the request.
 - 4.** In cases where the Request for Arbitration is incomplete, the required number of copies and annexes is not submitted or the registration fee is not deposited, the Secretariat may grant a time limit, not exceeding 15 days, within which the claimant shall remedy these defects. If the claimant fails to comply within such time limit, the file shall be closed by the Secretariat and the claimant shall be informed. The claimant however, may resubmit its claims at a later date in another Request for Arbitration.
 - 5.** Once the Secretariat has received sufficient copies of the Request for Arbitration and documents annexed thereto pursuant to Article 4 of the Rules along with the required registration fee, it shall immediately communicate a copy of the Request for Arbitration and its annexes to the respondent.
 - 6.** The date on which both the Request for Arbitration and the required registration fee are received by the Secretariat, shall be deemed to be the date of the commencement of the arbitration.
 - 7.** Any party wishing to refer to arbitration under the Rules may also commence the arbitration by submitting its Statement of Claim to the Secretariat directly, instead of a Request for Arbitration. Where the claimant commences arbitration by submitting its Statement of Claim directly, the respondent, within 30 days, may either submit its Statement of Defence or chooses to submit only its Answer to Request for Arbitration.
 - 8.** In cases where the arbitration is initiated by the submission of the Statement of Claim by the claimant and followed by the submission of the Statement of Defence by the respondent, the provisions of the Rules with respect to the

Request for Arbitration and the Answer of the Request for Arbitration, along with other provisions, shall apply where appropriate.

ARTICLE 8

Answer to the Request for Arbitration and Counterclaim

1. Within 30 days of the notification of the Request for Arbitration, the respondent shall submit its Answer to the Request for Arbitration to the Secretariat along with the number of copies required under Article 4 of the Rules.
2. The Answer to the Request for Arbitration shall include the following:
 - a) Full names, titles, addresses, telephone and facsimile numbers and email addresses of each of the parties and, if any, of their representatives;
 - b) Explanations concerning the nature, circumstances, grounds of the dispute and the facts, which the claimant provided in its Request for Arbitration;
 - c) Responses to the relief sought by the claimant;
 - d) All claims, defences and objections with respect to the existence, validity or content of the Arbitration Agreement;
 - f) Statements concerning the number of arbitrators, the choice of arbitrators, the seat of arbitration, the language of arbitration and the applicable law.
3. Upon the request of the respondent, the Secretariat may grant the respondent an additional time to submit its Answer to Request for Arbitration. However, in any case within 30 days, the respondent shall either choose an arbitrator where an Arbitral Tribunal will be constituted or shall make a statement concerning its choice where a Sole Arbitrator is designated. Otherwise, pursuant to the Rules, the Board shall appoint the arbitrator.
4. The Secretariat shall immediately communicate a copy of the Answer to Request for Arbitration and its annexes to the claimant.
5. If the respondent fails to take part in the arbitration, raises an objection to refer to arbitration, or fails to submit its Answer to Request for Arbitration, the arbitration still proceeds pursuant to the Rules.
6. The respondent may raise any counterclaim along with the Answer to Request for Arbitration. With respect to the counterclaims, the following matters should be provided:
 - a) Explanations concerning the nature and circumstances of the dispute giving rise to the counterclaim and the facts upon which the counterclaim is based;
 - b) Along with the relief sought, the amount of the any quantified claims, and for the claims for which the amount cannot be determined, an estimate of their monetary value;

- c) A copy of the Arbitration Agreement and any relevant documents, which are considered necessary.
7. The respondent shall deposit the registration fee in accordance with the Istanbul Arbitration Centre Rules on Costs and Fees Scales (Appendix-3) that are in force on the date of the submission of the counterclaim.
8. Within 30 days from the notification of the Answer to Request for Arbitration, the claimant shall submit its response to the respondent's counterclaims. The Secretariat may, upon the request, grant additional time to the claimant.

ARTICLE 9

Provisions of the Arbitration Agreement

1. The respondent raises its objections with respect to the existence, validity, content, scope or application of the Arbitration Agreement within its Answer to Request for Arbitration. Otherwise, the respondent's objection to the jurisdiction shall not be considered. Where the respondent fails to submit the Answer to Request for Arbitration, or raises objections with respect to the existence or validity of the Arbitration Agreement within its Answer to Request for Arbitration, the Sole Arbitrator or Arbitral Tribunal shall decide on that issue.
2. The Sole Arbitrator or Arbitral Tribunal shall have the power to rule on its own jurisdiction, including any objections with respect to the existence or validity of the Arbitration Agreement. When making this decision, an arbitration clause that is incorporated into a contract shall be treated independently from the rest of the provisions of that contract. A decision by the Sole Arbitrator or Arbitral Tribunal that the main contract is void does not conclude *ipso facto* the invalidity of the Arbitration Agreement.

ARTICLE 10

Multiple Contracts

1. If the claims and relief sought between the parties arise out of, or in connection with, more than one contract, they may be settled in a single arbitration on the condition that all of the contracts refer to arbitration under the Rules and that the arbitration agreements are compatible with each other.

ARTICLE 11

Consolidation

1. Upon the request of any party, the Board may consolidate two or more arbitrations that are pending under the Istanbul Arbitration Centre Arbitration Rules into a single arbitration, provided that the following conditions are satisfied:

- a) If the parties to the arbitrations which are requested to be consolidated are different, and all parties have agreed to the consolidation; or
 - b) If the parties to the arbitrations which are requested to be consolidated are the same, and
 - i) The parties have agreed to consolidation; or
 - ii) All of the claims in the arbitrations are based on the same arbitration agreement; or
 - iii) If the claims in the arbitrations are based on more than one arbitration agreement, the disputes in the arbitrations arise in connection with the same legal relationship and the arbitration agreements are compatible.
2. In deciding whether to consolidate, the Board considers any relevant circumstances, such as whether or not the arbitrators have been designated and, if so, whether the designated persons are the same or not. If the co-arbitrator of the respondent has not been designated at the time of the request for consolidation, the co-arbitrator of the respondent shall not be designated until the Board decides on the request for consolidation.
3. The request for consolidation shall be submitted to the Secretariat. The Secretariat, after consulting with all of the parties, transmits the request for consolidation to the Board. If the Board decides to consolidate, the arbitrations shall be consolidated into the arbitration that commenced first, unless otherwise agreed by all parties.

Section III

SOLE ARBITRATOR or ARBITRAL TRIBUNAL

ARTICLE 12

Impartiality and Independence of Arbitrators

1. Every arbitrator must be impartial and independent and they must remain impartial and independent until the proceedings come to an end.
2. The arbitrator shall sign and submit to the Secretariat a statement of impartiality and independence within 7 days from accepting the duty and the arbitrator undertakes to allocate sufficient time for the arbitrator's duty.
3. Both prior to accepting the duty and in the course of the arbitration proceedings, the arbitrator shall disclose in writing to the Secretariat any facts or circumstances which might have an influence on their impartiality and independence, as well as any facts or circumstances which may give rise to justifiable doubts as to their impartiality and independence. The Secretariat shall

notify the parties of such information and fix a reasonable time period for the parties to submit their comments. Following this, the Board shall make its decision on the issue.

4. By accepting to serve, the arbitrators undertake to conduct the arbitration and carry out their responsibilities pursuant to the Rules. This provision shall not be applied in cases where the Istanbul Arbitration Centre acts only as the appointing authority.

ARTICLE 13

Number of Arbitrators

1. The parties are free to agree on the number of arbitrators. In cases where the parties agree on more than one arbitrator, the number of arbitrators must be an odd number.
2. In cases where the parties have not agreed on the number of arbitrators, the Board shall, by taking all relevant circumstances and facts into consideration, decide that the dispute be resolved by either a Sole Arbitrator or by an Arbitral Tribunal consisting of three arbitrators.

ARTICLE 14

Choice of Arbitrators

1. In cases where the dispute shall be resolved by a Sole Arbitrator, the parties shall choose the Sole Arbitrator together. If the parties fail to choose the Sole Arbitrator within 30 days from the notification of the claimant's Request for Arbitration to the other party or within the additional time granted by the Secretariat, the Board shall appoint the Sole Arbitrator.
2. In cases where the dispute shall be resolved by an Arbitral Tribunal, each of the parties shall choose one arbitrator in the Request for Arbitration and the Answer to Request for Arbitration respectively. If one of the parties fails to choose an arbitrator, the Board shall appoint the arbitrator.
3. Unless otherwise agreed by the parties, the two co-arbitrators, who have been either chosen or appointed, shall designate the third arbitrator. In the event that the co-arbitrators fail to designate the third arbitrator within 15 days from the Secretariat's notification of either their nomination or appointment, the Board shall appoint the third arbitrator.
4. In cases where the dispute is to be resolved by an Arbitral Tribunal, if there are multiple claimants and/or multiple respondents and the multiple claimants jointly, and/or the multiple respondents jointly, cannot agree on the nomination

of an arbitrator, the Board shall appoint the arbitrator on behalf of the party who fails to choose an arbitrator.

5. In cases where the dispute is to be resolved by an Arbitral Tribunal, the third arbitrator shall act as the President of the Arbitral Tribunal.

ARTICLE 15

Appointment of Arbitrators

1. When appointing the arbitrator, the Board shall take into consideration the circumstances that might have influence on the impartiality and independence of the arbitrator, along with the prospective arbitrator's availability and required ability to conduct the arbitration proceedings.

ARTICLE 16

Challenge of Arbitrators

1. An arbitrator may be challenged if she/he does not possess the qualifications which were agreed to by the parties, if there are circumstances and facts which give raise to doubts as to her/his impartiality and independence, or if there are other reasons that prevent the arbitrator from performing arbitrator's duty. The request for challenge of an arbitrator shall be made to the Secretariat by submitting a written statement. In such statement, the facts and circumstances on which the challenge was based shall be specified.
2. The request to challenge shall be submitted within 30 days from the parties' notification of either choice or appointment of the arbitrator. In cases where any circumstances and facts giving raise to a challenge became known at a more advanced stage of the proceedings, the request to challenge shall be made within 30 days from the date on which the party making the request became aware of such circumstances and facts.
3. The Secretariat shall notify the Sole Arbitrator or Arbitral Tribunal of the request for challenge, along with the other party and it shall grant a time limit, not exceeding 15 days in which requests them to submit their comments in writing.
4. Where the challenged arbitrator refuses to resign or all parties do not agree on the challenge, the Board shall consider the challenge and renders a decision. In cases where the Board accepts the request to challenge, the arbitrator's duty terminates.

ARTICLE 17

Replacement of Arbitrators

1. The Board shall decide to replace an arbitrator if the request to challenge is accepted, if the parties agree on the challenge of the arbitrator, or if the arbitrator withdraws from his duty.
2. If an arbitrator fails or becomes unable *de jure* or *de facto* to perform her/his duty, at the request of one of the parties, the Board terminating the relevant arbitrator's duty, may decide that a new arbitrator shall be designated. Prior to making such a decision, the Board shall request the parties, the relevant arbitrator and other arbitrators to submit their comments in writing within a reasonable period of time. The Board shall communicate such comments to the parties and to the arbitrators.
3. When an arbitrator is to be replaced, a substitute arbitrator shall be designated according to the procedure, which was applicable to the designation of the arbitrator being replaced. Following the replacement, the Sole Arbitrator or Arbitral Tribunal shall decide if and to what extent prior proceedings shall be repeated.
4. In cases where the arbitrator is replaced subsequent to the closing of the proceedings, without appointing a substitute arbitrator, the Board may decide that the remaining arbitrators shall terminate the arbitration proceedings. In making such a decision, the Board shall take into consideration all facts, circumstances and the opinions of the remaining arbitrators and of the parties. The decisions of the Board concerning the appointment, challenge and replacement of arbitrators are final and the reasons for such decisions shall not be the declared.

Section IV

ARBITRAL PROCEEDINGS

ARTICLE 18

Transmission of the File to the Sole Arbitrator or Arbitral Tribunal

1. The Secretariat shall transmit the file to the Sole Arbitrator or Arbitral Tribunal as soon as the advance on costs set forth under Article 42(2) of the Rules and the Istanbul Arbitration Centre Rules on Costs and Fees Scales (Appendix-3), has been paid.

ARTICLE 19

Right to Fair Trial

1. The Sole Arbitrator or Arbitral Tribunal shall conduct the proceedings fairly and impartially, act in respect to the principle of the equality of the parties and ensure that each party has a full opportunity to present its case.

ARTICLE 20

Judicial Economy

1. The parties and the Sole Arbitrator or Arbitral Tribunal, taking into consideration the nature and value of the dispute, shall make every effort to conduct the arbitration in an expeditious and cost-effective manner. In order to ensure the conduct of the arbitration in an expeditious and cost-effective manner, the Sole Arbitrator or Arbitral Tribunal, after consulting with the parties, shall make necessary decisions deemed to be appropriate and provided that they are not incompatible with the parties' agreement.

ARTICLE 21

Confidentiality

1. Unless otherwise agreed by the parties, the arbitral proceedings are confidential. At the request of one of the parties, the Sole Arbitrator or Arbitral Tribunal may give any order concerning the confidentiality of the arbitration and the proceedings, and may take necessary measures to protect trade secrets, along with other confidential information.

ARTICLE 22

Rules Governing the Proceedings

1. The Sole Arbitrator or Arbitral Tribunal shall conduct the arbitral proceedings pursuant to the Rules. In cases where the Rules are silent, the rules agreed by the parties shall apply. If there is no agreement between the parties on such matter, the rules designated by the Sole Arbitrator or Arbitral Tribunal shall apply.
2. All participants in the arbitral proceedings must act in good faith.

ARTICLE 23

Seat of the Arbitration

1. Unless otherwise agreed by the parties, the seat of the arbitration shall be Istanbul.
2. Unless otherwise agreed by the parties, the Sole Arbitrator or Arbitral Tribunal may, after consulting with the parties, conduct hearings and meetings at any location, other than the seat of the arbitration deemed to be appropriate.

ARTICLE 24

Language of the Arbitration

1. The parties freely determine the language of the arbitration. In the absence of such agreement between the Parties, the Sole Arbitrator or Arbitral Tribunal shall determine the language of the arbitration considering all circumstances and conditions. The language of the arbitration may be one or more languages.
2. Unless otherwise agreed, documents in languages other than the language of the arbitration shall be submitted together with a translation.

ARTICLE 25

Rules of Law Applicable to the Merits of the Dispute

1. The Sole Arbitrator or Arbitral Tribunal shall make their decision in accordance with the rules of law chosen by the parties as applicable to the merits of the dispute. In the absence of such agreement by the Parties, the Sole Arbitrator or Arbitral Tribunal shall apply the rules of law that is deemed to be appropriate.
2. The Sole Arbitrator or Arbitral Tribunal may decide *ex aequo et bono* only if the Parties have expressly authorized them to do so.

ARTICLE 26

Terms of Reference

1. Unless otherwise agreed by the Parties, the Sole Arbitrator or Arbitral Tribunal shall immediately draw up the terms of reference following the submission of the Request for Arbitration and Answer to Request for Arbitration.
2. The terms of reference shall include the following:
 - a) Full names, titles, addresses, telephone and facsimile numbers, and email addresses of each of the parties and, if any, of their representatives;
 - b) Name, surname, addresses, telephone and facsimile numbers, and email addresses of the arbitrator(s);
 - c) The addresses to which notifications and communications shall be made in the course of the arbitration;
 - d) A summary of parties' claims and defences and the relief sought by each party together with the amounts of any quantified claims, and to the extent possible, an estimate of the monetary value of any other claims;
 - e) If the Sole Arbitrator or Arbitral Tribunal considers it appropriate, a list of disputed issues to be determined;
 - f) The place of the arbitration;
 - g) The language(s) of the arbitration;
 - h) The applicable procedural rules; and

- i) The reference to the power conferred to the Sole Arbitrator or Arbitral Tribunal to decide *ex aequo et bono*.
3. The terms of reference shall be signed by the parties and the Sole Arbitrator or Arbitral Tribunal. The Sole Arbitrator or Arbitral Tribunal shall submit the signed terms of reference to the Secretariat within 30 days of the date on which the file was transmitted to it. The Board may extend this time limit pursuant to a reasoned request from the Sole Arbitrator or Arbitral Tribunal or on its own initiative if it deems necessary.
4. If one of the parties does not participate in the preparation of the terms of reference or refuses to sign the prepared terms of reference, the terms of reference shall be submitted to the Board to be approved.

ARTICLE 27

Procedural Timetable

1. During the drawing up of the terms of reference, the Sole Arbitrator or Arbitral Tribunal, after consulting with the parties, shall establish a procedural timetable; particularly establish the date of the submission of pleadings, the date of the hearing and dates of the other procedural issues it deems appropriate.
2. The Sole Arbitrator or Arbitral Tribunal shall transmit the procedural timetable to the parties and to the Secretariat.
3. In cases where it is deemed necessary, the Sole Arbitrator or Arbitral Tribunal, in consultation with the parties, may modify the dates and time limits stated in the procedural timetable. In this case, the Sole Arbitrator or Arbitral Tribunal shall communicate the new procedural timetable to the parties and the Secretariat within 5 days.

ARTICLE 28

New Relief Sought

1. Unless otherwise agreed by the parties, new relief may be sought during the course of the arbitral proceedings. However, the Sole Arbitrator or Arbitral Tribunal, considering other facts and circumstances, may not allow the new relief to be sought if it was late to be claimed or if it causes an unfair major difficulty to the other party.

ARTICLE 29

Proceeding and Evidences

1. The Sole Arbitrator or Arbitral Tribunal shall consult all means it deems to be appropriate in order to establish the facts of the case.

2. The Sole Arbitrator or Arbitral Tribunal may hear the parties, witnesses and others upon the request of one of the parties or on its own initiative.
3. The Sole Arbitrator or Arbitral Tribunal may hear the experts appointed by the parties, as well as, after consulting with the parties, if it deems necessary, may appoint an expert and define the scope of duty. At the hearing, the Sole Arbitrator or Arbitral Tribunal or the parties, may directly ask questions to any such expert(s).
4. The Sole Arbitrator or Arbitral Tribunal, after consulting with the parties, may decide to conduct a site visit.
5. During the course of the proceedings, the Sole Arbitrator or Arbitral Tribunal may request the parties to submit any additional information and documents.

ARTICLE 30

Hearings

1. Upon the request of one of the parties or on its own initiative where it deems necessary, the Sole Arbitrator or Arbitral Tribunal may decide to hold a hearing in order to listen to the parties, witnesses or experts. After consulting with the parties, the Sole Arbitrator or Arbitral Tribunal may decide solely on the basis of documents without holding a hearing.
2. The date of a hearing shall be stipulated in the timetable. The Sole Arbitrator or Arbitral Tribunal, giving adequate advance notice to the parties, shall summon them to be present on the date, time and at the place of the hearing. If any of the duly summoned parties, fails to appear without a valid excuse, the Sole Arbitrator or Arbitral Tribunal may proceed with the hearing.
3. All parties have the right to attend the hearing. The Parties may attend the hearing in person and/or through their representatives or counsel.
4. The Sole Arbitrator or Arbitral Tribunal shall be in full charge of the conduct of hearings.
5. Unless there is an approval of the parties, the Sole Arbitrator or Arbitral Tribunal shall not permit persons not involved with the arbitration proceedings to attend the hearing.

ARTICLE 31

Interim Measures

1. Unless otherwise agreed by the parties, if circumstances exist that are so urgent that the party cannot wait for the Sole Arbitrator or Arbitral Tribunal to begin its duty, the party that needs interim legal protection may apply to the Secretariat pursuant to the Istanbul Arbitration Centre Emergency Arbitrator Rules (Appendix-1).
2. Unless otherwise agreed by the parties, the Sole Arbitrator or Arbitral Tribunal, at the request of a party, may grant an interim measure it deems appropriate.
3. The Sole Arbitrator or Arbitral Tribunal may make granting the interim measure subject to appropriate security being provided.
4. Before or after the transmission of the file to the Sole Arbitrator or Arbitral Tribunal, the parties may also apply to the courts for interim measures. This situation shall not be incompatible with, or constitute a waiver of the arbitration agreement and shall not affect the powers of the Sole Arbitrator or Arbitral Tribunal.

ARTICLE 32

Closure of Proceedings

1. As soon as possible after the last hearing with respect to the issues to be decided in an award or the submission of the last pleading regarding such issues, whichever occurs later, the Sole Arbitrator or Arbitral Tribunal shall inform the parties and the Secretariat in writing that the proceedings are closed. Along with the notification of the closure of proceedings, the expected date of the award shall be declared to the parties and to the Secretariat.
2. After the declaration of closure of proceedings, no further claims or defences may be made, or evidence produced, with regard to the issues to be decided in the award. If the Sole Arbitrator or Arbitral Tribunal deems necessary due to exceptional circumstances under the request or authorization of the Sole Arbitrator or Arbitral Tribunal, the parties may submit new statements and documents.

Section V

AWARD

ARTICLE 33

Time Limit for the Award

1. The Sole Arbitrator or Arbitral Tribunal shall render the award on the merits of the dispute, within 6 months from the date upon which the completion of the signatures on the terms of reference or, the date of notification to the Sole Arbitrator or Arbitral Tribunal by the Secretariat of the approval of the terms of reference pursuant to Article 26(4). If the Parties agreed not to draw up a terms of reference, the time limit for the award shall begin to run from the date of the submission of the procedural timetable to the Secretariat. The Board, using the procedural timetable as a base, may extend the time limit on its own initiative.
2. The time limit for the award may be extended, upon the agreement of the parties; if the parties fail to agree, the Board may extend the time limit upon the Sole Arbitrator or Arbitral Tribunal's request or in cases where it deems necessary on its own initiative.

ARTICLE 34

Making of the Award

1. When the dispute is resolved by an Arbitral Tribunal, it shall decide by majority. In the absence of majority, the award shall be made by the President of the Arbitral Tribunal.
2. The award shall be signed by the Sole Arbitrator or by the majority of the arbitrators of the Arbitral Tribunal or by the President of the Arbitral Tribunal pursuant to Article 34(1). If one of the arbitrators fails to sign without valid cause, the reason for the absence of signature shall be stated in the award and the award shall be signed by the other arbitrators.
3. The Sole Arbitrator or Arbitral Tribunal must make every effort necessary to render an enforceable award.

ARTICLE 35

Content of the Award

1. The arbitral award contains the following:
 - a) Names, surnames, titles, addresses of each of the parties and, if any, of their representatives along with their counsels;
 - b) The reasoning of the award;
 - c) The decision;
 - d) The decision concerning the costs of the arbitration;

- e) The place of the arbitration and the date of the award;
- f) Names, surnames, signatures of the arbitrator(s).

2. Unless otherwise agreed, the Sole Arbitrator or Arbitral Tribunal may render a partial award.

ARTICLE 36

Deposit and Notification of the Award

1. The original of the award signed by the Sole Arbitrator or Arbitral Tribunal or the President of the Arbitral Tribunal pursuant to Article 34(1) shall be deposited with the Secretariat.
2. The Secretariat shall notify the parties of the signed award on the condition that the costs of the arbitration have been paid in full by the parties or by one of the parties.
3. The Secretariat shall provide certified true copies of the award to the parties upon their request at any time. The copy of the award shall not be provided to anybody except the parties, their representatives and their counsels.
4. The arbitral award shall be binding on the parties.

ARTICLE 37

Correction, Interpretation of the Award and Additional Award

1. The Sole Arbitrator or Arbitral Tribunal may correct *ex officio* any computational and typographical errors in the award within 30 days of the date on which the award was rendered.
2. Within 30 days of the notification of the award, one of the parties may make an application to the Secretariat with a request for the interpretation of the award or the correction of any computational and typographical errors in the award.
3. Within 30 days of the notification of the award, each of the parties may make an application to the Secretariat with a request for an additional award concerning reliefs sought in the arbitration proceedings but omitted from the award.
4. In cases where the provisions of Articles 37(2) and 37(3) apply, the Secretariat shall notify the parties and the Sole Arbitrator or Arbitral Tribunal of this application. The Sole Arbitrator or Arbitral Tribunal shall grant a time period, not exceeding 30 days, for the other party to submit its comments.

5. Following the expiration of the time limit, the Sole Arbitrator or Arbitral Tribunal shall submit its decision concerning the correction, interpretation or additional award within at most 30 days. Where an additional award is requested, the Board may grant a longer period, not exceeding 60 days.
6. The decision concerning the correction, interpretation and additional award shall take the form of an addendum and shall constitute an integral part of the award. The provisions of Articles 34 and 36 of these Rules shall apply, where appropriate, to the decisions concerning the correction, interpretation and additional award.

ARTICLE 38

Settlement

1. If the Parties reach a settlement after the transmission of the file to the Sole Arbitrator or the Arbitral Tribunal, the arbitration proceedings shall be terminated. If requested by the parties and accepted by the Sole Arbitrator or Arbitral Tribunal, the settlement may be recorded in the form of an award.

ARTICLE 39

Termination of the Proceedings

1. The arbitration proceedings are terminated by the issuance of the award or by the occurrence of any of the following circumstances:
 - a) If the claimant withdraws its claims, unless the respondent objects thereto and the Sole Arbitrator or Arbitral Tribunal recognizes that the respondent has a legitimate interest in obtaining a final settlement of the dispute;
 - b) If the parties agree on the termination of the proceedings;
 - c) If the Sole Arbitrator or Arbitral Tribunal determines that the continuation of the proceedings has, for any other reason, become unnecessary or impossible;
 - d) If an advance for the costs of arbitration is not deposited pursuant to Article 42.
2. The mandate of the Sole Arbitrator or Arbitral Tribunal terminates with the termination of the proceedings, without prejudice to Articles 37 and 38 of these Rules.

ARTICLE 40

Waiver

1. If a party proceeds with the arbitration without stating its objection to
 - a) Any provisions of the Rules, or of any other rules applicable to the arbitration procedure;
 - b) The conduct of the arbitration proceedings;
 - c) The orders granted by the Sole Arbitrator or Arbitral Tribunal;

- d)** The constitution of the Sole Arbitrator or Arbitral Tribunal under the arbitration agreement, that party waives its right to raise an objection.

Section VI

COSTS

ARTICLE 41

Costs of Arbitration

- 1.** The costs of arbitration shall be fixed in the arbitral award along with the decision on which of the parties shall bear the costs or in what proportions the costs shall be borne by the parties.
- 2.** The costs of arbitration consist of:
 - a)** The fees of the Sole Arbitrator or members of Arbitral Tribunal and Istanbul Arbitration Centre administrative costs fixed by the Board, in accordance with the Istanbul Arbitration Centre Rules on Costs and Fees Scales (Appendix-3) in force on the date of the commencement of the arbitration proceedings;
 - b)** The expenses of the Sole Arbitrator or Arbitral Tribunal;
 - c)** The fees paid to the experts, and to the other persons whose assistance is sought and who are appointed by the Sole Arbitrator or Arbitral Tribunal, and the costs for any site inspection;
 - d)** The costs for legal representation, the fees and expenses of experts and any other costs incurred by the parties in course of the arbitration proceedings.
- 3.** Apart from the Istanbul Arbitration Centre administrative costs and the fees of the Sole Arbitrator or members of Arbitral Tribunal as fixed by the Board, the Sole Arbitrator or Arbitral Tribunal may make decisions on costs at any time during the arbitral proceedings; and may order payment of such costs.
- 4.** In making decisions concerning the costs of arbitration, the Sole Arbitrator or Arbitral Tribunal shall take into consideration all relevant facts and circumstances, including the nature of the dispute and parties' efforts to conduct the arbitration in an expeditious and cost-effective manner.
- 5.** If the arbitration proceedings terminate before the rendering of an arbitral award, the Board shall decide on the fee(s) and expenses of the arbitrator(s) and the Istanbul Arbitration Centre administrative costs. In cases where the parties have not agreed upon the allocation of the costs of arbitration, the Sole Arbitrator or Arbitral Tribunal decides on such matters. If the Sole Arbitrator or Arbitral Tribunal has not been constituted at the time of claimant's withdrawal of its

claims or the termination of the proceedings, each party may request the Board to proceed with the constitution of the Sole Arbitrator or Arbitral Tribunal, so that it may make decisions on costs. Before rendering its decision, the Sole Arbitrator or Arbitral Tribunal shall take the statement of the parties.

ARTICLE 42

Deposit of the Advance on Costs for the Arbitration

1. After receipt of the Request for Arbitration, the Secretariat may request the claimant to deposit an amount as an advance, intended to cover the costs of the arbitration until the terms of reference have been drawn up. This advance deposited by the claimant shall be considered as a partial payment of any advance on costs fixed pursuant to Article 42.
2. At the earliest possible time, the Board shall fix the amount of advance on costs to cover the fee(s) and expenses of the arbitrator(s) and the Istanbul Arbitration Centre administrative costs for the claims, which have been referred to by the parties. This amount shall be paid in equal shares by the parties.
3. Where the respondent submits a counterclaim, the Board may fix a separate advance on costs for the claimant's claims and respondent's counterclaims. In this case, each of the parties shall deposit the determined advance on costs corresponding to its claims.
4. In the course of the arbitration proceedings the Board may readjust the amount of advance on costs, which was fixed pursuant to Article 42.
5. Any of the parties may deposit the other party's share of any advance on costs if that party fails to deposit its share.
6. When an advance on costs fixed pursuant to Article 42 has not been paid with, after consulting with the Sole Arbitrator or the Arbitral Tribunal, the Secretariat may suspend the proceedings. After the notification of suspension of the proceedings, the related party or parties will be granted 15 days for the deposit of the advance on costs. Upon the request of related party or parties, the Secretariat may grant additional time if it deems appropriate. If the advance on costs has not been deposited on time, the Sole Arbitrator or Arbitral Tribunal will be informed of the failure to deposit, and the Sole Arbitrator or Arbitral Tribunal terminates the proceedings. In this case, the relevant party may resubmit the claim or claims in a later arbitration proceeding.
7. If one of the parties claims a right to set-off with regard to any claim, such set-off shall be taken into consideration in determining the advance on costs in the same

way as a separate claim insofar as it may require the Sole Arbitrator or the Arbitral Tribunal to consider additional facts and circumstances.

Section VII FINAL PROVISIONS

ARTICLE 43

Modification of the Time Limits

1. The Parties may agree to change the time limits set out in the Rules.

2. The Board may extend any time limit which has been modified by the parties, if it decides that it is necessary to do so in order that the Sole Arbitrator or Arbitral Tribunal and the Board may comply with their mandates pursuant to the Rules.

ARTICLE 44

Limitation of Liability

1. The Board and its members, the Secretariat and its employees and other Istanbul Arbitration Centre's employees and the arbitrators or any person appointed by the Sole Arbitrator or Arbitral Tribunal, shall not be liable to any person for any act or omission in connection with the arbitration, except to the extent such limitation of liability is prohibited by applicable law.

ARTICLE 45

Entering into Force

1. These Rules enter into force upon the approval of the Istanbul Arbitration Centre General Assembly.

MODEL ARBITRATION CLAUSE

Any disputes arising out of or in connection with the present contract shall be finally settled through arbitration under the Istanbul Arbitration Centre Arbitration Rules.

The following provisions may be added to the model arbitration clause:

- The Emergency Arbitrator Rules shall not apply.
- The place of the arbitration shall be (City/Country).
- The language of the arbitration shall be (...).
- The number of the arbitrators shall be (...).
- The law applicable to the merits of the dispute shall be (...).