



**The Rules of Arbitration
of the Israeli Institute of
Commercial Arbitration**

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Adv. Uriel Lynn
Chairman

Adv. Menashe Cohen
President

84, Hachashmonaim St., Tel-Aviv 67011
Tel. 03-5631052 Fax. 03-5619027
www.borerut.com E-mail: info@borerut.com

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MODEL ARBITRATION CLAUSE

“Any dispute between the parties arising out of or in connection with this contract, its execution, interpretation, applicability or validity, will be referred for arbitration by the Israeli Institute of Commercial Arbitration in accordance with its rules.”

RULES OF ARBITRATION OF THE ISRAELI INSTITUTE OF COMMERCIAL ARBITRATION

The Israeli Institute of Commercial Arbitration (the “**Arbitration Institute**”), founded by the Chamber of Commerce in 1989, is an independent public body established as the first arbitral institution in Israel. The institution has administered thousands of domestic and international disputes, and it operates on a non-profit basis.

In the event that parties agree to submit a dispute for settlement by arbitration that is administered by the Arbitration Institute, they shall be deemed to have agreed that the arbitration be conducted pursuant to the rules of the Arbitration Institute (the “**Rules**”) as may be in effect at the time of commencement of the arbitration.

ARTICLE 1: DEFINITIONS

As used in these rules, the following terms shall have the meanings set forth alongside them:

- The “**President**” - The President of the Israeli Institute of Commercial Arbitration.
- The “**Institute**” - The Israeli Institute of Commercial Arbitration.
- The “**Arbitrator**” - An Arbitrator or Arbitrators appointed in accordance with these Rules, including in appeal proceedings.

- “Claim”** - A Claim filed with the Arbitration Institute, including a counterclaim.
- “Request”** - Including a Request for Interim Relief.
- “Decision”** - Arbitrator’s Decision, including in a Motion for Interim Relief.
- “Interim Relief”** - Relief awarded by an Arbitrator to ensure that the arbitral proceedings are conducted and/or to ensure enforcement of the Arbitral Award, as part of the Decision and/or as part of the Arbitral Award, all as specified in the Chapter on Interim Relief of these Rules.
- The **“Arbitral Award”** - The award made by the Arbitrator, including an interim award; or an award made by the Court of Appeal.
- “Appeal”** - Appeal to the Court of Appeal of the Arbitration Institute against an Arbitral Award, as stipulated in the Chapter Appeals Tribunal in these Rules.
- “Party/Parties”** - Claimant (including claimants), respondent (including respondents) or other litigants.

ARTICLE 2: REQUEST FOR ARBITRATION**2.1. Request for Arbitration**

The applicant will submit a Request to the Arbitration Institute to conduct arbitral proceedings in which the following particulars are provided:

- 2.1.1. The names, addresses, identification numbers (ID/Co. No. etc.) and contact details (including email addresses) of the Parties to the dispute.
- 2.1.2. The name, address and contact details of the applicant's legal counsel, in the event that it is represented.
- 2.1.3. A brief description of the dispute, the circumstances giving rise to the cause of action and the relief sought.
- 2.1.4. The applicant may specify a preference for the area of expertise of the Arbitrator.

2.2. Attaching an Arbitration Agreement and other Documents

The Request must be accompanied by a copy of the document, which includes the consent of the Parties for the dispute to be resolved by arbitration (such as: an arbitration agreement relating to the dispute, an arbitration clause in the agreement, minutes of a court hearing that includes the consent of the Parties to submit the dispute for settlement by arbitration, an arbitration clause in the Articles of Association, a court ruling referring the parties to arbitration).

2.3. Notice to the other Parties

The Arbitration Institute will send a copy of the Request for Arbitration and appendices thereto to the Parties listed in the Request for Arbitration.

2.4. Reply to the Request

A Party receiving a Request for Arbitration may reply to the Request within 15 days. In its reply it will indicate whether it intends filing a counterclaim, and if so the aforementioned provisions relating to the filing of a Request for Arbitration shall apply.

ARTICLE 3: THE ARBITRATOR**3.1 Appointment of an Arbitrator**

3.1.1 The Parties may propose an agreed Arbitrator within 30 days of the date of filing the Request for Arbitration. The identity of the proposed Arbitrator will be submitted for the approval of the President for the purpose of his appointment as Arbitrator. In the absence of such nomination or consent, the President will appoint an Arbitrator from the Arbitration Institute's list of Arbitrators, bearing in mind, *inter alia*, the Arbitrator's qualifications, experience, expertise and professionalism, which, as far as possible, are suitable to the subject matter of the dispute and the Parties' preferences regarding the Arbitrator's area of expertise, if they have any such preferences.

- 3.1.2 The Parties may agree on arbitration that includes more than one Arbitrator. The identity of each of the proposed Arbitrators will be submitted for the approval of the President for the purpose of appointing an Arbitrator. In the absence of such nomination or consent, the President will appoint an Arbitrator from the Arbitration Institute's list of Arbitrators, bearing in mind, *inter alia*, the Arbitrator's qualifications, experience, expertise and professionalism, which, as far as possible, are suitable to the subject matter of the dispute and the Parties' preferences regarding the Arbitrator's area of expertise, if they have any such preferences.

3.2 The Arbitrator's Declaration

The Arbitrator who is appointed will declare in writing that he has no prejudice, personal interest or involvement in the matter in dispute and that he is available to handle arbitration proceedings. Moreover, he will also undertake to honor and uphold the Rules of the Arbitration Institute and that he will comply with them.

3.3 Appointment of a Substitute Arbitrator

In the event that an Arbitrator is unable to perform his functions: another Arbitrator will be appointed in accordance with these Rules, unless otherwise agreed by the Parties. In the event that another Arbitrator is appointed: the arbitration will continue from the stage it has reached, unless the Arbitrator decides otherwise, after giving the Parties the right to present their arguments on the matter.

3.4 Challenging the Appointment of an Arbitrator before the Arbitration commences

- 3.4.1 Prior to the commencement of the arbitration, a Party may challenge the appointment of the Arbitrator before the President of the Arbitration Institute due to the Arbitrator's lack of competence to hear the matter of the dispute, concern regarding prejudice, a personal interest, or for any other reason which - in the opinion of the applicant - disqualifies the designated Arbitrator from serving as the Arbitrator.
- 3.4.2 The challenge of the Arbitrator must be submitted to the Arbitration Institute immediately after the date of the notice of the appointment, and not later than 10 days after receipt of the notice of the Arbitrator's appointment. The challenge shall be signed and it shall indicate the grounds for the challenge, as stated above.
- 3.4.3 The other Party may reply to the challenge of the Arbitrator's appointment within 10 days of the date of receiving the challenge.
- 3.4.4 The President shall rule on the challenge after considering the grounds for the challenge and the reply thereto, and after receiving the position of the Arbitrator with regard to what is stated in the challenge.

3.5 Removal of an Arbitrator

The President shall have the authority to remove an Arbitrator from his position, after commencement of the arbitration, at the request of a Party or according to his discretion, where he finds justification for this, and he shall provide the reasons therefor in writing.

ARTICLE 4: PRELIMINARY MEETING**4.1 Preliminary Meeting Notice**

Upon appointment of the Arbitrator, the Arbitration Institute will send a notice to the Parties regarding the appointment of the Arbitrator and regarding the date set down for the preliminary meeting.

4.2 Arbitrator's Authority at the Preliminary Meeting

At the preliminary meeting, the Parties will discuss how the arbitration will be conducted. The Arbitrator will have the authority to determine the procedure for conducting the arbitration in accordance with the Rules and according to his discretion.

ARTICLE 5: EXCHANGE OF PLEADINGS**5.1 Statement of Claim**

Within 30 days of the date of the preliminary meeting, the claimant will file a Statement of Claim with the Arbitration Institute that, in addition to the details included in Article 2.1 above, also sets out the facts and the arguments required for its Claim. Copies of the material documents on which the cause of action is based must be attached to the Statement of Claim.

5.2 Statement of Defense

Within 30 days of receiving the Statement of Claim, the respondent shall file its Statement of Defense with the Arbitration Institute, providing details of its legal counsel, if it chooses to be represented. The Statement of Defense shall provide details of which facts or legal arguments the respondent admits and which it does not admit. Copies of the material documents, on which it relies for its defense, must be attached to the Statement of Defense.

5.3 Reply

Within 15 days of receiving the Statement of Defense, the claimant may file a Reply to the Statement of Defense.

5.4 Counterclaim

A respondent that wishes to file a Counterclaim as part of its Statement of Defense shall name it “Counterclaim”.

What is stated in Article 5.1 with respect to the Statement of Claim shall also apply to a Counterclaim.

5.5 Defense to a Counterclaim

A claimant that wishes to defend a counterclaim shall do so in a document headed “Notice of Defense to a Counterclaim” that shall be filed within 30 days of the date of receiving the Counterclaim. What is stated in Article 5.2 with respect to a Statement of Defense shall also apply to the Notice of Defense to a Counterclaim.

5.6 Denial of the Arbitrator’s Authority

The Arbitrator will be authorized to rule on any argument raised in relation to the scope of his authority, unless the Parties have expressly denied this authority.

A Party seeking to deny the Arbitrator’s authority will do so at the first opportunity, immediately after becoming aware of the circumstances that establish the grounds for the application and no later than the day it first argues on the merits of the Claim. The Arbitrator will rule on the application shortly after it has been filed.

5.7 Request for Expedited Procedure without the Exchange of Pleadings

In the event that the Parties agree to refer the dispute between them for a Decision by the Arbitration Institute, without the exchange of pleadings, they shall sign an arbitration agreement accompanied by a request for arbitral proceedings without the exchange of pleadings.

ARTICLE 6: THE ARBITRAL PROCEEDINGS

6.1 Seat of Arbitration

The seat of the arbitration will be Tel Aviv, Israel.

The arbitration meetings will be held at the offices of the Arbitration Institute, unless it is agreed between the Parties, with the approval of the President of the Arbitration Institute, to conduct the arbitration elsewhere.

The Arbitrator may hold meetings by means of video-conferencing or any other means of communication.

6.2 Language

The Parties will be entitled to determine the language in which the arbitration will be conducted. In the absence of such agreement: the arbitration will be conducted in Hebrew. In the event that the Parties fail to agree on the language of the arbitration and one of the Parties wishes to conduct the arbitration in a language other than Hebrew: the Arbitrator will determine the language of the arbitration.

6.3 Substantive Law

The Parties may agree between them on the substantive law that will apply to the arbitration. In the event of such agreement between the parties: the Arbitrator will make his Decision according to that law. In the absence of any agreement, the Arbitrator will not be bound by the substantive law and he will make his award according to the best of his judgment based on the material before him.

6.4 Rules of Evidence and Procedure

6.4.1 The Parties will be entitled to agree on whether the rules of evidence and procedure, which are customary in courts, apply. In the absence of agreement between the Parties, the Arbitrator will not be bound by the rules of evidence and procedure.

6.4.2 The Arbitrator will act in the manner that he deems most beneficial for rendering a just and efficient Arbitral Award.

6.4.3 Throughout the arbitration, the Arbitrator will act in such a manner so as to encourage agreement between the Parties.

6.5 Taking Minutes/ Recording the Hearings

Minutes will be taken at the arbitration meetings. However, with the agreement of the Parties, or on the Arbitrator's instructions, the hearings will be recorded, and subsequently transcribed. The recording and transcription costs will be borne equally by the Parties, unless the Arbitrator decides otherwise.

6.6 Timetable

- 6.6.1 The Arbitrator will set the timetable and the times for conducting the arbitration and he may change the times/dates at his discretion, whether determined according to these Rules or prescribed by him.
- 6.6.2 In the event that the Arbitrator orders an act to be carried out within a specific period of time, the Arbitrator will have the authority to extend that period of time at his discretion or according to the application that is filed with him by one of the Parties.
- 6.6.3 The President is authorized to extend any deadline specified in these Rules.
- 6.6.4 Recess days, Holidays and non-business days, occurring during the counting of the period of time, are included in calculating the period specified in these Rules.

6.7 Summoning Witnesses

- 6.7.1 The Arbitrator is authorized to issue instructions regarding summoning witnesses to give evidence, either at the request of a Party or on the initiative of the Arbitrator, which includes the authority to award of witness fees and expenses.
- 6.7.2 The obligations and privileges of a witness who testifies in the arbitration will be the same as that of a witness who testifies in court.

6.8 Cautioning Witnesses

A witness who testifies in the arbitration shall be cautioned that he is obliged to tell the truth and that if he fails to do so he will be subject to penalties prescribed by law.

6.9 Examination of Witnesses

The Arbitrator may issue instructions regarding the examination of witnesses, including the examination of expert witnesses.

6.10 Expert Witnesses Appointed by the Arbitrator

6.10.1 The Arbitrator may appoint an expert to provide an expert opinion, written or oral, whether an expert is summoned as a witness on behalf of one of the Parties or not.

6.10.2 The Parties will cooperate with the expert appointed by the Arbitrator, and they will ensure that any information necessary to formulate his opinion is placed at his disposal.

6.11 Summations

The Arbitrator will issue written or oral instructions regarding the summations of the arguments in the arbitration, and he will specify the date for hearing the summations or for filing them.

6.12 Documents

All the documents that are filed as part of the arbitration will be filed with the Arbitration Institute and served on each of the Parties.

6.13 Service of Documents

6.13.1 Service of documents on the Arbitrator will be effected through the Arbitration Institute, unless instructed otherwise by the Arbitrator.

6.13.2 Service of documents between the Parties will be effected directly between them, simultaneously with servicing them on the Arbitration Institute, according to the addresses specified in the pleadings, unless instructed otherwise by the Arbitrator.

6.14 The Arbitrator's General Power

If the Arbitrator issues an order to a Party regarding a matter involved in the arbitral proceedings, but without sufficient cause the Party fails to comply with the order, the Arbitrator may issue peremptory orders against the Party that failed to comply with the order, after warning it, including a warning to dismiss the Claim - in the event that the order was issued against the claimant - or to dismiss the defense and rule on the dispute as if the defendant failed to file a defense - in the event that the order was issued against the defendant, and to make a costs order according to his discretion.

6.15 Non-Appearance of a Party

In the event of the non-appearance of a Party to an arbitration meeting to which he was summoned, or failure to comply with the deadlines prescribed in these Rules for the filing of pleadings, the Arbitrator may, after giving notice and allocating a period of time for rectifying the default, issue an order to dismiss or accept the Claim, as the case may be, in whole or in part, or to the effect that the hearing should be held notwithstanding the absence of a Party and/or he may issue any ruling and/or make any award according to his discretion, including a costs order.

6.16 Confidentiality

The Parties and the Arbitrator undertake to maintain the confidentiality of the arbitral proceedings, including the arbitration hearings and the documents prepared and filed for the purpose of the proceedings as well as the Arbitral Award. What is stated above in this section shall not prevent the presentation of the Arbitral Award, or the documents filed as part of the proceedings, according to the provisions of any law.

6.17 The Arbitration File

The arbitration file will be administered by the Arbitration Institute and, upon the completion of the arbitration, the arbitration file will be sent to the Arbitration Institute's archives and it will be kept for the period as is required by law.

6.18 General Authority

The President has the authority to decide on any matter relating to the arbitral proceedings according to his discretion and based on his reasons, which shall be in writing.

ARTICLE 7: INTERIM RELIEF**7.1 Granting Interim Relief**

The Arbitrator may issue an order granting any Interim Relief as he deems fit. What is stated in this section shall not derogate from the right of any Party to apply to a court for Interim Relief.

7.2 Application for Interim Relief

7.2.1 An application for Interim Relief shall be filed after the appointment of the Arbitrator and at any stage of the arbitral proceedings.

7.2.2 The application for Interim Relief shall include all the arguments that the Party wishes to raise, all the documents that are relevant to the application and sufficient evidence that establish the cause of action in the main Claim, and it shall be supported by an affidavit of the applicant. The application will include legal arguments and a reference to supporting documents.

- 7.2.3 The Arbitrator may condition the granting of the relief sought on the lodging of a guarantee, including a cash guarantee, a bank guarantee, a third party guarantee, an attachment of the applicant's property, as well as lodging collateral to secure a third party's rights.

7.3 Hearing an Application for Interim Relief

- 7.3.1 The respondent will reply to an application for Interim Relief within 3 days, unless decided otherwise by the Arbitrator.
- 7.3.2 The hearing with regard to the application will be held in the presence of the Parties, unless decided otherwise by the Arbitrator.
- 7.3.3 The respondent's reply will refer to all the applicant's claims and it will be supported by an affidavit verifying the facts set out in the reply.
- 7.3.4 A Decision regarding Interim Relief will be given within 3 days of the date of receiving the respondent's reply or, in the event that a hearing is held orally, within 3 days of the date of the hearing.

7.4 Ex parte Application for Interim Relief

- 7.4.1 A Party may request that Interim Relief be granted ex parte, in the absence of the other party, and it will provide details of the need to grant relief ex parte.
- 7.4.2 In the event that an ex parte application is filed for Interim Relief, the Arbitrator may summon the Parties to a hearing before him within 1 day of the date of filing the application and he may grant a provisional relief until the date of the hearing. Such hearing will be held even without the respondent's reply being given in writing.

- 7.4.3 In the event that Interim Relief is granted ex parte, the Arbitrator will determine the scope and limitations thereof, the terms and conditions of the guarantee and the collateral that the applicant must lodge, as well as the date for filing the respondent's reply and for holding the hearing in the presence of the Parties, within 7 days of the date of the order, unless the Arbitrator decides otherwise, or if decided otherwise by the Parties.

7.5 General Provisions

- 7.5.1 The Arbitrator shall state the reasons upon which Decision regarding Interim Relief is based.
- 7.5.2 An Arbitrator may review any Decision to grant Interim Relief, cancel it, change it or amend it, and such review will be governed by the Rules in this chapter relating to an application for Interim Relief, *mutatis mutandis*.
- 7.5.3 An Arbitrator may decide, in a reasoned Decision, after allowing the Parties the opportunity to state their arguments, that the hearing on the Claim itself will be brought forward and the hearing on the application for Interim Relief will be deemed the hearing on the Claim itself, provided that the Parties are allowed to lead all their evidence and to put forward all their arguments.
- 7.5.4 Interim Relief will expire automatically:
 - 7.5.4.1 If the Arbitrator conditions granting the relief on any condition whatsoever, and the condition is not fulfilled.
 - 7.5.4.2 If a date is set in the Decision for its expiry.

7.5.4.3 If at the time of making the Arbitral Award or the judgment in the appeal, as the case may be, no Decision is made regarding the Interim Relief. In the event of a temporary attachment: the attachment shall remain in effect until the enforcement of the Arbitral Award.

7.5.5 In the event that Interim Relief is granted, the Arbitrator may make a Decision regarding the Interim Relief, including a Decision on compensating any Party that was adversely affected by the Interim Relief as well as a Decision regarding the forfeiture of guarantees and collateral. For this purpose, the arbitrator may give the parties the opportunity to state their arguments and to lead evidence.

ARTICLE 8: ARBITRAL AWARD

8.1 The Arbitral Award

The Arbitrator may render an Arbitral Award, including declarative relief, mandatory orders and injunctions. The Arbitral Award shall be in writing, reasoned and signed by the Arbitrator. To the extent that the Arbitral Award includes a monetary obligation, the Arbitral Award shall include directives regarding the payment of linkage differentials and/or interest. The Arbitral Award, whether or not it includes a monetary obligation, will include directives regarding payment of costs of the arbitration and attorneys' fees, all at the discretion of the Arbitrator.

8.2 Interim Award

The Arbitrator may render an interim award.

8.3 The Date for the Rendering the Arbitral Award

The Arbitral Award will be rendered within 30 days of the date of receiving the final summations.

8.4 Transmittal of the Arbitral Award

The Arbitration Institute will send the Arbitral Award to each of the Parties, after payment that is due in respect of conducting the arbitration has been arranged, as set out in Article 13 below.

ARTICLE 9: SETTLEMENT**9.1 The Arbitral Award by Settlement**

The Arbitrator may - with the consent of the Parties - rule in some or all the disputes between the Parties by way of settlement, and in such case he will not be obliged to give reasons for the award.

9.2 Settlement Proposal

During the arbitration the Arbitrator may propose settlement offers to the Parties without this being regarded as expressing any opinion on the merits of the arbitration. Where the Parties reach agreement between them, the Parties may petition the Arbitrator to give the agreement reached by them the effect of an Arbitral Award.

9.3 No Right of Appeal

An Arbitral Award by settlement is not subject to appeal even if the Parties have chosen the arbitration route that includes a court of appeal.

ARTICLE 10: APPEALS TRIBUNAL**10.1 Right of Appeal**

- 10.1.1 Parties that opt for arbitration may choose a route whereby the Arbitrator's ruling will be subject to appeal before a composition of a single Arbitrator or a tribunal of 3 Arbitrators, according to their choice, either as part of the arbitration agreement or other consent in writing, including by signing an arbitration agreement with wording that includes a right of appeal according to the draft attached as an appendix. If the Parties do not act in accordance with what is stated above, the Arbitrator's ruling will not be subject to appeal.
- 10.1.2 In the event that the Parties decide on arbitration with an appeal procedure: the Arbitrator will provide reasons for the Arbitral Award that is subject to appeal.

10.2 Filing an Appeal

- 10.2.1 An appeal shall be filed with the Arbitration Institute within 45 days of the date of rendering of the Arbitral Award to the Parties.
- 10.2.2 An appeal shall be filed in writing and it will provide details of the names and addresses of the Parties to the dispute and their legal counsel, the reasons for the appeal, arguments of the appeal and the dates of rendering the Arbitral Award. The Arbitral Award shall be attached to the appeal and it will constitute an integral part thereof.

10.3 Reply

The respondent shall file a reply to the appeal within 30 days of the date of delivery to it of the appeal and it will provide details of the reasons and arguments with respect thereto. As part of its reply, the respondent may file a counter-appeal.

10.4 The Appeal Panel

- 10.4.1 The Parties will be entitled to propose an agreed Arbitrator to hear the appeal. The identity of the proposed Arbitrator will be submitted to the President for his approval for the purpose of appointing him as Arbitrator. Failing such nomination or consent, the President will appoint an Arbitrator from the Arbitration Institute's list of Arbitrators, taking into account the Arbitrator's qualifications, experience, expertise and his professionalism, as far as possible, in relation to the subject matter of the dispute and the preference of the Parties with respect to the area of expertise of the Arbitrator, if any.
- 10.4.2 In an appeal before a composition of Arbitrators, the Decision of the panel will be according to the majority.
- 10.4.3 The Appeals Tribunal will be authorized to hold hearings and make decisions where the composition of arbitrators is incomplete, with the consent of the Parties.
- 10.4.4 Where an Arbitrator is unable to fulfill his duties, the President of the Arbitration Institute is authorized to appoint a substitute Arbitrator in his place.
- 10.4.5 The chairman of the Tribunal is authorized to hear procedural matters and to decide on them on him own.

10.5 Conducting the Appeal

- 10.5.1 The Appeals Tribunal may review the arbitration file and rely on any document and/or information contained therein. The Parties to the appeal are not entitled to lead additional evidence, either written or oral, unless the Appeals Tribunal decides to admit new evidence and testimony for reasons that shall be recorded.
- 10.5.2 The Appeals Tribunal may hold meetings in the presence of the Parties, hear oral arguments and/or demand to receive written summations, and to decide on the appeal on the basis of the additional pleadings and the arguments.

10.6 Powers of the Appeals Tribunal

- 10.6.1 The Appeals Tribunal is authorized to dismiss the appeal in whole or in part, or to grant it in whole or in part, and to supplement the Arbitral Award, to amend it or to return it to the Arbitrator who made it together with instructions.
- 10.6.2 The Arbitral Award of the court Appeals Tribunal shall state the reasons therefor.
- 10.6.3 The Appeals Tribunal is authorized to grant Interim Relief.

10.7 Appeals Tribunal Decision

- 10.7.1. The Appeals Tribunal will decide on the appeal within 3 months from the date of filing the final pleadings. In special cases, the President of the Arbitration Institute is authorized to extend this period.
- 10.7.2. The decision in the appeal constitutes an “Arbitral Award” as defined in the Arbitration Law.

10.8 Applicability of the Rules of Arbitration

The Rules of Arbitration shall apply to the appeal process, *mutatis mutandis*.

ARTICLE 11: REFUSAL OF ARBITRATION / TERMINATION OF ARBITRATION

11.1 Refusal to Accept an Arbitration File

The President may refuse to conduct arbitration through the Arbitration Institute and in such case he will inform the Parties of this shortly after receiving a request to conduct the arbitration through the Arbitration Institute.

11.2 Termination of the Arbitration Proceedings

The President of the Arbitration Institute is authorized to order the termination of the arbitration proceedings through the Arbitration Institute, after allowing the Parties to present their arguments in this regard.

ARTICLE 12: ANCILLARY POWERS OF THE SECRETARIAT OF THE ARBITRATION INSTITUTE

12.1 General Authority

12.1.1 The Secretariat of the Arbitration Institute shall have the ancillary powers as instructed by the President.

12.1.2 The Secretariat of the Arbitration Institute shall ensure to perform all the administrative actions as specified in these Rules.

12.2 Authority to Supervise the Dates and Collecting Payments

12.2.1 The Secretariat of the Arbitration Institute shall oversee compliance with the deadlines determined in these Rules or by the Decisions of the Arbitrator.

- 12.2.2 The Secretariat of the Arbitration Institute shall ensure to collect the payments in respect of the costs of the arbitration, as stated in Article 13 below, and it will inform the President in the event that a Party is in arrears.

ARTICLE 13: PAYMENTS

13.1 Payments for Administering the Arbitration

The services of the Arbitration Institute shall be paid for by the Parties as specified in the Payments Table, as may be in effect from time to time.

The President of the Arbitration Institute may order a deposit or advance payment to be made, in the manner that he deems fit, as security for the payment of the arbitration costs.

13.2 Special Costs

The Arbitrator may order the Parties to pay special expenses, such as the costs and fees of an expert on behalf of the Arbitrator, payment of a translator, payment in respect of acts that the Arbitrator performs with the consent of the Parties, such as visiting a property, etc., and to set the dates for making such payments.

13.3 Nonpayment of the Arbitration Costs

- 13.3.1 In the event that a Party fails to pay the full amount of the payments in respect of the arbitration proceedings, as stated above, this will be deemed a non-appearance of that Party at the arbitration meetings and the provisions of Article 6.15 above will be implemented. The President or the Arbitrator may order the postponement of the arbitration proceedings or the rendering of the Arbitral Award until the matter of the payment has been arranged, and this will not derogate from their authority to act as stated in these Rules.

- 13.3.2 Without derogating from the foregoing, in the event that a Party - that has paid the amount owed by it - wishes to conduct the arbitration or to receive the Arbitral Award, it may also pay the share of the Party that fails to pay the full amount owed by it, and if it does so, it will be entitled, at any time, to approach the Party that failed to pay and to be repaid by it for the amount that it has paid.
- 13.3.3 In the event that the arbitration is terminated due to an event where both Parties are prevented from payment of the arbitration costs, this will not detract from the obligation of the Parties to bear the arbitration costs up until that stage.

13.4 Guarantee for the Payment of Costs

- 13.4.1 At the request of a Party or on the initiative of the Arbitrator, after the Parties have been afforded an opportunity to be heard in the matter, the Arbitrator is entitled to order the Parties - all or some of them - to deposit a guarantee in respect of the costs of the Parties as well as the costs of the arbitration proceedings.
- 13.4.2 In the event that the guarantee is not deposited: the provisions of Section 6.15 above shall apply.

File No_____

**Agreement to Conduct Arbitration
at the Israeli Institute of Commercial Arbitration**

1. We, the undersigned, hereby agree that the dispute between us shall be resolved by arbitration through the Israeli Institute of Commercial Arbitration, which will be conducted in accordance with the Institute’s Rules of Arbitration.
2. The undersigned Parties **agree / do not** agree that the award that is rendered by the Arbitrator will be subject to appeal before the Appeals Tribunal of the Arbitration Institute pursuant to the Rules of Arbitration before a **single Arbitrator / three Arbitrators**, who will be appointed by the President of the Israeli Institute of Commercial Arbitration in accordance with the rules of arbitration of the Arbitration Institute.
3. We, the undersigned, hereby undertake to pay the Israeli Institute of Commercial Arbitration, all the amounts in respect of this arbitration, on time, according to the Payments Table which is in effect at the time of commencement of the arbitration.

Signature

Signature

Name: _____

Name: _____

Address: _____

Address: _____

Email: _____

Email: _____

Date: _____

Date: _____

Date: _____