Federal Law No. 382-FZ
dated 29 December 2015

“ON ARBITRATION
(ARBITRAL PROCEEDINGS)
IN THE RUSSIAN FEDERATION”
We thank Evgeniya Neverova for a prompt, high-quality translation.
On 1 September 2016, a new federal law “On Arbitration (Arbitral Proceedings) in the Russian Federation” came into force. The law became a result of the large-scale arbitration reform in Russia that started in 2013.

The new law introduces UNCITRAL Model Law standards for the procedure of domestic arbitration and substantially changes the regime of institutional arbitration. Now all Russian and foreign arbitral institutions wishing to administer arbitration in Russia shall obtain an authorization from the Russian Government, based on the recommendation from the Council for the Development of Arbitration composed of the leading Russian scholars, practitioners and governmental officials specialized in arbitration.

The new law provides strict requirements for establishing and functioning of arbitral institutions with a view that only truly professional and independent permanent arbitral institutions administer arbitration in Russia.

The regulatory framework for international arbitral proceedings is also provided by Law of the Russian Federation No. 5338-1 dated 7 July 1993 “On International Commercial Arbitration” that has been substantially amended as a result of the Russian arbitration reform as well.

This edition of the translation reflects the amendments entering into force as of 29 March 2019.
Russian Federation

Federal Law

On Arbitration (Arbitral Proceedings) in the Russian Federation

Adopted by the State Duma on 15 December 2015

Endorsed by the Federation Council on 25 December 2015
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Chapter 1. General Provisions

Article 1. The scope of this Federal Law

1. This Federal Law regulates the procedure for the constitution and functioning of arbitral tribunals and permanent arbitral institutions in the territory of the Russian Federation, as well as arbitration (arbitral proceedings).

2. The provisions of Articles 7(7.1), 39 and 43, and Chapters 9 to 12 hereof shall apply to the administration of arbitration not only of domestic disputes, but also of international commercial arbitration with its seat in the Russian Federation.

   (as amended by Federal Law No. 531-FZ dated 27 December 2018)

3. Arbitration (arbitral proceedings) may be instituted, as the parties agree, to hear disputes between parties to civil law relations, unless the federal laws provide otherwise.

4. The Federal Law may set forth restrictions on referring certain categories of disputes to arbitration (arbitral proceedings).

5. If this Federal Law does not provide otherwise, it shall cover both the arbitration (arbitral proceedings) administered by a permanent arbitral institution, and the arbitration (arbitral proceedings) conducted by an ad hoc arbitral tribunal constituted by the parties to hear a specific dispute.
6. The procedure for hearing disputes in the field of professional sports and high performance sports shall be set forth by a federal law.

Article 2. Key terms used in this Federal Law

For the purposes hereof, the following principal terms shall have the following meaning:

1. **arbitrator (arbitral panel member)** shall mean an individual elected by the parties or elected (appointed) in accordance with the procedure agreed by the parties or set forth by the federal law for settling a dispute by an arbitral tribunal. The functions of arbitrators within arbitration (arbitral proceedings) are not deemed business activities;

2. **arbitration (arbitral proceedings)** shall mean the process of resolution of a dispute by an arbitral tribunal and the issuance of an award by an arbitral tribunal;

3. **administration of arbitration** shall mean the fulfilment by a permanent arbitral institution of functions for the organizational assistance in arbitration, including the assistance in election, appointment and challenging of arbitrators, case management, organization of the collection and distribution of arbitration fees, except for the functions for directly resolving dispute reserved for the arbitral tribunal;

4. **arbitration of domestic disputes** shall mean arbitration other than international commercial arbitration;
5. **foreign arbitral institution** shall mean an organization created outside the Russian Federation and permanently fulfilling the functions of administration of arbitration irrespective of whether it functions as a legal entity or without being incorporated as a separate legal entity;


7. **competent court** shall mean a court of the Russian Federation determined in accordance with the procedural legislation of the Russian Federation;

8. **appointment committee** shall mean a collective body composed of at least five members and created with a permanent arbitral institution to carry out the functions of appointment, challenging and termination of the mandate of arbitrators, as well as other functions set forth in this Federal Law;

9. **permanent arbitral institution** shall mean a subdivision of a non-profit organization carrying out the functions of administration of arbitration on a permanent basis;

10. **arbitration rules** shall mean the rules governing arbitration, including that administered by a permanent arbitral institution;

11. **corporate disputes arbitration rules** shall mean the rules of a permanent arbitral institution governing arbitration of disputes related to the creation of a legal entity in the Russian Federation, its management or participation in a
legal entity, that involve as parties the founders, participants, members (hereinafter, the participants) of a legal entity and the legal entity itself, including disputes arising out of claims of the participants of a legal entity concerning the legal entity’s relations with third parties, where the participants of the legal entity are entitled to file such claims pursuant to the federal law (except for disputes referred to in Art. 45(7.1) of this Federal Law;

(as amended by Federal Law No. 531-FZ dated 27 December 2018)

12. **rules of a permanent arbitral institution** shall mean the charters, regulations, rules, containing, among other things, arbitration rules and/or the rules for the fulfilment by the permanent arbitral institution of separate functions for the administration of arbitration conducted by an *ad hoc* arbitral tribunal;

13. **direct agreement** shall mean an agreement made by the parties in cases referred to in Article 11(4), Article 13(3), Article 14(1), Article 16(3), Article 27(1), Article 40, Article 41(2) and Article 47(1) of this Federal Law that prevails over the arbitration rules;

(as amended by Federal Law No. 531-FZ dated 27 December 2018)

14. **parties to arbitration** shall mean organizations (legal entities), individuals holding the individual entrepreneur status, and individuals who filed a statement of claim to arbitration for the protection of their rights and interests, or who are facing a claim filed against them to arbitration, or who have joined an arbitration of corporate disputes as participants in cases envisaged in this Federal Law;

15. **court** shall mean a body within the judicial system of the Russian Federation or a foreign state;
16. **arbitral tribunal** shall mean a sole arbitrator or a panel of arbitrators;

17. **an ad hoc arbitral tribunal** shall mean an arbitral tribunal conducting arbitration without administration by a permanent arbitral institution (except where a permanent arbitral institution may fulfil separate functions of administration of a specific dispute, if provided by an agreement of the parties to arbitration);

18. **authorized federal executive body** shall mean a federal executive body authorized to develop and implement the state policy in the field of justice;

19. **predecessor institution** shall mean a permanent arbitral tribunal created prior to the effective date of this Federal Law, with respect to which a successor institution was created hereunder for the purposes of administration of arbitration;

20. **successor institution** shall mean a permanent arbitral institution created in accordance with the procedure set forth hereby and carrying out the administration of arbitration pursuant to prior arbitration agreements providing for the administration of arbitration by the predecessor institution;

21. **electronic document transmitted via communication lines** shall mean the information prepared, sent, received or stored with the use of electronic, magnetic, optical and similar means, including electronic data-sharing and email.
Article 3. Receiving documents and other materials

1. Documents and other materials shall be sent to the parties as agreed between them, to the addresses specified by them.

2. If the parties to arbitration have not agreed upon a different procedure, the documents and other materials shall be sent to the last known location of the organization that is a party to the arbitration, or to the place of residence of an individual, including an individual entrepreneur who is a party to the arbitration, by registered mail with a confirmation of delivery or otherwise providing for the registration of the attempt to deliver the said documents and materials. Documents and other materials shall be deemed received on the day of such delivery (record of the attempt of delivery) even if the party to arbitration is not found or does not reside at that address.

Article 4. Waiver of a right to object

If a party that is aware of any dispositive provision hereof or any requirement set forth in the arbitration agreement has not been complied with, and nonetheless continues to participate in the arbitration without objecting to any such non-compliance without undue delay, or, if any term is provided for this purpose, within such a term, it shall be deemed to have waived its right to object.

Article 5. Scope of judicial interference

No judicial interference may be effected with respect to matters governed hereby, except in cases provided for herein.
Article 6. Authorities in charge of certain functions of assistance and supervision with respect to arbitration

The functions referred to in Articles 11(3) and (4), 13(3), 14(1), 16(3) and 40 of this Federal Law shall be performed by a competent court.
Chapter 2. 
Arbitration Agreement

Article 7. Definition, form and interpretation of the arbitration agreement

1. An arbitration agreement is an agreement by the parties to submit to arbitration all or certain disputes which have arisen, or which may arise between them in respect of a defined legal relationship, whether contractual or not. An arbitration agreement may be in the form of an arbitration clause in a contract or in the form of a separate agreement.

2. An arbitration agreement shall be in writing.

3. The provision of part 2 of this Article shall be deemed complied with, if the arbitration agreement is made, among other things, by way of an exchange of letters, telegrams, telex, telefaxes or other documents, including electronic documents transmitted via communications lines, allowing one to reliably ascertain that the document originates from the other party.

4. An arbitration agreement shall also be deemed in writing if made by way of an exchange of procedural documents (including a statement of claim and a statement of defence), where one of the parties claims that the agreement exists, while the other does not object to it.

5. The reference in a contract to any document containing an arbitration clause constitutes an arbitration agreement in
writing, provided that the reference is such as to make that clause part of the contract.

6. An arbitration agreement may be made by including it into the rules of organized trading or the rules of clearing, registered in accordance with the legislation of the Russian Federation. Such an arbitration agreement constitutes an arbitration agreement between the participants of organized trading, parties to a contract made during organized trading in accordance with the rules of organized trading, or the participants of clearing.

7. An arbitration agreement on the referral of all or some disputes between the participants of a legal entity established in the Russian Federation and the legal entity itself, to be settled under the corporate disputes arbitration rules, may be made by way of including it into the charter of the legal entity. A charter containing such an arbitration agreement, as well as the amendments thereto that provide for an arbitration agreement, and the amendments to such an arbitration agreement shall be approved by a resolution of the supreme corporate governing body (participants’ meeting) of the legal entity, adopted unanimously by all participants of the legal entity, unless a different procedure is set forth by the legislation of the Russian Federation. An arbitration agreement made in accordance with the procedure set forth in this part shall apply to disputes between the participants of the legal entity and disputes of the legal entity itself involving another party, only if that other party expressly consented to be bound by such an arbitration agreement. No arbitration agreement may be made by including it into the charter of a joint-stock company with the total number of holders of voting shares
exceeding one thousand, or into the charter of a public joint-stock company, except for the charter of an international company, if it provides that such an international company shall be subject to the rules of foreign law, as well as the rules of foreign stock exchanges. The seat of arbitration for the disputes referred to in this part shall be the Russian Federation.

(as amended by Federal Law No. 531-FZ dated 27 December 2018)

7.1. For an arbitral tribunal to examine disputes arising from agreements between the participants in a legal entity concerning its management, including disputes from corporate agreements, as well as disputes under the claims of participants in a legal entity seeking to invalidate the transactions made by the legal entity and/or to apply the consequences of invalidity of such transactions, it is sufficient for the arbitration agreement to be made by and between the parties to such an agreement of the participants in the legal entity or a transaction.

(part 7.1 was introduced by Federal Law No. 531-FZ dated 27 December 2018)

8. When interpreting the arbitration agreement, any doubt shall be interpreted in favour of its validity and enforceability.

9. Unless the parties agreed otherwise, the arbitration agreement related to a dispute arising from or in connection with a contract shall also apply to any transactions between the parties to the arbitration agreement aimed at performing, amending or terminating the said contract.

10. In case of substitution of parties to an obligation underlying an arbitration agreement, the arbitration agreement shall
apply to both the original and the new creditor, and to both the original and the new debtor.

11. An arbitration agreement contained in a contract shall also apply to any disputes related to the execution of that contract, its entry into force, amendment, termination, validity, including the restitution of performance thereunder, declared invalid or not concluded, unless the arbitration agreement provides for other implications.

12. The arbitration rules referred to in the arbitration agreement are deemed an integral part thereof. The terms that may be agreed upon only by way of a direct agreement of the parties under this Federal Law, cannot be included into the rules of a permanent arbitral institution.

Article 8. Arbitration agreement and filing of a statement of claim on the merits of the dispute with a court

1. A court before which an action is brought in a matter which is the subject of an arbitration agreement, shall, if a party so requests not later than when submitting his first statement on the substance of the dispute, dismiss the case, unless it finds that the arbitration agreement is null and void, inoperative or incapable of being enforced.

2. The filing of a statement of claim specified in part 1 of this Article with a court does not in itself preclude the commencement or continuation of arbitration or the rendering of the arbitral award.
Article 9. Arbitration agreement and interim measures by court

A party’s application to a court prior to, or during the arbitration, for interim measure, and a court’s ruling granting such a measure are not incompatible with an arbitration agreement.
Chapter 3. Composition of the Arbitral Tribunal

Article 10. Number of arbitrators

1. The parties to arbitration may determine the number of arbitrators, at their own discretion, their number being an odd number, unless the federal law provides otherwise.

2. If the parties fail to determine the number of arbitrators, three arbitrators shall be appointed.

Article 11. Election (appointment) of arbitrators

1. No person may be deprived of the right to act as an arbitrator due to his/her nationality, unless the parties to the arbitration agreed otherwise. The parties to the arbitration may agree on additional requirements for arbitrators, including their qualifications, or on the settlement of the dispute by a specific arbitrator (arbitrators).

2. The parties to the arbitration may, at their discretion, agree on the procedure for electing (appointing) the arbitrator(s) subject to compliance with the provisions of parts 4 to 11 of this Article.

3. Failing an agreement referred to in part 2 of this Article:

   1) in an arbitration with three arbitrators, each party shall appoint one arbitrator, and two arbitrators thus appointed shall elect the third arbitrator. Where
a party fails to elect an arbitrator within one month from the request to do so from the other party, or where two arbitrators fail to agree on the election of the third arbitrator within a month from their own election, upon the request by either of the parties, the appointment shall be effected by a competent court;

2) in an arbitration with a sole arbitrator, if the parties to arbitration fail to agree on the appointment of the arbitrator, upon the request of either of the parties, the appointment shall be effected by a competent court.

4. Where the procedure for the election (appointment) of arbitrators was agreed upon by the parties, but one of the parties is not complying with that procedure, or the parties, or the two arbitrators are unable to reach an agreement in accordance with such a procedure, or a third party including the permanent arbitral institution fails to fulfil any of the functions in accordance with the arbitration rules, entrusted to it by such a procedure, any party may ask a competent court to take the necessary measures, subject to the procedure for the election (appointment) agreed upon by the parties, unless the agreement on the election (appointment) procedure provides for other ways to ensure appointment. The parties, whose arbitration agreement provides for the administration of arbitration by a permanent arbitral institution, may rule out the possibility of this matter being resolved by a court by their direct agreement (where the parties have ruled out such a possibility by their direct agreement, in the said cases the arbitration shall terminate, and the dispute may not be referred to a competent court for resolution).
5. When appointing an arbitrator, the competent court shall take into account any requirements to the arbitrator set forth by the agreement between the parties, as well as such considerations that would ensure the appointment of an independent and impartial arbitrator.

6. Unless the parties agreed otherwise, the arbitrator resolving the dispute as a sole arbitrator (in case of collective dispute settlement subject to compliance with the provisions of part 7 of this Article – the president of the arbitral tribunal) shall meet one of the following requirements:

1) have a higher legal education confirmed by a standard diploma issued in the territory of the Russian Federation;
2) have a higher legal education confirmed by documents of foreign states recognized in the territory of the Russian Federation.

7. In case of collective dispute settlement, the parties to arbitration may agree that the president of the arbitral tribunal need not meet the requirements set forth in part 6 of this Article, provided that the arbitral tribunal includes an arbitrator meeting the said requirements.

8. A person who has not reached the age of twenty-five, an incapable person or a person, whose legal capacity has been limited, cannot act as an arbitrator.

9. An individual with an unspent or an outstanding previous conviction cannot act as an arbitrator.

10. An individual, whose powers as a judge, advocate, notary, investigator, prosecutor or other enforcement officer were...
terminated in the Russian Federation in accordance with the procedure set forth by the federal law for offenses incompatible with his/her professional occupation, cannot act as an arbitrator.

11. An individual, who cannot be elected (appointed) as an arbitrator in view of his/her status determined by the federal law, cannot act as an arbitrator.

Article 12. Grounds for challenging arbitrators

1. Where any person is approached in view of his/her potential election (appointment) as an arbitrator, he/she shall disclose to the parties in writing any circumstances likely to give rise to justifiable doubts as to his/her impartiality or independence in resolving the respective dispute. From the time of his/her election (appointment) and throughout the entire arbitration, the arbitrator shall disclose to the parties the occurrence of such circumstances without delay, if not previously disclosed to the parties.

2. An arbitrator may be challenged only where circumstances exist that give rise to justifiable doubts as to his/her impartiality or independence, or if he/she does not meet the requirements set forth by the federal law or the parties’ agreement. A party may challenge an arbitrator elected (appointed) by him, or in whose election (appointment) he has participated, only for the reasons of which he becomes aware after the election (appointment) has been made.
Article 13. Procedure for challenging arbitrators

1. The parties may, at their discretion, agree on the procedure for challenging arbitrators, subject to the provisions of part 3 of this Article.

2. Failing an agreement provided by part 1 of this Article, the party intending to challenge an arbitrator shall, within fifteen days after becoming aware of the constitution of the arbitral tribunal or after becoming aware of any circumstance referred to in Article 12(2) of this Federal Law, inform the arbitral tribunal on the grounds for challenging in writing. Unless the challenged arbitrator withdraws or the other party agrees to the challenge, the arbitral tribunal shall decide on the challenge. 3. If a challenge under any procedure agreed upon by the parties or under the procedure of part 2 of this Article is not successful, the challenging party may request, within one month after having received notice of the decision rejecting the challenge, a competent court to grant the challenge. The parties, whose arbitration agreement provides for the administration of arbitration by a permanent arbitral institution, may rule out the possibility of this matter being resolved by a court by their direct agreement. The filing of the said application with a court does not in itself preclude the arbitral tribunal, including the arbitrator being challenged, from proceeding with the arbitration and rendering the arbitral award.

Article 14. Termination of an arbitrator’s mandate

1. Where an arbitrator becomes legally or effectively unable to participate in the consideration of the dispute or does not participate in the consideration of the dispute for an
unreasonably long period of time, his/her mandate shall terminate, if the arbitrator resign from the arbitration or the parties agree on the termination of his/her mandate. In other cases, where the arbitrator does not resign from the arbitration and there is no agreement between the parties on the termination of the arbitrator’s mandate on any of these grounds, either party may request a competent court to decide on the matter of termination of the arbitrator’s mandate. The parties whose arbitration agreement provides for the administration of arbitration by a permanent arbitral institution, may agree on a different procedure for the termination of the mandate or replacement of an arbitrator, or rule out such a possibility by their direct agreement.

2. Resignation of an arbitrator from arbitration or a party’s consent to the termination of his/her mandate in accordance with this Article or Article 13(1) of this Federal Law shall not amount to the recognition of any of the grounds referred to in this Article or in Article 12(2) of this Federal Law.

Article 15. Appointment of substitute arbitrator

Where the mandate of an arbitrator terminates under on Article 13 or 14 of this Federal Law, or due to the arbitrator’s resignation from arbitration or for any other reason, or due to the termination of his/her mandate by an agreement between the parties, as well as in any other case of termination of his/her mandate, a substitute arbitrator shall be appointed according to the rules that were applicable to the appointment of the arbitrator being replaced.
Chapter 4. Jurisdiction of the Arbitral Tribunal

Article 16. The arbitral tribunal’s right to rule on its jurisdiction

1. The arbitral tribunal may rule on its own jurisdiction, including on any objections to the existence or the validity of an arbitration agreement. An arbitration clause which forms part of a contract shall be treated as an agreement independent of the other terms of contract. A decision by the arbitral tribunal on the invalidity of the contract does not in itself entail the invalidity of the arbitration clause.

2. A plea that the arbitral tribunal does not have jurisdiction shall be raised by the respective party to arbitration no later than its first submission on the merits of the dispute. The party’s election (appointment) of an arbitrator or involvement in the election (appointment) of an arbitrator does not preclude him from raising such a plea. A plea that the arbitral tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to be beyond the scope of its authority is raised during the arbitral proceedings. The arbitral tribunal may, in either case, admit a later plea if it considers the delay justified.

3. The arbitral tribunal may rule on a plea referred ruling to in part 2 of this Article either as a preliminary question or in its award on the merits. If the arbitral tribunal rules as a preliminary question that it has jurisdiction either party may request within one month after having received notice of that ruling ruling, a competent court to rule on the arbitral tribunal’s lack of competence. The parties whose arbitration agreement
provides for the administration of arbitration by a permanent arbitral institution may rule out such a possibility by their direct agreement. The filing of the said application with a court does not in itself preclude the arbitral tribunal from proceeding with the arbitration and rendering the arbitral award.

Article 17. The arbitral tribunal's authority to order interim measures

1. Unless otherwise agreed by the parties, the arbitral tribunal may, at the request of a party, grant interim measures it deems necessary. The arbitral tribunal may demand that either party provide proper security in connection with the said measures. Orders and other procedural acts of the arbitral tribunal on interim measures shall be executed by the parties.

2. An agreement between the parties may also provide that before the arbitral tribunal has been constituted, the permanent arbitral institution may order the interim measures it deems necessary against either party. Part 1 of this Article applies to such interim measures, as if they were ordered by the arbitral tribunal.
Chapter 5. Conduct Of Arbitration

Article 18. Principles of arbitration

Arbitration shall be conducted based on the principles of independence and impartiality of arbitrators, dispositive regulation, adversarial proceedings and equal treatment of the parties.

Article 19. Determination of rules of procedure

1. Subject to compliance with the provisions hereof, the parties may agree on the arbitral procedure at their discretion.

2. Failing such agreement as provided in part 1 of this Article, the arbitral tribunal may, subject to the provisions of this Law, conduct the arbitration in such manner as it considers appropriate, including as regards the determination of the admissibility, relevance, materiality and weight of any evidence.

Article 20. Place of arbitration

1. The parties may, at their discretion, agree on the place of arbitration or the procedure for determining the same. Failing such agreement, the place of arbitration shall be determined by the arbitral tribunal having regard to the circumstances of the case, including the convenience of the parties.
2. The arbitral tribunal may, unless the parties agreed otherwise, meet at any place it considers appropriate for consultation among its members, for hearing witnesses, experts or the parties, or for inspection of goods, other property or documents.

**Article 21. Confidentiality of arbitral proceedings**

1. Unless the parties agreed or the federal law provides otherwise, arbitration shall be confidential, and the case shall be heard in a closed hearing.

2. Arbitrators and the employees of the permanent arbitral institution may not disclose the information that became known to them during the arbitration, without the consent of the parties.

3. An arbitrator may not be interrogated as a witness on the information that became known to him/her during the arbitration.

**Article 22. Composition and allocation of costs related to settling disputes in arbitration**

1. Unless the parties agreed otherwise, the costs related to settling disputes in arbitration shall comprise:

   1) arbitrators’ fees;
   2) expenses incurred by the arbitrators in view of their involvement in the arbitration, including expenses for travelling to the venue of hearings;
   3) amounts payable to experts and interpreters;
4) expenses incurred by the arbitrators in relation to the review and examination of written and physical evidence at its location;
5) expenses incurred by witnesses;
6) expenses for the services of the parties’ representative(s);
7) expenses for the organizational, material and other support of arbitration;
8) other expenses determined by the arbitral tribunal.

2. In an arbitration administered by a permanent arbitral institution, the arbitral tribunal or the permanent arbitral institution (as determined by the rules of the permanent arbitral institution) shall determine which of the above expenses shall be payable directly by the parties and which – through the permanent arbitral institution (including as part of the arbitration fees provided for by the rules of the permanent arbitral institution).

3. In an arbitration administered by a permanent arbitral institution, the amount of the arbitrators’ fees shall be determined by the rules of the permanent arbitral institution. In an arbitration by an ad hoc arbitral tribunal, the amount of the fee shall be determined subject to the requirements of part 4 of this Article.

4. In an arbitration by an ad hoc arbitral tribunal, the amount of the arbitrators’ fee shall be determined as agreed by the parties, or, if no such agreement is available, by the arbitral tribunal taking into account the amount of the claim, the complexity of the dispute, the time spent by the arbitrators for the proceedings, and any other relevant circumstances.
5. The arbitral tribunal shall allocate the costs related to settling the dispute in arbitration between the parties as agreed by them, or, if no such agreement is available – pro rata to the claims granted and dismissed.

6. The arbitral tribunal may, upon request of the prevailing party, allocate the costs related to the fees of the representative(s) of such a party and its other costs related to arbitration to the other party.

7. The allocation of costs related to settling disputes in arbitration shall be set out in the award or the order of the arbitral tribunal.

Article 23. Commencement of arbitral proceedings

Unless otherwise agreed by the parties, the arbitral proceedings in respect of a particular dispute commence on the date on which a request for that dispute to be referred to arbitration is received by the respondent.

Article 24. Language of arbitral proceedings

1. The parties may, at their discretion, agree on the language(s) to be used during arbitration. Failing such agreement, the arbitration shall be conducted in Russian. This agreement or determination, unless otherwise specified therein, shall apply to any written statement by a party, any hearing and any award, order or other communication by the arbitral tribunal.
2. The arbitral tribunal may order that any documentary evidence be accompanied with a translation into the language(s) agreed by the parties or determined by the arbitral tribunal.

Article 25. Statement of claim and statement of defence

1. Unless the parties agreed otherwise, the claimant shall set out its claims in the statement of claim, delivered in writing to the respondent and (if applicable) to the permanent arbitral institution.

2. Unless the parties agreed otherwise, the statement of claim shall include:

1) date of the statement of claim;
2) names (family name, first name and patronymic, if any) and location (place of residence) of the parties to arbitration;
3) substantiation of jurisdiction of the arbitral tribunal;
4) claimant’s claims;
5) circumstances underlying the claimant’s claims;
6) evidence supporting the grounds for the claims;
7) claimed amount;
8) list of documents and other materials enclosed to the statement of claim.

3. The statement of claim shall be signed by the claimant or its representative. Where a statement of claim is signed by the representative of the claimant, it shall have enclosed a power of attorney or another document certifying the representative’s powers.
4. The respondent may submit to the claimant and (if applicable) to the arbitral tribunal (including via the permanent arbitral institution) a statement of defence, setting out its objections to the claim, in accordance with the procedure and within the terms set forth by the arbitration rules.

5. If the arbitration rules or the arbitral tribunal have not defined the term for the submission of the statement of defence, that statement shall be submitted prior to the first hearing of the arbitral tribunal.

6. Unless the parties agreed otherwise, in the course of arbitration a party may change or supplement its claims or defences, as well as submit further evidence, only if the arbitral tribunal does not refuse to admit the supplemented statement of claim or defences, or further evidence, subject to the delay of their submission.

7. Unless the parties agreed otherwise, the respondent may file a counterclaim to the claimant, provided that the counterclaim and the claimant’s claims are interconnected and the examination of a counterclaim is provided by the arbitration agreement and meets its conditions. The counterclaim may be filed during arbitration before the arbitral award is issued, unless the parties agreed on a different term for the filing of the same.

8. A counterclaim must meet the requirements of part 2 of this Article, unless the parties agreed otherwise.

9. The claimant may file its objections to the counterclaim in compliance with the procedure and the terms provided by the agreement between the parties (if any).
10. Unless the parties agreed otherwise, they may, in accordance with the civil legislation of the Russian Federation, demand a set-off of their homogenous claims examined by the arbitral tribunal, subject to compliance with the requirements of parts 7 to 9 of this Article.

**Article 26. Submission of evidence**

Each party must prove the circumstances it relies upon in substantiation of its claims and defences. The arbitral tribunal may, if it deems the evidence submitted inadequate, invite the parties to submit further evidence.

**Article 27. Hearing and written proceedings**

1. Subject to any contrary agreement by the parties, the arbitral tribunal shall decide whether to hold oral hearings for the presentation of evidence or for oral argument, or whether the proceedings shall be conducted on the basis of documents and other materials. However, unless the parties have agreed that no hearings shall be held, the arbitral tribunal shall hold such hearings at an appropriate stage of the proceedings, if so requested by a party.

2. The parties shall be given sufficient advance notice of any hearing and of any meeting of the arbitral tribunal for the purposes of inspection of goods, other property or documents.

3. All statements, documents or other information supplied to the arbitral tribunal by one party shall be communicated to the other party. Also, any expert report or evidentiary
document on which the arbitral tribunal may rely in making its award shall be communicated to the parties.

4. If agreed by the parties, the hearing of a case by the arbitral tribunal may be held by using video-conferencing.

5. Unless the parties agreed otherwise, minutes shall be kept during an oral hearing.

Article 28. Failure to submit documents or failure of a party to appear

1. Unless the parties agreed otherwise, failure to submit documents and other materials or failure to appear at the hearing of the arbitral tribunal by the parties or their representatives, duly notified of the time and venue of the hearing of the arbitral tribunal, shall not preclude the arbitral proceedings and issuance of the arbitral award, if the arbitral tribunal finds unreasonable the reason for failure to submit the said documents and materials or to appear at the hearing of the arbitral tribunal.

2. Unless the parties agreed otherwise, the respondent’s failure to submit objections to the claim shall not be viewed as admission of the claimant’s claims.

Article 29. Experts appointed by the arbitral tribunal

1. Unless the parties agreed otherwise, the arbitral tribunal may:

1) appoint one or several experts to clarify the matters
arising during the dispute settlement and requiring special expertise;
2) require that either party give the expert any relevant information or to produce, or to provide access to, any relevant documents, goods or other property for his inspection.

2. Unless the parties agreed otherwise, the candidacy of the expert, as well as the matters to be clarified during the expert examination shall be defined by the arbitral tribunal taking into account the opinions of the parties.

3. Unless the parties agreed otherwise, if a party so requests or if the arbitral tribunal considers it necessary, the expert shall, after delivery of his written or oral report, participate in a hearing where the parties have the opportunity to put questions to him and to present expert witnesses in order to testify on the points at issue.

Article 30. Court’s assistance in taking evidence

In an arbitration administered by a permanent arbitral institution, the arbitral tribunal or a party upon consent of the arbitral tribunal may request from a competent court assistance in taking evidence. The competent court shall grant the request or dismiss it in accordance with the procedure and on the grounds set forth by the procedural legislation of the Russian Federation.
Chapter 6. Issuance of the Arbitral Award and Termination of Arbitration

Article 31. Rules applicable to the merits of the dispute

1. The arbitral tribunal shall resolve the dispute in accordance with the rules of the Russian law or, in cases where the parties may in accordance with the Russian law choose foreign law as the law applicable to their legal relations, in accordance with the rules of the law indicated by the parties as applicable to the merits of the dispute, or, where no such indication is available, in accordance with the rules of the substantive law determined by the arbitral tribunal in accordance with the conflict of laws rules it deems applicable. Any reference to the law or the legal system of any state shall be interpreted as referring directly to the substantive law of that state, rather than its conflict of laws rules.

2. The arbitral tribunal shall decide in accordance with the contract terms and shall take into account the usages of the trade applicable to the transaction.

Article 32. Issuance of the award by a panel of arbitrators

After examining the circumstances of the case, the arbitral tribunal shall issue an arbitral award. In case of arbitration by a panel of arbitrators, any arbitral award shall, unless the parties agreed
otherwise, be issued by the majority of arbitrators. However, matters of procedure may be resolved by the arbitrator presiding over the arbitral tribunal, if authorized to do so by the parties or all other arbitrators.

Article 33. Settlement agreement

1. If the parties settle the dispute in the course of arbitration, the arbitral tribunal shall terminate the arbitral proceedings and issue the arbitral award on the agreed terms upon the request of the parties. Any reference to the law or the legal system of any state shall be interpreted as referring directly to the substantive law of that state, rather than its conflict of laws rules.

2. The arbitral award on the agreed terms shall be issued in accordance with the provisions of Article 34 of this Federal Law and shall indicate that it is an arbitral award. That award shall have the same legal force and shall be enforceable as any other arbitral award on the merits of the dispute.

Article 34. Form and content of the arbitral award

1. The arbitral award shall be issued in writing and signed by the sole arbitrator or the arbitrators, including any arbitrator with a dissenting opinion. An arbitrator’s dissenting opinion shall be enclosed to the arbitral award. In case of arbitration by a panel of arbitrators, signatures of the majority of the arbitral tribunal are sufficient provided that the reasons of absence of the other signatures are specified.
2. Unless the parties agreed otherwise, the arbitral award shall indicate:

1) the date of the arbitral award;
2) the seat of arbitration;
3) the composition of the arbitral tribunal and the procedure of its constitution;
4) names (family name, first name and patronymic (if any)) and location (place of residence) of the parties to arbitration;
5) substantiation of the jurisdiction of the arbitral tribunal;
6) the claimant's claims and the respondent's defences, the parties' prayers for relief;
7) the circumstances of the case established by the arbitral tribunal, the evidence underlying the arbitral tribunal's findings on such circumstances, the legal rules invoked by the arbitral tribunal in issuing the arbitral award;
8) the operative part of the arbitral award containing the arbitral tribunal's conclusions on granting or dismissing each of the claim filed. The operative part shall state the amount of expenses related to arbitration, the allocation of such expenses between the parties, and, if necessary, the term and procedure for the enforcement of the arbitral award issued.

3. After the arbitral award has been issued, a copy thereof signed by the arbitrators in accordance with part 1 of this Article shall be communicated to each party.
Article 35. Order of the arbitral tribunal

On matters not affecting the merits of the case, the arbitral tribunal shall issue orders.

Article 36. Termination of arbitration

1. Arbitration shall be terminated by the award or the order of the arbitral tribunal adopted in accordance with part 2 of this Article, as well as in the case referred to in Article 11(4) of this Federal Law.

2. The arbitral tribunal shall issue an order on the termination of arbitration where:

   1) the claimant withdraws its claim, unless the respondent objects to the termination of arbitration and the arbitral tribunal finds the respondent’s legitimate interest in the final resolution of the dispute;
   2) the parties agree to terminate the arbitration;
   3) the arbitral tribunal finds that continuing the arbitration has become unnecessary or impossible, including where there is a decision of a court of general jurisdiction, a commercial court or an arbitral tribunal that entered into full force and effect and was adopted in a dispute between the same parties, concerning the same subject matter and on the same grounds.

3. After the order to terminate the arbitration is issued, its copy signed by the arbitrators in accordance with the requirements of Article 34(1) of this Federal Law all be communicated to each party.
4. The arbitral tribunal’s mandate shall cease together with the termination of arbitration, except in cases referred to in Article 37 of this Federal Law.

Article 37. Correction and clarification of the arbitral award. Supplementary arbitral award. Resumption of arbitral proceedings

1. Within thirty days from the date of receipt of the arbitral award, unless the parties agreed on a different term:

   1) either party, having notified the other party of the fact, may ask the arbitral tribunal to correct calculation errors in the arbitral award, spelling mistakes and misprints or other similar errors;

   2) where a relevant agreement between the parties is available, either party, having notified the other party of the fact, may ask the arbitral tribunal to clarify any paragraph or any part of the arbitral award.

2. If the arbitral tribunal finds the request to be reasonable, it shall, within thirty days from its receipt, make the respective corrections or provide the clarifications that shall become an integral part of the arbitral award.

3. The arbitral tribunal may, within thirty days from the date of the arbitral award, correct the errors referred to in paragraph 1 of part 1 of this Article on its own initiative.

4. Unless the parties agreed otherwise, either party, having notified the other party of the fact, may, within thirty days from the receipt of the arbitral award, ask the arbitral tribunal to issue a supplementary arbitral award with
respect to the claims made during the arbitration but not reflected in the arbitral award. If the arbitral tribunal finds the request reasonable, it shall issue a supplementary arbitral award within sixty days from its receipt.

5. If necessary, the arbitral tribunal may extend the term for correcting the errors, providing clarifications or adopting a supplementary arbitral award in accordance with part 2 or 4 of this Article.

6. Where a competent court examining an application on the annulment or enforcement of an arbitral award suspends proceedings in the case, for the arbitral tribunal to resume arbitration and eliminate the grounds for annulment or refusal of enforcement of the arbitral award, the arbitral tribunal may resume the arbitral proceedings under a motion of either party filed while such proceedings in the case are suspended by the competent court.

7. The provisions of Article 34 of this Federal Law shall apply to correction or clarification of an arbitral award, or with respect to a supplementary arbitral award, as well as to an arbitral award issued in accordance with the procedure set forth by part 6 of this Article.

**Article 38. Binding force of the arbitral award**

By executing an arbitration agreement, the parties undertake to voluntarily perform the arbitral award. The parties and the arbitral tribunal shall make all efforts to ensure that the arbitral award is legally enforceable.
Article 39. Storage of arbitral awards, orders to terminate arbitration and case files of arbitrations

1. An arbitral award or an order to terminate arbitration shall, within a month from the termination of arbitration, together with the case files of the arbitration available to the arbitral tribunal, be sent by the sole arbitrator or the president of the arbitral tribunal for storage at the permanent arbitral institution administrating the dispute (or, where the case is heard by an ad hoc arbitral tribunal – to the permanent arbitral institution that the parties agreed to store documents at, or, if no agreement of the parties is available on the matter – to the court competent to examine the issuance of the writ of execution for the enforcement of the arbitral award issued in the relevant arbitration). A permanent arbitral institution storing the arbitral award, the resolution to terminate arbitration and the case files of the arbitration, must, upon the request of a competent court, produce the same to the latter within the terms indicated in the request.

2. Unless the rules of the permanent arbitral institution set forth a longer term, the arbitral award, the order to terminate arbitration and the case files of the arbitration in cases, referred to in part 1 of this Article, shall be stored at the permanent arbitral institution or a competent court for five years from the date of termination of arbitration.

3. In case of termination of the functions of the permanent arbitral institution storing the arbitral award, the resolution to terminate arbitration and the case files of the arbitration in accordance with the provisions of this Article, prior to the expiry of five years from the date of termination of the arbitration, the said arbitral award, order to terminate
arbitration and case files of the arbitration shall be transferred for storage to the competent court referred to in part 1 of this Article, for the entire term of storage set forth by part 2 of this Article.
Chapter 7. Challenging the Arbitral Award

Article 40. Procedure of challenging the arbitral award

In an arbitration agreement providing for the administration of arbitration by a permanent arbitral institution, the parties may directly agree to provide that the arbitral award shall be final for the parties. A final arbitral award is not subject to annulment. If an arbitral award does not provide that it is final, such an award may be annulled on the grounds set forth by the procedural legislation of the Russian Federation.
Chapter 8. Enforcement of the Arbitral Award

Article 41. Enforcement of the arbitral award

1. The arbitral award is final and shall be immediately executed by the parties, unless it sets forth a different term of execution. Where a party files a written application to the competent court, the arbitral award shall be enforced by way of issuance of a writ of execution in accordance with this Federal Law and the provisions of the procedural legislation of the Russian Federation.

2. In cases set forth by a federal law, in an arbitration agreement providing for the administration of arbitration by a permanent arbitral institution, the parties may, by their express agreement, stipulate that the application for a writ of execution for the enforcement of the arbitral award and other procedural acts of the arbitral tribunal adopted in the disputes within a special administrative region, shall be considered within a term not exceeding fourteen days, without a court hearing. In this case, a party to the dispute may file its objections with respect to such an application within seven days from the submission thereof to a commercial court.

(part 2 was introduced by Federal Law No. 295-FZ dated 3 August 2018)
Article 42. Grounds for refusal to enforce the arbitral award

Enforcement of an arbitral award by way of issuance of a writ of execution may be refused only on the grounds set forth by the procedural legislation of the Russian Federation.

Article 43. Amending legally relevant registers

No arbitral award, including an arbitral award not requiring enforcement, can serve as a ground for making an entry in a state register (including the unified state register of legal entities, the unified state register of individual entrepreneurs, the unified state register of rights to real property and transactions therewith), the register of holders of registered securities or another register in the territory of the Russian Federation, an entry into which will entail creating, changing or terminating civil rights and obligations, without a writ of execution issued based on a judicial act of a competent court (including with respect to an arbitral award not requiring enforcement).
Chapter 9. Creation and Functions of Permanent Arbitral Institutions in the Russian Federation

Article 44. Creation of permanent arbitral institutions in the Russian Federation and their functioning

1. In the Russian Federation, permanent arbitral institutions shall be created by non-profit organizations. A permanent arbitral institution may carry out its activities subject to the non-profit organization, by which it was created, obtaining the right to fulfill the functions of a permanent arbitral institution, conferred by an act of the authorized federal executive body in accordance with this Article. The International Commercial Arbitration Court and the Maritime Arbitration Commission at the Chamber of Commerce and Industry of the Russian Federation shall carry out the functions of permanent arbitral institutions without the need for the authorized federal executive body to grant the right to function as a permanent arbitral institution.

(as amended by Federal Law No. 531-FZ dated 27 December 2018)

1.1. Relations concerning administration of arbitration by permanent arbitral institutions do not constitute the subject matter of regulation of the antimonopoly legislation of the Russian Federation.

(part 1.1. was introduced by Federal Law No. 531-FZ dated 27 December 2018)
2. Creation of permanent arbitral institutions by federal state authorities, state authorities of the constituent entities of the Russian Federation, local self-government authorities, state and municipal institutions, state corporations, state companies, political parties and religious organizations, as well as bar associations, bar chambers of the constituent entities of the Russian Federation and the Federal Bar Chamber of the Russian Federation, notary chambers and the Federal Notary chamber, is not allowed. It is not allowed to create one permanent arbitral institution under two or more non-profit organizations.

3. For the purposes of this Federal Law, foreign arbitral institutions shall be recognized as permanent arbitral institutions provided they obtain the right to fulfil the functions of a permanent arbitral institution in accordance with this Article, except for a foreign arbitral institution specified in the arbitration agreement of the participants (shareholders) in an international company, executed before the international company was registered in the territory of the Russian Federation. The foreign arbitral institution specified in the arbitration agreement of the participants (shareholders) in an international company who executed such an agreement before the international company was registered in the territory of the Russian Federation, is entitled to examine disputes between the parties to such an agreement from the international company’s registration in the territory of the Russian Federation, and shall be deemed a permanent arbitral institution for these purposes. For the purposes of this Federal Law, the awards issued by an arbitral tribunal in the territory of the Russian Federation administered by foreign arbitral institutions not recognized
as permanent arbitral institutions in accordance with this Federal Law, shall be regarded in the Russian Federation as arbitral awards issued by an *ad hoc* arbitral tribunal.

(as amended by Federal Law No. 485-FZ dated 25 December 2018)

4. The right to function as a permanent arbitral institution in accordance with this Federal Law shall be conferred to a non-profit organization by an act of the authorized federal executive body adopted in accordance with the procedure set forth by it, based on a recommendation of the Council for the Development of Arbitration on the authorization to function as a permanent arbitral institution.

(as amended by Federal Law No. 531-FZ dated 27 December 2018)

4.1. The right to function as a permanent arbitral institution shall be granted to a foreign arbitral institution included into the list of foreign arbitral institutions recognized as permanent arbitral institutions in accordance with this Federal Law, approved by the authorized federal executive body. A foreign arbitral institution shall be included into the aforementioned list by an authorized federal executive body based on a recommendation of the Council for the Development of Arbitration on the authorization of the respective foreign arbitration institution to function as a permanent arbitration institution within fifteen working days from the date of the respective meeting of the Council for the Development of Arbitration.

(part 4.1 was introduced by Federal Law No. 531-FZ dated 27 December 2018)

5. The Council for the Development of Arbitration shall be created under the authorized federal executive body approving its composition. The composition of the Council shall include the representatives of state authorities, Russian
associations of entrepreneurs, chambers of commerce and industry, representatives of the legal, academic and business community, and other persons. The persons holding public offices and state officials cannot constitute more than one third of the Council for the Development of Arbitration. The authorized federal executive body shall approve regulations on the procedure for the creation and functioning of the Council for the Development of Arbitration, the procedure for the examination of documents to be submitted for consideration by the Council or the issuance of a recommendation on granting the right to function as a permanent arbitral institution, and the procedure for their consideration, referred to in part 6 of this Article.

(as amended by Federal Law No. 531-FZ dated 27 December 2018)

6. The Council for the Development of Arbitration shall issue a reasoned recommendation to grant or to refuse to grant to a non-profit organization, by which a permanent arbitral institution is created, or to a foreign arbitral institution the right to function as a permanent arbitral institution based on an analysis of its meeting the requirements set forth by parts 8 and 12 of this Article, shall summarize the practice of application of the legislation of the Russian Federation on arbitration (arbitral proceedings) and carry out other functions in accordance with this Federal Law and the regulations on the procedure for the creation and functioning of the Council for the Development of Arbitration.

(as amended by Federal Law No. 531-FZ dated 27 December 2018)

6.1. For the Council for the Development of Arbitration to consider issuing a recommendation referred to in part 6 of this Article, the non-profit organization, by which
a permanent arbitral institution is created, shall submit to the authorized federal executive body the following documents:

1) an application to be granted the right to function as a permanent arbitral institution;

2) an extract from the Unified State Register of Legal Entities obtained no earlier than five days in advance of the date of filing the application to be granted the right to function as a permanent arbitral institution;

3) the decision of the competent body of the non-profit organization, by which the permanent arbitral institution is created, to create the permanent arbitral institution and file an application to be granted the right to function as a permanent arbitral institution;

4) the rules of the permanent arbitral institution, duly certified by the authorized body of the non-profit organization, by which the permanent arbitral institution is created;

5) if the permanent arbitral institution is to have a chairperson or another officer authorized by the rules of the permanent arbitral institution to make, at his/her sole discretion, any decisions on its behalf in administering arbitration or in connection therewith, the respective information about such a person (family name, given name, patronymic (if any), date of birth, qualifications and professional background), as well as a duly certified copy of the document confirming that person’s appointment to the above position;

6) if the permanent arbitral institution is to have a chairperson or another officer authorized by the rules of the permanent arbitral institution to make, at his/her sole discretion, any decisions on its behalf in
administering arbitration or in connection therewith, a written consent of that person to the processing of his/her personal data by the authorized federal executive body;

7) the recommended list of arbitrators of the permanent arbitral institution;

8) the written consents of the respective persons to the inclusion into the recommended list of arbitrators of the permanent arbitral institution, summary biographies with information on their qualifications and professional background;

9) the written consent of persons included into the recommended list of arbitrators of the permanent arbitral institution to the processing of their personal data by the authorized federal executive body;

10) the originals or duly certified copies of the documents confirming that the persons included into the recommended list of arbitrators of the permanent arbitral institution have (or have no) higher legal education, an academic degree in the field included in the list approved by the authorized federal executive body and/or experience of resolving civil-law disputes as members of arbitral tribunals and/or arbitrators in arbitral tribunals (arbitration) and/or judges of federal courts, constitutional (charter) courts of the constituent entities of the Russian Federations, justices of the peace;

11) originals or duly certified copies of documents and information confirming compliance with the requirements set forth in paragraph 4 of part 8 of this Article, including the information on the non-for-profit organization, by which a permanent arbitral institution is created, its founders (participants) (name (family name, given name and patronymic, if
any), information on the financial, economic and other performance of the non-profit organization, the projects implemented (being implemented) by the non-profit organization and the action and support (and its forms) of the non-profit organization by state authorities and international organizations);

12) an index of the documents submitted, signed by an authorized person.

(part 6.1 was introduced by Federal Law No. 531-FZ dated 27 December 2018)

6.2. For the Council for the Development of Arbitration to consider issuing a recommendation referred to in part 6 of this Article, the foreign arbitral institution or the organization, by which a foreign arbitral institution is created, shall submit to the authorized federal executive body the following documents:

1) an application to be granted the right to function as a permanent arbitral institution, signed by the authorized person of the foreign arbitral institution or the organization which created the foreign arbitral institution;

2) a summary of the history and activities of the foreign arbitral institution;

3) an extract from the register of foreign legal entities of the respective state of origin or another official document confirming the legal status of the foreign arbitral institution or the organization, which created the foreign arbitral institution;

4) the rules for arbitration of corporate disputes duly certified by the foreign arbitral institution (where the foreign arbitral institution intends to administer
arbitration of corporate disputes, save for disputes referred to in part 7.1 of Article 45 hereof);

5) the documents confirming the presence in the territory of the Russian Federation of a separate division of the foreign arbitral institution or the organization, which created the foreign arbitral institution, where the foreign arbitral institution intends to administer arbitration of domestic disputes, save for the disputes between the participants of a special administrative district subject to the legal regime defined by Federal Law No. 291-FZ dated 3 August 2018 “On Special Administrative Districts in the Territories of the Kaliningrad Region and the Primorsky Krai”, as well as disputes arising from agreements to carry out activities in the territory of a special administrative district.

(part 6.2 was introduced by Federal Law No. 531-FZ dated 27 December 2018)

6.3. The documents referred to in parts 6.1 and 6.2 of this Article shall be submitted in soft and hard copies (in originals, unless this Article provides otherwise). Soft copies shall correspond to the hard copies. The application and documents referred to in part 6.2 of this Article shall be submitted in the state (official) language of the respective foreign state with a duly certified translation into Russian, or in Russian.

(part 6.3 was introduced by Federal Law No. 531-FZ dated 27 December 2018)

7. The Council for the Development of Arbitration may request that non-profit organizations, by which permanent arbitral institutions are created, state authorities and local self-government authorities, and other organizations provide
documents and information, including containing personal data, required to verify compliance with the requirements set forth in parts 8 and 12 of this Article.

8. A non-profit organization, under which a permanent arbitral institution is created, shall be vested with the right to function as a permanent arbitral institution or refused that right as a result of an analysis of compliance with the following requirements:

1) compliance with the rules of the permanent arbitral institution submitted in accordance with the requirements of this Federal Law;

2) availability with the permanent arbitral institution of a recommended list of arbitrators meeting the requirements of this Federal Law;

3) authenticity of the information on the non-profit organization by which a permanent arbitral institution is created and on its founders (participants);

4) the reputation of the non-profit organization by which a permanent arbitral institution is created, the scale and nature of its activities subject to the structure of its founders (participants), shall ensure a high level of organization of the functioning of the permanent arbitral institution, including as regards the financial support of creation and functions of the respective institution, and the said organization’s carrying out activities aimed at the development of arbitration in the Russian Federation.

9. No additional requirements beyond those set forth in part 8 of this Article can be prescribed.
10. If the Council for the Development of Arbitration issues a recommendation to refuse to authorize an organization to function as a permanent arbitral institution, the authorized federal executive body shall, within fifteen working days from the date of the respective meeting of the Council for the Development of Arbitration, make a reasoned decision to refuse to grant to the non-for-profit organization, by which the permanent arbitral institution is created, the right to function as a permanent arbitral institution, or to refuse to include a foreign arbitral institution into the list of foreign arbitral institutions recognised as permanent arbitral institutions in accordance with this Federal Law. The authorized federal executive body shall notify the non-profit organization, by which a permanent arbitral institution is created, or the foreign arbitral institution, of its decision within three working days from the decision, as well as return, within the said term, all of the submitted documents. A refusal to grant to a non-for-profit organization the right to function as a permanent arbitral institution or a refusal to include a foreign arbitral institution into the list of foreign arbitral institutions recognized as permanent arbitral institutions in accordance with this Federal Law, may be challenged in court.

(part 10 as amended by Federal Law No. 531-FZ dated 27 December 2018)

11. The decision to grant the right to function as a successor permanent arbitral institution shall be made taking into account, among other things, the activities of the predecessor institution preceding the effective date of this Federal Law, as well as the number of cases considered by it, including the number of awards issued by it when administrating arbitrations that were annulled by a court or for which a court refused to issue a writ of execution.
12. The recommendation of the Council for the Development of Arbitration to grant or to refuse to grant the right to function as a permanent arbitral institution shall be issued to a foreign arbitral institution upon an analysis of compliance with the following requirements:

1) the foreign arbitral institution’s widely recognized international reputation in accordance with the criteria defined by the authorized federal executive body based on a recommendation of the Council for the Arbitral Proceedings;

2) presence in the territory of the Russian Federation of a separate division of the foreign arbitral institution or the organization, which created the foreign arbitral institution, if the foreign arbitral institution intends to administer arbitration of domestic disputes, save for the disputes between the participants of a special administrative district subject to the legal regime defined by Federal Law No. 291-FZ dated 3 August 2018 “On Special Administrative Districts in the Territories of the Kaliningrad Region and the Primorsky Krai”, as well as disputes arising from agreements to carry out activities in the territory of a special administrative district.

(part 12 as amended by Federal Law No. 531-FZ dated 27 December 2018)

12.1. Compliance with the requirements set forth by part 8 of this Article shall not be verified in granting to a foreign arbitral institution of the right to function as a permanent arbitral institution.

(part 12.1 introduced by Federal Law No. 531-FZ dated 27 December 2018).
13. A permanent arbitral institution may carry out its functions for the administration of arbitration provided that the non-profit organization, by which it was created, obtains the right to function as a permanent arbitral institution (save in cases referred to in this Federal Law) after the authorized federal executive body receives a written notification from the permanent arbitral institution of its publication on its website in the information and telecommunications network, the “Internet”, of the deposited arbitration rules. The procedure of sending of such a notification shall be approved by the authorized federal executive body.

14. After the non-profit organization, by which a permanent arbitral institution was created, is granted the right to function as a permanent arbitral institution, it may administer disputes only in accordance with the rules of the permanent arbitral institution submitted during the procedure of obtaining the right to function as a permanent arbitral institution and deposited with the authorized federal executive body. The rules of the permanent arbitral institution may be amended and it may adopt additional rules of the permanent arbitral institution, subject to mandatory depositing of the amended or additional rules of the permanent arbitral institution with the authorized federal executive body.

15. The amended or additional rules of the permanent arbitral institution shall become effective from the date of their depositing with the authorized federal executive body provided that they are published by the permanent arbitral institution on its website in the information and telecommunications network, the “Internet”, in accordance with the procedure set forth in this Federal Law.
16. The procedure of depositing the rules of the permanent arbitral institution with the authorized federal executive body shall be established by the Government of the Russian Federation.

17. A permanent arbitral institution may carry out only those types of activities for the administration of arbitration that are listed in the rules of the permanent arbitral institution in accordance with this Federal Law.

18. A permanent arbitral institution may carry out the following types of activities for the administration of arbitration (provided that these types of activities are listed in the rules of the permanent arbitral institution):

1) administration of international commercial arbitration;
2) administration of arbitration of domestic disputes;
3) fulfilment of separate functions for the administration of arbitration, including the functions for the appointment of arbitrators, resolution of challenges and termination of the mandate of arbitrators, in case of an ad hoc arbitration, without the overall administration of a dispute.

19. The parties may agree to assign certain functions for the administration of arbitration, including the functions for the appointment of arbitrators, resolution of challenges and termination of the mandate of arbitrators in an ad hoc arbitration to a permanent arbitral institution, whose rules provide for these types of activities. Performance of the said separate functions for the administration of the dispute by a permanent arbitral institution in an ad hoc arbitration shall not entail recognition of the entire arbitration as being administered by the said institution.
20. The entities that have not obtained the right to function as permanent arbitral institutions in accordance with this Federal Law may not fulfil separate functions for the administration of arbitration, including the functions for the appointment of arbitrators, resolution of challenges and termination of the mandate of arbitrators, as well as other actions related to conducting arbitral proceedings in an *ad hoc* arbitration (receipt of arbitration fees and charges, regular allocation of premises for oral hearings, etc). The entities that have not obtained the right to function as permanent arbitral institutions in accordance with this Federal Law may not promote, including on the information and telecommunications network, the “Internet”, and/or publicly offer to perform functions for the conduct of arbitration, including functions for the conduct of arbitration by an *ad hoc* arbitral tribunal. In case of violations of the above prohibitions, the award of an arbitral tribunal, including an *ad hoc* arbitral tribunal, shall be deemed rendered in violation of the arbitration procedure set forth in this Federal Law.

(part 20 as amended by Federal Law No. 531-FZ dated 27 December 2018)

21. It shall be prohibited to create in the Russian Federation permanent arbitral institutions, whose names include the expressions “commercial court” (*arbitrazhniy sud*) and “arbitral tribunal” (*treteyskiy sud*) if the full name of the institution is so similar to the names of the courts of the Russian Federation as to cause confusion or may otherwise mislead the participants of the civil dealings as to the legal nature and powers of the permanent arbitral institution. The name of the permanent arbitral institution must contain a reference to the full or abbreviated name of the non-profit organization under which it was created.
22. Non-profit organizations shall ensure compliance by the permanent arbitral institutions created under them with the requirements set forth in this Federal Law.

Article 45. Arbitration rules and rules for the fulfilment of functions in connection with the administration of arbitration

1. A permanent arbitral institution shall carry out its activities in accordance with the arbitration rules published on the website of the permanent arbitral institution in the information and telecommunications network, the “Internet”, and deposited with the authorized federal executive body.

2. A permanent arbitral institution may have more than one set of arbitration rules, including rules for international commercial arbitration, rules for arbitration of domestic disputes, expedited arbitration rules, rules for arbitration of specific types of disputes, and rules for arbitration of corporate disputes. Where more than one set of arbitration rules is available:

1) each set of rules shall be equally subject to parts 4 to 7 and 9 of this Article;

2) where the parties provided otherwise in the arbitration agreement or referred to the rules of a permanent arbitral institution, without specifying which, or to its administration of the dispute, their dispute shall be governed by the most applicable rules of the permanent arbitral institution determined by the arbitral tribunal, and prior to its formation – by the permanent arbitral institution, unless the parties agreed on the application of different rules. Such
applicable rules shall be subject to the provisions of Article 7(12) of this Federal Law;

3) where the rules of the permanent arbitral institution are amended or new rules are adopted after the parties execute an arbitration agreement, the version that applies to their dispute shall be the one in effect as of the commencement of arbitral proceedings, unless the parties agreed otherwise in the arbitration agreement or the new rules provide otherwise or a different procedure follows from the essence of the new rules.

3. The rules of a permanent arbitral institution shall be adopted by the authorized bodies of the non-profit organization under which the permanent arbitral institution was created.

4. The rules of a permanent arbitral institution must contain provisions indicating:

1) a reference to this Federal Law and/or Law of the Russian Federation No. 5338-1 dated 7 July 1993 “On International Commercial Arbitration” as a legal ground for the functioning of the permanent arbitral institution (it is allowed to adopt mixed rules providing that depending on their parties and other factors, disputes can be heard in accordance with this Federal Law or Law of the Russian Federation No. 5338-1 dated 7 July 1993 “On International Commercial Arbitration”);

2) the types of disputes administered by the permanent arbitral institution;

3) qualifications and other requirements to arbitrators in arbitrations administered by the permanent arbitral institution;
4) the organizational structure of the permanent arbitral institution, the procedure for formation, the powers and functions of each of its bodies, the powers and functions of its authorized persons involved in the process of administration of arbitration (including, if applicable, the chairman or another officer of the permanent arbitral institution authorized by the rules of the permanent arbitral institution to issue any decisions on its behalf at his/her discretion within the administration of arbitration or in connection therewith);

5) specific functions of the permanent arbitral institution in connection with the administration of arbitration, including assistance in the formation of the arbitral tribunal, hearing of challenges, organization of exchanges of correspondence and pleadings, record management and storage of case files, acceptance of monetary funds to cover the expenses related to the administration of arbitration, payment of fees to arbitrators, and other expenses;

6) the procedure of arbitration conforming to the requirements of part 5 of this Article;

7) an indication as to which matters within the dispute resolution procedure shall be resolved by the arbitral tribunal, and which by the permanent arbitral institution;

8) the applicable rules on impartiality and independence of arbitrators, also providing for the requirements to ensure impartiality and independence of arbitrators (including by way of reference);

9) the fixed amount of any arbitration fees, including the arbitrators’ fees, or the rules to calculate the same;

10) the structure and procedure of allocation of arbitration costs;
11) the procedure of application of the rules of the successor institution to previously executed arbitration agreements and previously commenced arbitrations (if the permanent arbitral institution is a successor institution).

5. The procedure of arbitration provided by the rules of the permanent arbitral institution shall include:

1) the procedure for filing the statement of claim and statement of defence;
2) the procedure for filing counterclaims;
3) the structure and procedure for payment of costs related to the arbitration and their allocation between the parties to arbitration;
4) the procedure for submission, sending and delivery of documents;
5) the procedure for constitution of the arbitral tribunal;
6) grounds and procedure for resolving challenges of arbitrators;
7) grounds and procedure for the termination of the mandate of arbitrators and replacement of arbitrators;
8) duration of proceedings;
9) the procedure for holding hearings and/or written proceedings;
10) grounds for suspension or termination of arbitration;
11) the procedure and terms of issuance, execution and sending of the arbitral award;
12) the procedure for correcting, clarifying the arbitral award and issuing a supplementary arbitral award;
13) the powers of the parties and the arbitral tribunal as to the determination of the procedure of arbitration and the matters with respect to which no derogation from
the arbitration rules or specification by an agreement between the parties and/or by a procedural act of the arbitral tribunal is allowed.

6. The rules of a permanent arbitral institution may contain other conditions not inconsistent with the legislation of the Russian Federation and related to the procedure of arbitration, including on the matters of record-keeping and correspondence with the use of electronic documents transmitted via communications lines, admissibility of such documents as evidence and holding hearings with the use of telephone and video-conferencing systems. The rules of a permanent arbitral institution may contain an indication that the parties may not agree to change any provisions of such rules, save for the rules that may be approved only by an express agreement between the parties in accordance with this Federal Law.

7. Disputes related to the creation in the Russian Federation of a legal entity, its management or participation in a legal entity may be heard only in an arbitration administered by a permanent arbitral institution. Such disputes, including disputes under claims of participants of the legal entity in connection with the legal relations of the legal entity with a third party, if the participants of the legal entity are entitled to file such claims in accordance with the federal law, may be heard in an arbitration administered by a permanent arbitral institution in accordance with the approved, published and deposited corporate disputes arbitration rules, in accordance with the procedure set forth by this Federal Law. The disputes referred to in Article 225.1(1)(2) and (6) of the Commercial Procedure Code of the Russian Federation may be heard in an arbitration administered by
a permanent arbitral institution in the absence of corporate disputes arbitration rules.

(as amended by Federal Law No. 531-FZ dated 27 December 2018)

7.1. The disputes referred to in Article 225.1(1)(2) and (6) of the Commercial Procedure Code of the Russian Federation, as well as disputes arising from agreements between the participants of a legal entity concerning the management of that legal entity, including disputes arising from corporate agreements, may be heard in an arbitration administered by a permanent arbitral institution in the absence of corporate disputes arbitration rules.

(part 7.1 was introduced by Federal Law No. 531-FZ dated 27 December 2018)

8. The corporate disputes arbitration rules must provide for:

1) the obligation of the permanent arbitral institution to notify the legal entity, with respect to which a corporate dispute arose, of the statement of claim filed and send a copy thereof to such a legal entity to the address contained in the unified state register of legal entities, no later than three days from the receipt of the statement of claim by the permanent arbitral institution;

2) the obligation of the permanent arbitral institution to publish on its website in the information and telecommunications network, the “Internet”, the information on the filing of the statement of claim within three days from its receipt by the arbitral institution;

3) the obligation of a legal entity to notify all participants of such a legal entity, as well as the holder of the register of securities holders of such a legal entity
4) the right of each participant of a legal entity to join the arbitration at any stage by way of sending a written application to the permanent arbitral institution, provided he/she shall become a participant in (party to) the arbitration from the date of receipt by the permanent arbitral institution of such an application, accepting the arbitration as is at that moment and not being entitled to object to and challenge procedural actions that occurred prior to his/her becoming a participant in (party to) the arbitration (including challenge arbitrators on the grounds, invoked to challenge them before such a participant joined the arbitration);

5) the obligation of the permanent arbitral institution to notify all participants of the legal entity that joined the arbitration in accordance with paragraph 4 of this part, of the progress of the case by way of sending to them the copies of written pleadings, notifications, resolutions and awards of the arbitral tribunal, unless the respective participant of the legal entity expressly refused in writing to receive such information. All other correspondence in the case shall be sent to the participants of the legal entity who joined the arbitration only if the arbitral tribunal believes such correspondence to be relevant for the decisions of such participants or for the protection of their rights and legitimate interests;

6) withdrawal of the claim, admission of the claim and execution of the settlement agreement are possible without the need for the consent of all participants
of the legal entity who joined the arbitration in accordance with paragraph 4 of this part, save where any participant files a written objection within thirty days from the receipt from the permanent arbitral institution of a written notification of the withdrawal of the claim, admission of the claim or the execution of the settlement agreement, and the arbitral tribunal finds that such a participant has a legally protected interest in the continuation of arbitration.

9. Conditions of the rules of the permanent arbitral institution that contradict the provisions of this Federal Law shall be void, which is a ground for the annulment of arbitral awards issued in accordance with such rules, or for a refusal to enforce the same where conducting an arbitration in accordance with the rules contradicting the provisions of this Federal Law entailed the occurrence of grounds for annulment of the arbitral award set forth in the procedural legislation of the Russian Federation.

10. If the seat of arbitration is in the Russian Federation, the disputes arising from contracts made in accordance with Federal Law No. 223-FZ dated 18 July 2011 “On Procurement of Goods, Works, and Services by Certain Types of Legal Entities” or in connection therewith may be heard only in an arbitration administered by a permanent arbitral institution.

(part 10 was introduced by Federal Law No. 531-FZ dated 27 December 2018)
Article 46. No conflict of interests in the functioning of a permanent arbitral institution created in the Russian Federation

1. No conflicts of interests are allowed in the functioning of a permanent arbitral institution.

2. For the purposes of this Federal Law, a conflict of interests shall mean the administration by a permanent arbitral institution of an arbitration involving, as a party:

1) the non-profit organization under which the permanent arbitral institution was created;
2) a founder (participant) of the non-profit organization under which the permanent arbitral institution was created (save for non-profit organizations with over one hundred participants) or a person effectively determining the actions of the non-profit organization under which the permanent arbitral institution was created;
3) the person whose competence includes the resolution of matters related to appointment, challenges or termination of the mandate of arbitrators, or his/her next of kin, as well as the organization where such a person is entitled to exercise directly or indirectly more than fifty per cent of votes in the supreme body of that organization, or to appoint (elect) the sole executive body and/or more than fifty percent of the collective body of that organization.

3. Other cases of conflicts of interest may be provided for in the rules of the permanent arbitral institution.
4. The provisions of part 2 of this Article, as well as the cases of conflict of interest provided for in the rules of the permanent arbitral institution in accordance with part 3 of this Article, do not imply a refusal of issuance of the writ of execution for the enforcement of the arbitral award or the annulment of the arbitral award for the sole reason that the person referred to in part 2 of this Article or another person referred to in the rules of the permanent arbitral institution concerning cases of conflicts of interest, is a party to arbitration.

Article 47. Organization of the functions of a permanent arbitral institution

1. A permanent arbitral institution must keep and publish on its website in the information and telecommunications network, the “Internet”, for information purposes, the list of arbitrators recommended by it and comprising at least thirty arbitrators, provided it obtains a written consent of each candidate to his/her inclusion on the list. It shall be prohibited to condition the election of arbitrators by the parties to arbitration by their being on the list of recommended arbitrators, unless the parties expressly agreed otherwise. This prohibition shall not cover cases of election of arbitrators by the permanent arbitral institution in accordance with the rules of the permanent arbitral institution.

2. Where the rules of the permanent arbitral institution provide for the administration of international commercial arbitration, the permanent arbitral institution may keep a unified
recommended list of arbitrators or separate recommended lists of arbitrators for domestic and international commercial arbitration.

3. In each recommended list of arbitrators of the permanent arbitral institution, at least one third of arbitrators must hold an academic degree awarded in the territory of the Russian Federation in the field included in the list to be approved by the authorized federal executive body based on the recommendation of the Council for the Improvement of Arbitral Proceedings, and at least half of the arbitrators must have experience of resolving civil-law disputes as members of arbitral tribunals and/or arbitrators in arbitral tribunals (arbitration) and/or judges of federal courts, constitutional (charter) courts of the constituent entities of the Russian Federations, justices of the peace for at least ten years preceding the date of inclusion on the recommended list of arbitrators. The same person may not be included on the recommended lists of arbitrators of more than three permanent arbitral institutions. (as amended by Federal Law No. 531-FZ dated 27 December 2018)

4. Within a permanent arbitral institution, the resolution of all matters related to the appointment, ruling on challenges and termination of the mandate of arbitrators shall be effected collectively by an appointment committee, unless the rules of the permanent arbitral institution provide otherwise. Here, if the rules of the permanent arbitral institution refers the resolution of matters related to ruling on challenges and termination of the mandate of arbitrators to the competence of any authorized person of the permanent arbitral institution making the decision individually, the rules of the permanent arbitral institution must provide for the
parties’ right to challenge the decision of such a sole body with the appointment committee.

5. At least two thirds of the appointment committee shall be formed by way of voting by persons included on the recommended list of arbitrators of the permanent arbitral institution. The decision shall be made by the simple majority of votes of the total number of persons included on the list. The rules of the permanent arbitral institution may provide for a different procedure of composition of one third of the appointment committee. The persons meeting the requirements of Article 11(6) of this Federal Law must comprise at least one third of the appointment committee. The rules of the permanent arbitral institution may set forth additional requirements to the members of the appointment committee.

6. Within a permanent arbitral institution, there should be mandatory rotation of members of the appointment committee so that within three years at least one third of its members would be replaced and one and the same person could not sit on the appointment committee within three years after its renewal. The powers of the members of the appointment committee cannot be terminated prematurely, other than by their own will or in case of actual or legal impossibility of continuation of fulfilment by a person of the functions of a member of the appointment committee.

7. The procedure of constitution of the appointment committee and rotation of its members shall be set forth in the rules of the permanent arbitral institution subject to the provisions of this Federal Law.
8. The non-profit organization under which the permanent arbitral institution was created, must publish on its website in the information and telecommunications network, the “Internet”, the information on the composition of its founders (participants). This obligation does not apply to a non-profit organization with more than one hundred founders (participants).

9. The permanent arbitral institution must publish on its website in the information and telecommunications network, the “Internet”, the information on its bodies (including on whether they include the founders (participants) of the non-profit organization under which the permanent arbitral institution was created).

10. The procedure for publication by the permanent arbitral institution on its website in the information and telecommunications network, the “Internet”, of the relevant information shall be set forth by the authorized federal executive body.

11. The permanent arbitral institution must have a website in the information and telecommunications network, the “Internet”, for publishing all information in accordance with this Federal Law.

12. A permanent arbitral institution is allowed to voluntarily insure its liability to the parties to arbitration.
Article 48. Termination of functions of a permanent arbitral institution

1. The functions of a permanent arbitral institution may be terminated by a decision of the non-profit organization under which it was created, or by a decision of a commercial court. The non-profit organization under which a permanent arbitral institution was created, must publish on its website in the information and telecommunications network, the “Internet”, the information on the termination of functions of the permanent arbitral institution within five days from the decision to terminate the functions of the permanent arbitral institution or the effective date of the court decision.

2. If violations of the legislation of the Russian Federation are detected in the functioning of the permanent arbitral institution, the authorized federal body shall issue a written warning to the non-profit organization under which the permanent arbitral institution was created, specifying the violation committed and the term for remedying the same, which shall constitute at least one month from the date of issuance of the warning.

3. If grave and multiple violations of the rules of this Federal Law that caused significant harm to the rights and legitimate interests of the parties to arbitration and other persons, or instances of non-compliance with the requirements set forth in Article 44(8)(1)-(3) of this Federal Law are detected in the functioning of the permanent arbitral institution, the authorized federal executive body shall issue to the non-profit organization, under which the permanent arbitral institution was created, a prescription ordering that the
non-profit organization issue a decision to terminate the functions of the permanent arbitral institution within one month from the date of issuance of the prescription. The authorized federal executive body should be notified of the performance of the prescription within at least three days from its performance.

4. If the non-profit organization does not perform the prescription ordering it to issue a decision on the termination of functions of the permanent arbitral institution within the term set forth therein, the authorized federal executive body shall seize a commercial court with an application seeking to terminate the functions of the permanent arbitral institution.

5. The procedure for issuance of the prescription and its form shall be approved by the authorized federal executive body.

6. The termination of functions of a permanent arbitral institution in accordance with part 1 of this Article shall not serve as a ground to annul or refuse to enforce the arbitral award issued in an arbitration administered with the involvement of the permanent arbitral institution.

7. In an arbitration administered by a permanent arbitral institution, the disputes, whose arbitration commenced prior to the date of termination of the functions of the said arbitral institution in accordance with part 1 of this Article, shall continue to be heard by the arbitral tribunal, and all functions for the administration of the arbitration shall be fulfilled by the arbitral tribunal as in an ad hoc arbitration, unless the parties to the dispute agree on a different dispute resolution procedure or the arbitration agreement becomes unenforceable.
8. Arbitration agreements providing for the administration of arbitration by a permanent arbitral institution that terminated its functions in accordance with this Article, under which no arbitration was commenced prior to the date of termination of such functions, shall, from the date of termination of the functions of the permanent arbitral institution, be deemed arbitration agreements providing for the referral of disputes to *ad hoc* arbitral tribunals, unless the parties to the dispute agree on a different dispute resolution procedure. Such an arbitration agreement becomes unenforceable, if a dispute in connection therewith cannot be heard by an *ad hoc* arbitral tribunal and the parties have failed to elect another permanent arbitral institution in a timely manner, or if there are other grounds to deem the arbitration agreement unenforceable, directly unrelated to the termination of functions of the permanent arbitral institution in accordance with this Article.
Chapter 10. Interrelation Between Arbitration and Mediation

Article 49. Application of the mediation procedure to a dispute during arbitral proceedings

1. Mediation procedure may be applied at any stage of arbitration.

2. Where the parties decide to resort to the mediation procedure, either party may file such motion with the arbitral tribunal. In such a case, the parties shall submit to the arbitral tribunal an agreement on the mediation procedure made in writing and meeting the requirements set forth in Federal Law No. 193-FZ dated 27 July 2010 “On the Alternative Procedure for the Settlement of Disputes Involving a Mediator (Mediation)”.

3. Where the arbitral tribunal receives the agreement referred to in part 2 of this Article, the arbitral tribunal shall issue an order on the mediation procedure between the parties to arbitration.

4. The term of mediation procedure shall be determined as agreed by the parties to arbitration in accordance with the procedure set forth in in Federal Law No. 193-FZ dated 27 July 2010 “On the Alternative Procedure for the Settlement of Disputes Involving a Mediator (Mediation)”, and indicated in the order of the arbitral tribunal. In such a
case, the arbitral proceeding in relation to the dispute shall be suspended for such a term.

5. A mediation agreement made by the parties to arbitration in writing as a result of mediation procedure with respect to a dispute pending arbitration, may be endorsed by the arbitral tribunal as an arbitral award on agreed terms upon the request of all parties to arbitration and subject to the requirements of Article 33 of this Federal Law.
Chapter 11. Liability of the Non-Profit Organization, under Which the Permanent Arbitral Institution Was Created, and Arbitrator

Article 50. Liability of the non-profit organization under which the permanent arbitral institution was created

Where the rules of the permanent arbitral institution do not provide for the liability of the non-profit organization under which it was created, to the parties to an arbitration agreement in an amount larger than provided by this Federal Law, the non-profit organization, under which the permanent arbitral institution was created, shall bear civil-law liability to the parties to arbitration only in the form of compensation of damages caused to them as a result of failure to perform or improper performance by the permanent arbitral institution of its functions for the administration of arbitration or related to its performance of its obligations provided by the rules of the permanent arbitral institution, in case of intent or gross negligence. The non-profit organization, under which the permanent arbitral institution was created, shall bear no civil-law liability to the parties to arbitration for the damages caused by the actions (omissions) of an arbitrator.
Article 51. Liability of an arbitrator

An arbitrator shall bear no civil-law liability to the parties to arbitration, as well as to the permanent arbitral institution in view of failure to perform or improper performance of the functions of arbitrator and in connection with the arbitration, save for liability under a civil claim in a criminal case that may be filed against an arbitrator in accordance with the criminal procedure legislation of the Russian Federation to recover the losses caused by a criminal offense, for which the arbitrator is found guilty in accordance with the procedure set forth by the law. In addition, the rules of the permanent arbitral institution may provide for the possibility of reducing the arbitrator’s fee in case of his/her failure to perform or improper performance of his/her functions.

Article 52. Final provisions

1. Foreign arbitral institutions that were granted the right to function as a permanent arbitral institution, shall not be subject to the provisions of Chapter 9 of this Federal Law, save for the provisions of Article 45(7)-(9) and Article 48 of this Federal Law.

2. The provisions of this Federal Law shall apply to international commercial arbitration with a seat in the Russian Federation only in cases expressly envisaged in this Federal Law and Law of the Russian Federation No. 5338-1 dated 7 July 1993 “On International Commercial Arbitration”.

3. The provisions of Articles 44(18)(3) and 44(20) of this Federal Law shall apply upon the expiry of one year from the date when the Government of the Russian Federation establishes the procedure provided for in Article 44(4)-(7) of this Federal Law.

4. The validity of the arbitration agreement and any other agreements made by the parties to arbitration on the matters of arbitration shall be defined in accordance with the legislation in effect as of the date of execution of the respective agreements. Proceedings in courts on the matters related to the foregoing proceedings shall be governed by rules set forth in part 10 of this Article.
5. Arbitration agreements made prior to the effective date of this Federal Law shall continue to be in force (subject to parts 6 and 16 of this Article) and cannot be declared invalid or unenforceable on the sole basis that this Federal Law provides for rules different from those in effect as of the execution of such agreements.

6. Where the arbitration agreements in effect as of the effective date of this Federal Law provided for the settlement of disputes in permanent arbitral institutions, subject to compliance with other provisions of this Federal Law, the disputes envisaged by such agreements may be settled in permanent arbitral tribunals *(treteiskiye sudi)* specified in such agreements, or in the successor institutions in accordance with their most applicable rules. Pursuant to this Federal Law, only one successor institution may be created with respect to any predecessor institution. Furthermore, within the set of documents for the right to carry out the functions of a permanent arbitral institution for a successor institution, the non-profit organization under which the successor institution is created, shall submit the written consent of a body of a legal entity, under which the predecessor institution was created, to the fulfilment by the new permanent arbitral institution of the functions of the predecessor organization in accordance with the arbitration agreements that provided for the settlement of disputes by the predecessor institution.

7. From the effective date of this Federal Law, the rules of Federal Law No. 102-FZ dated 24 July 2002 “On Arbitral Tribunals *(treteiskiye sudi)* in the Russian Federation” shall not apply, save to arbitrations commenced and not completed by the effective date of this Federal Law. The provisions of Chapters 7 and 8 of this Federal Law shall
apply, among other things, to arbitrations commenced and not completed by the effective date of this Federal Law.

8. The provisions of this Federal Law providing for the possibility of addressing a court in cases set forth in Article 11(3) and (4), 13(3), 14(1) and 16(3) of this Federal Law, shall not apply to arbitrations commenced and not completed by the effective date of this Federal Law.

9. Arbitrations commenced after the effective date of this Federal Law shall be governed by this Federal Law.

10. In case of resolution by a court of any matters related to arbitration, including in cases set forth by Article 11(3) and (4), 13(3), 14(1), 16(3), 30, 40 and 41 of this Federal Law, as well as where either party seizes a court with a claim despite the existence of an arbitration agreement, the court shall be guided by the rules of the procedural legislation of the Russian Federation in effect as of the date of initiation of proceedings on the respective application by the court, as well as by this Federal Law, save in cases referred to in part 8 of this Article.

11. From the effective date of this Federal Law, the permanent arbitral institution shall be created in the Russian Federation in accordance with the procedure set forth in this Federal Law.

12. The International Commercial Arbitration Court and the Maritime Arbitration Commission at the Chamber of Commerce and Industry of the Russian Federation must, by 1 February 2017, approve, publish on their website in the information and telecommunications network, the “Internet”, and deposit with the authorized
federal executive body the rules of the permanent arbitral institution conforming to the requirements of this Federal Law, that shall state, among other things, that they carry out administration of disputes in accordance with the previously concluded arbitration agreements, as well as the procedure of application of the new (amended) rules to previously concluded arbitration agreements and previous initiated arbitration. The said rules, published on Internet in accordance with the procedure set forth in this Federal Law, shall be in effect from the date they are deposited with the authorized federal executive body.

13. Upon the expiry of a year from the introduction by the Government of the Russian Federation of the procedure referred to in Article 44(4)-(7) of this Federal Law, the permanent arbitral institutions and permanent arbitral tribunals (treteiskiye sudi) that do not meet the requirements of Article 44 of this Federal Law and did not obtain the right to function as a permanent arbitral institution (save for the International Commercial Arbitration Court and the Maritime Arbitration Commission at the Chamber of Commerce and Industry of the Russian Federation) cannot carry out activities for the administration of arbitration.

14. The Government of the Russian Federation shall, within three months from the effective date of this Federal Law, introduce the procedure referred to in Article 44(4)-(7) of this Federal Law, as well as the procedure for depositing the rules of permanent arbitral institutions with the authorized federal executive body.

15. The functions of permanent arbitral institutions and permanent arbitral tribunals (treteiskiye sudi) administrating disputes in the territory of the Russian Federation in breach
of the requirements of part 13 of this Article, shall terminate, and the awards of the arbitral tribunals issued in arbitrations administered by the said permanent arbitral institutions and permanent arbitral tribunals (treteiskiye sudi) in breach of parts 13 and 16 of this Article shall be deemed issued in violation of the arbitration procedure set forth in this Federal Law.

16. Disputes in arbitrations administered by a permanent arbitral institution or a permanent arbitral tribunal (treteiskiye sudi) that lost their right to administer dispute in accordance with part 13 of this Article, shall continue to be considered by the arbitral tribunal, and all functions for the administration of arbitration shall continue to be carried out by the arbitral tribunal as in an ad hoc arbitration, unless the parties agree on a different dispute resolution procedure or the arbitration agreement becomes unenforceable.


Article 54. Entry into Force of the Federal Law

This Federal Law shall enter into full force and effect from 1 September 2016.

President
of the Russian Federation
V. PUTIN

Moscow, Kremlin
29 December 2015
No. 382-FZ