

LCIA Arbitration Rules 1981

1. Model Clauses

“Any dispute or difference between the parties in connection with this contract (agreement) shall be referred to and determined by arbitration under the International Arbitration Rules of the London Court of Arbitration.”

If the parties choose English law to govern the arbitration, the following clause is given in case they wish to exclude the jurisdiction of the English courts to review an award or to determine preliminary points of law:

“The parties agree to exclude any right of application or appeal to the English Courts in connexion with any question of law arising in the course of the arbitration or with respect to any award made.”

2. International Arbitration Rules (January 1, 1981)

Where any agreement, submission or reference provides for arbitration under the Rules of the London Court of Arbitration (“the Court”), and one or more of the parties habitually resides, carries on business, or is incorporated, managed or controlled outside the United Kingdom, the arbitration shall be conducted in accordance with the following Rules, or such amended Rules as the Court may have adopted to take effect before the commencement of the arbitration.

REQUEST FOR ARBITRATION

1. Any party wishing to commence an arbitration under these Rules shall send to the Registrar of the Court (“the Registrar”) a written Request for arbitration which shall include, or be accompanied by:

- (a) the names and addresses of all the parties to the arbitration;
- (b) copies of the contractual documents under which the arbitration arises;
- (c) any separate submission or reference to the arbitration;
- (d) a brief statement of the nature and circumstances of the dispute;
- (e) a statement of any matters on which the parties have previously agreed as to the conduct of the arbitration;
- (f) the fee prescribed in the Schedule of Costs; and shall confirm to the Registrar that copies have been sent to all the other parties.

APPOINTMENT OF ARBITRATOR

2.

(1) On accepting the Request, the Court (unless all the parties have previously agreed to appoint a specified single arbitrator) will select and appoint an arbitrator or arbitrators to determine the dispute and will notify the parties accordingly.

- (2) If the parties have each nominated an arbitrator, the Court will appoint those arbitrators together with a sufficient number of additional arbitrators selected by the Court to ensure that the total number of arbitrators is uneven.
- (3) The Court will appoint the arbitrator (or one of the arbitrators) it selects as the Chairman.
- (4) If any arbitrator, after appointment, dies, refuses, fails or in the opinion of the Court becomes unable or unfit to act, the Court will, upon request, appoint another arbitrator in his place.
- (5) In selecting arbitrators, the Court will, so far as possible, have regard to the nature of the contract, the nature and circumstances of the dispute, and the nationality, location and language of the parties.
- (6) In the following Rules, the expression “the arbitrator” includes all the arbitrators where more than one has been appointed.

INDEPENDENCE AND IMPARTIALITY OF ARBITRATORS

3. All arbitrators (whether or not nominated by the parties) conducting an arbitration under these Rules shall be and remain at all times wholly independent and impartial and shall not act as advocates for any party.

COMMUNICATION BETWEEN PARTIES AND ARBITRATOR

4.

- (1) Unless the Court directs otherwise, all communications between a party and the arbitrator shall be made through the Registrar. Where the Court does so direct, all further references in these Rules to the Registrar shall thereafter be read as references to the arbitrator.
- (2) Where the Registrar, on behalf of the arbitrator, sends any communication to one party, he will send a copy to each of the other parties.
- (3) Where any party sends any communication (including any Statement under Rule 6) to the Registrar, he shall include a copy for each arbitrator, and he shall also send copies to all the other parties and confirm to the Registrar that he has done so.
- (4) The addresses of the parties for the purpose of all communications during the proceedings shall be those set out in the Request for arbitration, or such other addresses as the parties shall later agree, or as any party concerned shall at any time notify to the registrar and to all the other parties.

JURISDICTION AND PROCEDURE IN THE ARBITRATION

5.

- (1) The arbitrator shall have the jurisdiction, and the powers to direct the procedure in the arbitration, necessary to ensure the just, expeditious, economical and final determination of the dispute, as set out in the Schedule of Jurisdiction and Powers of the Arbitrator.
- (2) In the absence of any other directions, the procedure will be that set out in Rules 6 and 7.

SUBMISSION OF WRITTEN STATEMENTS

6.

- (1) Within 30 days of the notification of appointment of the arbitrator, the party or parties who requested the arbitration (“the Claimant”) shall send the Registrar a Statement of Case setting out in sufficient detail the facts and any contentions of law on which he relies, and the relief that he claims.

(2) Within 30 days of the receipt of the Statement of Case, the other party, or parties if there is more than one (“the Respondent”), shall send the Registrar a Statement of Defence stating in sufficient detail which of the facts and contentions of law in the Statement of Case he admits or denies, on what grounds, and on what other facts and contentions of law he relies. If he has a counterclaim, he shall set it out in his Statement of Defence as if it were a Statement of Case.

(3) Within 30 days of receipt of the Statement of Defence, the Claimant may send the Registrar a Statement of Reply.

(4) Where there is a counterclaim, the Claimant shall send the Registrar a Statement of Defence to it within 30 days of its receipt, to which the Respondent may reply within a further 30 days of receipt.

(5) All Statements of Case, Defence and Reply shall be accompanied by copies (or, if they are especially voluminous, lists) of all essential documents on which the party concerned relies and which have not previously been submitted by any party, and (where practicable) by any relevant samples.

(6) After submission of all the Statements, the arbitrator will give directions for the further conduct of the arbitration.

MEETINGS AND HEARINGS

7.

(1) The arbitrator may at any time fix the date, time and place of meetings and hearings in the arbitration, and the Registrar will give all the parties adequate notice of these. Subject to any adjournments which the arbitrator allows, the final hearing will be continued on successive working days until it is concluded.

(2) All meetings and hearings will be in private unless all the parties require otherwise.

(3) Provided he gives the Registrar and the other parties not less than ten days prior notice, any party may be represented at any meeting or hearing by a legal practitioner.

THE AWARD

8.

(1) The arbitrator will make his award in writing and, unless all the parties otherwise agree, his reasons will be set out or referred to in the award.

(2) The arbitrator will send his award to the Court as soon as practicable after the conclusion of the final hearing. Thereupon the Court will notify the parties that the award is ready to be taken up.

9. Where there is more than one arbitrator and they disagree on any matter or question, they will decide by a majority. Failing a majority, the Chairman alone decides.

COSTS OF THE ARBITRATION

10.

(1) The costs of the arbitration will be in accordance with the Schedule of Costs.

(2) From the commencement of the arbitration, all the parties shall be jointly and severally liable to the Court for these costs until they are paid.

(3) The arbitrator will specify the total amount of the costs of the arbitration in his award. Unless all the parties shall agree otherwise, he will determine (in the exercise of his absolute and

unfettered discretion) which party shall pay them, and whether any party shall pay all or part of any costs incurred by any other party.

11.

(1) After notification by the Court, any party may take up the award upon payment to the Court of any costs of the arbitration then still outstanding.

(2) If the award has not been taken up within ten days of the notification, the Court may recover all outstanding costs of the arbitration from any or all of the parties through an action brought by the Chartered Institute of Arbitrators.

(3) If the arbitrator has determined that all or any part of the costs of the arbitration shall be paid by any party other than a party which has already paid them to the Court, that party shall have the right to recover the appropriate amount from that other party.

12. If the arbitration is abandoned, suspended or concluded, by agreement or otherwise, before the final award is made, the parties shall pay to the Court the costs of the arbitration incurred up to that time, in such proportions as between them as they shall agree or, failing agreement, as the arbitrator shall determine.

UNCITRAL ARBITRATION RULES

13. Where the parties have agreed that the arbitration shall be conducted under the UNCITRAL Arbitration Rules and have selected the Court as the appointing authority under those Rules, the arbitrator shall, unless all the parties agree otherwise, have the jurisdiction and powers set out in the Schedule of Jurisdiction and Powers of the Arbitrator in addition to those conferred on him by the UNCITRAL Arbitration Rules.

EXCLUSION OF LIABILITY

14.

(1) Neither the Court nor the arbitrator shall be liable to any party for any act or omission in connexion with any arbitration conducted under these Rules, save that the arbitrator (but not the Court) shall be liable for the consequences of any conscious and deliberate wrongdoing on his own part.

(2) After the award has been made (and any accidental mistake or omission corrected), the arbitrator shall be under no obligation to make any statement to any person about any matter concerning the arbitration, nor shall any party seek to make him a witness in any legal proceedings arising out of the arbitration.

SCHEDULE OF JURISDICTION AND POWERS OF THE ARBITRATOR

A. By submitting to arbitration under the foregoing Rules, the parties shall be taken to have conferred on the arbitrator the following jurisdiction and powers, to be exercised by him so far as the relevant law allows, and in his absolute and unfettered discretion, if he shall judge it to be expedient for the purpose of ensuring the just, expeditious, economical and final determination of the dispute referred to him.

B. The arbitrator shall have jurisdiction to:

- (1) determine any question as to the validity, extent or continuation in force of any contract between the parties;
- (2) order the correction or amendment of any such contract and of any arbitration agreement, submission or reference, but only to the extent required to rectify any manifest error, mistake or omission which he determines to be common to all the parties;
- (3) determine what is the proper law governing or applicable to any such contract, arbitration agreement, submission or reference;
- (4) determine any question of law arising in the arbitration;
- (5) determine the language or languages in which the arbitration is to be conducted;
- (6) determine any question as to his own jurisdiction;
- (7) determine any question of good faith, dishonesty or fraud arising in the dispute;
- (8) order any party to furnish him with such further details of its case, in fact or in law, as he may require;
- (9) proceed in the arbitration notwithstanding the failure or refusal of any party to comply with these Rules or with his orders or directions, or to attend any meeting or hearing, but only after giving that party written notice that he intends to do so;
- (10) receive and take into account such written or oral evidence as he shall determine to be relevant, whether or not strictly admissible in law;
- (11) make one or more interim awards;
- (12) order the parties to make interim payments towards the costs of the arbitration;
- (13) hold meetings and hearings, and make his awards (including the final award) in England or elsewhere;
- (14) express his awards in any currency;
- (15) award interest on any sum from and to any date at such rates as he determines to be appropriate;
- (16) correct any accidental mistake or omission in his awards.

C. Unless all the parties shall at any time agree otherwise, the arbitrator shall have the power, on the application of any of the parties or of his own motion, but in either case only after hearing or receiving any representations from the parties concerned, to:

- (1) allow other parties to be joined in the arbitration with their express consent, and make a single final award determining all disputes between them;
- (2) allow any party, upon such terms (as to costs and otherwise) as he shall determine, to amend his Statement of Case, Defence or Reply;
- (3) extend or abbreviate any time limits provided by these Rules or by his directions;
- (4) rely on his own expert knowledge or experience in any field, or appoint one or more advisors or experts on any matter (including law) to assist him in the conduct of the arbitration, and in either of those events limit or exclude the right of any party to bring expert evidence before him;
- (5) direct the parties to submit to the Registrar, for subsequent exchange, written statements, whether or not verified by oath or affirmation, of the evidence of witnesses, and direct which of the makers of such statements are to attend before him for oral examination;
- (6) determine what witnesses (if any) are to attend before him, and the order and manner in which, and by whom, they are to be orally examined;
- (7) conduct such enquiries as may appear to him to be necessary or expedient;

(8) order the parties to make any property or thing available for his inspection, and inspect it in their presence;

(9) order the parties to produce to him, and to each other for inspection, and to supply copies of, any documents or classes of documents in their possession or power which he determines to be relevant;

(10) order the preservation, storage, sale or other disposal of any property or thing under the control of any of the parties;

(11) make interim orders for security for any party's own costs, and to secure all or part of any amount in dispute in the arbitration.

D. In addition, the arbitrator shall have such further jurisdiction and powers as may be allowed to him by the laws of the place of his appointment, the contract between the parties, the arbitration agreement, the submission or reference to arbitration, any place in which he holds hearings or in which witnesses attend before him, and any place in which he gives any directions or makes any orders or any award.