

# **Appointment of Arbitration**

Application guidance notes



# Appointment of Arbitration Application guidance notes

# Contents

| Introduction   | 3 |
|--|---|
| The advantages of arbitration                          | 4 |
| The procedure for applying                             | 4 |
| How the Law Society handles the arbitration            | 4 |
| Who will be appointed?                                 | 4 |
| General conditions governing the appointment procedure | 5 |
| Further information                                    | 5 |

### Introduction

The Law Society is always pleased to arrange for the appointment in the name of the President of an Arbitrator to deal with a dispute when duly empowered to do so. A number of appointments are made each year, in a wide range of cases, which include partnership disputes, commercial agreements, insurance disputes and rent reviews. These notes are equally applicable to various other types of nomination, such as those of mediators, experts, independent solicitors or administrators of estates. In such other cases the application form should be adapted accordingly.

The application form is designed to be completed electronically in Microsoft Word (1997 and later). Please answer all relevant questions and use the 'tab' key to progress through the form. Questions require a combination of typed answers or check box confirmation. You are also required to provide a copy of the agreement which contains the arbitration clause, which must be submitted along with your completed application form.

#### **Questions?**

We cannot process your application if any relevant information or documentation is missing from your application form. If you are unable to resolve your query using information provided in the scheme guidance notes below, please contact us:

Tel: 020 7320 5797 Email: arbitration@lawsociety.org.uk

## The advantages of arbitration

Arbitration as a method of resolving disputes has a number of advantages over conventional litigation in the courts. It is quick, private and usually cheaper. Although it is best if the parties to a dispute can agree their own arbitrator, this is not always possible, and in such cases it is sensible if an independent authority, such as the President of the Law Society, can be named in the agreement as the person to make the appointment if the parties cannot agree.

Even where the dispute does not involve a document with an arbitration clause, the parties can jointly agree to submit it to arbitration with the President named as the appointing authority, and the Law Society can supply a simple draft agreement for this purpose.

### The procedure for applying

Please complete the application form and return it to: arbitration@lawsociety.org.uk

The form should be accompanied by a copy of the agreement which contains the arbitration clause giving the President the power to appoint. The application form contains details of how to pay the appointment fee. The fee is calculated by reference to the scale below which relates to the sum in dispute: -

| Amount in Dispute    | Total Fee Payable (ex VAT) | VAT @ 20% | Total Fee Payable<br>(Including VAT) |
|----------------------|----------------------------|-----------|--------------------------------------|
| Below £25,000        | £345.00                    | £69.00    | £414.00                              |
| £25,001 to £50,000   | £401.24                    | £80.25    | £481.49                              |
| £50,001 to £100,000  | £573.20                    | £114.64   | £687.84                              |
| £100,001 to £250,000 | £687.83                    | £137.57   | £825.40                              |
| Above £250,000       | £1,432.98                  | £286.60   | £1,719.58                            |

### How the Law Society handles the arbitration

Although appointments are made in the name of the President, it is not possible for the President to deal with appointments personally, and all appointments are arranged and confirmed by the Society's Arbitration Consultant, although the President's signature is applied electronically to the appointment document. All correspondence and enquiries should be addressed to the Arbitration Consultant, through the Arbitration Team, and NOT to the President. Requests for appointments will only be accepted on this basis and any request for the President to deal with the matter personally will be declined.

Once the application and accompanying documentation (including the fee) have been received, they will be acknowledged and steps will be quickly taken to identify a suitable candidate for appointment. Once the President's signature has been applied to the appointment, it will be sent to the arbitrator, copies will be sent to the parties and their advisers. Thereafter, the parties or their advisers should contact the arbitrator to make the necessary arrangements for the arbitration to proceed.

We aim to turn all appointments round within one calendar month from receipt of the appointment fee and the completed application from.

### Who will be appointed?

The normal arbitration clause nominating the President as the appointing authority will give a complete discretion over whom is appointed, although on occasion a member of a particular profession of a particular seniority may be specified or appropriate. Subject to this, and all other things being equal, an appropriately qualified and experienced solicitor will be appointed to conduct the arbitration.

The Society has a database of information about solicitors, barristers and other suitably qualified professionals who have indicated that they are willing to accept Presidential appointments and the appointee

will normally but not invariably be drawn from this database. The views (if any) of the parties on the qualifications of the arbitrator will be taken into account.

Candidates for appointment will always be asked if there is any conflict of interest which would disqualify them from taking the appointment.

It is not possible to supply extracts from the Society's database of potential arbitrators, as this has been compiled exclusively for internal use in making appointments.

The views of the parties as to the qualifications of the arbitrator as expressed in the agreement under which the appointment is to be made will always be taken into account.

#### General conditions governing the appointment procedure

Once the arbitrator has taken over responsibility for the case, the Law Society will take no further action in the matter. Any challenge to the arbitrator's authority or to the way in which he or she conducts the arbitration should be raised in the first instance with him or if necessary application made to the court under the Arbitration Act.

Similarly, if one of the parties contests the need for arbitration at all, or disputes that the President is entitled to make the appointment, then this again should be raised with either the arbitrator or the court, and the Law Society cannot deal with such claims.

All appointments are made on the condition that neither the Law Society nor the President nor any of their officers, agents, employees or advisers shall have any liability in respect of any loss or damage suffered or otherwise incurred by any other party howsoever arising out of or otherwise connected with the appointment, including but not limited to liability in respect of the validity, appropriateness or effectiveness of the appointment, the discharge by the appointee of his duties and functions or the payment of any fees or expenses associated with the appointment.

#### **Further information**

Further information about the appointments procedure or Draft Standard Clauses on how to incorporate a provision for the President to make an appointment can be obtained by telephoning 020 7320 5797 or e-mail <u>arbitration@lawsociety.org.uk</u>