

Soundings

New LMAA Clauses

The London Maritime Arbitrators Association ('LMAA') has recently published a 'LMAA Arbitration Clause' and a 'LMAA Arbitration Notice Clause'. Given the potential importance of issues relating to jurisdiction, these are worth considering.

Reference is regularly made in contracts to the 'LMAA Arbitration Clause'. However, until recently there has been no arbitration clause published by the LMAA itself. This is therefore usually thought to be a reference to the BIMCO/LMAA Arbitration Clause. The LMAA has now addressed this and produced a clause bearing the name 'LMAA Arbitration Clause'. Accompanying this, it has also produced a 'Notice Clause' which seeks to avoid issues relating to the validity of arbitration notices.

The clauses themselves are set out below, but firstly, the following points are worth noting.

The LMAA's own LMAA Arbitration Clause is largely identical to the BIMCO/LMAA Arbitration clause, save for the following points:

(i) It acknowledges that hearings may, in appropriate cases, take place outside the UK without affecting

the seat of the arbitration, which has indeed been the case for some time; and

(ii) It allows parties to "opt in" to arbitration under the LMAA Intermediate Claims Procedure in cases involving claims between \$100,000 and \$400,000, or such other sums as the parties may agree.

The 'LMAA Arbitration Notice Clause', on the other hand, is a new clause. It has been drafted in response to a series of recent cases in the English courts where issues have arisen as to the validity of notices sent to commence arbitration (for example, *Glencore Agriculture B.V. v Conqueror Holding Ltd* [2017] EWHC 2893 (Comm)) – see our [November 2017 Soundings article](#).

The clause provides for the parties to designate e-mail addresses for the service of arbitration notices and communications, which should be completed by the parties when concluding a contract.