

COMMENTARY ON THE LMAA ARBITRATION AND LMAA ARBITRATION NOTICE CLAUSES

1. No change has been made to the LMAA Arbitration Clause. The appointment procedure for a sole arbitrator is now reflected in paragraph 10 of the LMAA Terms.
2. Issues relating to the adequacy of service of notice of arbitration continue to be raised with increasing frequency. The LMAA Arbitration Notice Clause requires the parties to list e-mail addresses for service of notices of arbitration. Similar provisions have long been included and effectively adopted in shipbuilding contracts and the adoption of the clause is encouraged as a way of avoiding disputes as to whether notice of arbitration has been served effectively. The latest version of the LMAA Arbitration Notice Clause is no longer limited to disputes involving only owners and charterers but is open to the parties to any form of contract. Provision is also made for the possibility of notice of arbitration being served by other effective means. It is, in this respect, the responsibility of the party serving notice of arbitration to satisfy themselves of the adequacy of the method of service adopted for purposes of possible eventual enforcement of any award.