



SUPPLEMENT No. 2

TO

THE CYPRUS GAZETTE No. 3090 OF 6TH JANUARY, 1944.

LEGISLATION.

THE STATUTE LAWS OF CYPRUS

No. 1 OF 1944.

A LAW TO MAKE PROVISION FOR THE REFERENCE AND
SUBMISSION OF DIFFERENCES TO ARBITRATION.

C. C. WOOLLEY,]
Governor.

[*4th January, 1944.*

BE it enacted by His Excellency the Governor and
Commander-in-Chief of the Colony of Cyprus as
follows:—

1. This Law may be cited as the Arbitration Law, 1944. Short title.

Interpreta-
tion.

2.—(1) In this Law, unless the context otherwise requires—

“arbitration agreement” means a written agreement to submit present or future differences to arbitration, whether an arbitrator is named therein or not;

“the Court” means the District Court or any Judge thereof having jurisdiction in the matter.

(2) References in this Law to an award shall include references to an interim award.

Arbitration
agreement
irrevocable
having effect
as order of
Court.

3. An arbitration agreement, unless a contrary intention is expressed therein, shall be irrevocable except by leave of the Court and shall have the same effect in all respects as if it had been made an order of Court.

Arbitration
agreement
not to be
discharged
by death of
party
thereto.

4.—(1) An arbitration agreement shall not be discharged by the death of any party thereto, either as respects the deceased or any other party, but shall in such an event be enforceable by or against the executor, administrator or heirs of the deceased as representing his estate.

(2) The authority of an arbitrator shall not be revoked by the death of any party by whom he was appointed.

(3) Nothing in this section shall be taken to affect the operation of any enactment or rule of law by virtue of which any right of action is extinguished by the death of a person.

Provisions
in case of
bankruptcy.

5.—(1) Where it is provided by a term in a contract to which a bankrupt is a party that any differences arising thereout or in connection therewith shall be referred to arbitration, the said term shall, if the trustee in bankruptcy adopts the contract, be enforceable by or against him so far as relates to any such differences.

(2) Where a person who has been adjudged bankrupt had before the commencement of the bankruptcy become a party to an arbitration agreement and any matter to which the agreement applies requires to be determined in connection with or for the purposes of the bankruptcy proceedings, then, if the case is one to which sub-section (1) of this section does not apply, any other party to the agreement or the trustee in bankruptcy, may apply to the Court for an order directing that the matter in question shall be referred to arbitration in accordance with the agreement, and that Court may, if it is of opinion that, having regard to all the circumstances of the case, the matter ought to be determined by arbitration, make an order accordingly.

6. An arbitration agreement, unless a contrary intention is expressed therein, shall be deemed to include the provisions set out in the First Schedule to this Law, so far as they are applicable to the reference under the arbitration agreement.

Provisions implied in arbitration agreements.

7. Where an arbitration agreement provides that a reference shall be to an official referee, any official referee to whom application is made shall, subject to any order of Court as to transfer or otherwise, hear and determine the matters agreed to be referred.

Reference to official referee.

8. If any party to an arbitration agreement, or any person claiming through or under him, commences any legal proceedings in any Court against any other party to the arbitration agreement, or any person claiming through or under him, in respect of any matter agreed to be referred, any party to such legal proceedings may at any time after appearance, and before delivering any pleadings or taking any other steps in the proceedings, apply to that Court to stay the proceedings, and that Court, if satisfied that there is no sufficient reason why the matter should not be referred in accordance with the arbitration agreement and that the applicant was, at the time when the proceedings were commenced, and still remains, ready and willing to do all things necessary to the proper conduct of the arbitration, may make an order staying the proceedings.

Power to stay proceedings where there is an arbitration agreement.

9.—(1) Where an agreement between any parties provides that disputes which may arise in the future between them shall be referred to an arbitrator named or designated in the agreement and after a dispute has arisen any party applies, on the ground that the arbitrator so named or designated is not or may not be impartial, for leave to revoke the arbitration agreement or for an injunction to restrain any other party or the arbitrator from proceeding with the arbitration, it shall not be a ground for refusing the application that the said party at the time when he made the agreement knew, or ought to have known, that the arbitrator by reason of his relation towards any other party to the agreement or of his connection with the subject referred might not be capable of impartiality.

Power of Court to give relief where arbitrator is not impartial or dispute referred involves question of fraud.

(2) Where an agreement between any parties provides that disputes which may arise in the future between them shall be referred and a dispute which so arises involves the question whether any such party has been guilty of fraud, the Court shall, so far as may be necessary to enable that question to be determined by the Court, have power to order that the agreement shall cease to have effect and

power to give leave to revoke any arbitration agreement made thereunder.

(3) In any case where by virtue of this section the Court has power to order that an arbitration agreement shall cease to have effect or to give leave to revoke an arbitration agreement, the Court may refuse to stay any action brought in breach of the agreement.

Power of Court in certain cases to appoint an arbitrator, umpire or third arbitrator.

10.—(1) In any of the following cases :—

- (a) where an arbitration agreement provides that the reference shall be to a single arbitrator, and all the parties do not after differences have arisen concur in the appointment of an arbitrator ; or
- (b) if an appointed arbitrator refuses to act, or is incapable of acting or dies, and the arbitration agreement does not show that it was intended that the vacancy should not be supplied, and the parties do not supply the vacancy ; or
- (c) where the parties or two arbitrators are at liberty to appoint an umpire or third arbitrator, or where two arbitrators are required to appoint an umpire, and do not appoint him ; or
- (d) where an appointed umpire or third arbitrator refuses to act, or is incapable of acting or dies, and the arbitration agreement does not show that it was intended that the vacancy should not be supplied, and the parties or arbitrators do not supply the vacancy,

any party may serve the other parties or the arbitrators, as the case may be, with a written notice to appoint an arbitrator, umpire or third arbitrator.

(2) If the appointment is not made within seven clear days after the service of the notice, the Court may, on application by the party who gave the notice, appoint an arbitrator, umpire or third arbitrator, who shall have the like powers to act in the reference and make an award as if he had been appointed by consent of all parties.

Provisions on the appointment of two arbitrators.

11. Where an arbitration agreement provides that a reference shall be to two arbitrators, one to be appointed by each party, then, unless the arbitration agreement expresses a contrary intention,—

- (a) if either of the appointed arbitrators refuses to act, or is incapable of acting or dies, the party who appointed him may appoint a new arbitrator in his place ; or

(b) if, on such a reference, one party fails to appoint an arbitrator, either originally or by way of substitution as aforesaid, for seven clear days after the other party, having appointed his arbitrator, has served the party making default with notice to make the appointment, the party who has appointed an arbitrator may appoint that arbitrator to act as sole arbitrator in the reference, and his award shall be binding on both parties as if he had been appointed by consent :

Provided that the Court may set aside any appointment made in pursuance of this section.

12.—(1) Where an arbitration agreement provides that the reference shall be to three arbitrators, one to be appointed by each party and the third to be appointed by the two appointed by the parties, the agreement shall have effect as if it provided for the appointment of an umpire, and not for the appointment of a third arbitrator, by the two arbitrators appointed by the parties.

Provisions on the appointment of three arbitrators.

(2) Where an arbitration agreement provides that the reference shall be to three arbitrators to be appointed otherwise than as mentioned in sub-section (1) of this section, the award of any two of the arbitrators shall be binding.

13.—(1) The Court may, on the application of any party to a reference, remove an arbitrator or umpire who fails to use all reasonable dispatch in entering on and proceeding with the reference and making an award.

Arbitrators and umpires to use due dispatch.

(2) An arbitrator or umpire who is removed by the Court under this section shall not be entitled to receive any remuneration in respect of his services.

(3) Subject to the provisions of sub-section (2) of section 19 of this Law and to anything to the contrary in the arbitration agreement, an arbitrator or umpire shall have power to make an award at any time.

(4) For the purposes of this section, "proceeding with a reference" includes, in a case where two arbitrators are unable to agree, giving notice of that fact to the parties and to the umpire.

14.—(1) Where an arbitrator (not being a sole arbitrator), or two or more arbitrators (not being all the arbitrators) or an umpire who has not entered on the reference is or are removed by the Court, the Court may, on the application of any party to the arbitration agreement, appoint a person or persons to act as arbitrator or arbitrators or umpire in place of the person or persons so removed.

Power of Court where arbitrator is removed or appointment of arbitrator is revoked.