



**CI Arb**  
*evolving to resolve*

*Bermuda Branch*

**CI Arb COST-CONTROLLED EXPEDITED  
ARBITRATION RULES**

**(Bermuda)**

**May 2019**

Chartered Institute of Arbitrators  
12 Bloomsbury Square  
London, United Kingdom WC1A 2LP  
T: +44 (0)20 7421 7444  
[E: info@ciarb.org](mailto:info@ciarb.org) [www.ciarb.org](http://www.ciarb.org)  
Registered Charity: 803725

The Chartered Institute of Arbitrators is a learned society that works in the public interest to promote and facilitate the use of Alternative Dispute Resolution (ADR) mechanisms. Founded in 1915 and with a Royal Charter granted in 1979, it is a UK- based membership charity that has gained international presence in more than 100 countries and has more than 14,000 professionally qualified members around the world. The Bermuda Branch has been in operation since 1996. While the Chartered Institute of Arbitrators has used its best efforts in preparing this publication, it makes no representations or warranties with respect to the accuracy or completeness of its content and specifically disclaims any implied warranties of merchantability or fitness for a particular purpose.

All rights are reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission in writing of the Chartered Institute of Arbitrators. Enquiries concerning the reproduction outside the scope of these rules should be sent to the Chartered Institute of Arbitrators' Department of Research & Academic Affairs.

## TABLE OF CONTENTS

<b>Article 1 – Scope of application</b>	<b>1</b>
<b>Article 2 – Appointment and conduct of proceedings</b>	<b>2</b>
<b>Article 3 – Statement of claim; statement of defence</b>	<b>2</b>
<b>Article 4 – Cost caps</b>	<b>2-3</b>
<b>Article 5 – Hearing</b>	<b>3</b>
<b>Article 6 – The award</b>	<b>3-4</b>

## *Article 1 – Scope of Application*

1.1 The provisions of the CIArb Arbitration Rules (Bermuda) shall apply except to the extent that these Cost-controlled Expedited Arbitration Rules (CCEA Rules) provide otherwise.

By agreeing to arbitration under the CIArb Arbitration Rules (Bermuda), the parties agree that the CCEA Rules shall apply if the arbitration agreement was concluded after 1 June 2019 and:

- a) the value of the claim does not exceed the equivalent of \$250,000.00 calculated on the date of the notice of arbitration, served in accordance with Article 3 of the CIArb Arbitration Rules (Bermuda) (the Value of the Claim); or
- b) the parties have agreed that they will apply the CCEA Rules regardless of the amount in dispute.

1.2 In the event that the total value of the sums in dispute, being the Value of the Claim and the value of any counterclaim or a claim for the purpose of a set-off ('the total amount in dispute'), exceed the equivalent of \$250,000.00 calculated on the date of the notice of arbitration, served in accordance with Article 3 of the CIArb Arbitration Rules (Bermuda), the arbitrator shall determine whether it is appropriate for the arbitration to proceed under either the CCEA Rules or the CIArb Arbitration Rules (Bermuda).

Factors to consider when making such a determination include, but are not limited to, considerations as to whether in the interest of the fair and efficient resolution of the dispute it is more appropriate for it to be governed by the CCEA Rules or the CIArb Arbitration Rules (Bermuda), bearing in mind, in particular, the need to treat the parties fairly and to give each party a reasonable opportunity to present its case.

1.3 The CCEA Rules shall not apply if the parties have expressly agreed to opt out of the CCEA Rules.

*Article 2 - Appointment and conduct of proceedings*

- 2.1 The arbitration under these CCEA Rules shall be conducted by a sole arbitrator.
- 2.2 Promptly after appointment and having consulted with the parties, the arbitrator shall establish a timetable setting out the various steps to be followed in the arbitration.
- 2.3 In all cases, the arbitrator and the parties shall act in the spirit of the CCEA Rules and shall make every effort to expedite the process. The arbitrators and the parties may use electronic means of communication for the purposes of communication and service of documents.

*Article 3 - Statements of claim; statement of defence (and counterclaim, if any)*

- 3.1 Within 28 days of the arbitrator's appointment, the claimant shall send a statement of claim in writing to the respondent and the arbitrator with all documents, witness statements and expert reports relied on in support of it.

Within 28 days of the receipt of the statement of claim, the respondent shall send a statement of defence, including a counterclaim or a claim for the purpose of a set-off, in writing to the claimant and the arbitrator. The statement of defence, shall respond to the issues raised in the statement of claim, and shall be served with all documents, written witness statements and expert reports relied on in support of it.

- 3.2 Within 28 days of the receipt of the respondent's statement of defence, including counterclaim or a claim for the purpose of a set-off, the claimant shall send a statement of reply in writing to the respondent and the arbitrator. The statement of reply shall be served with all documents, written witness statements and expert reports relied on in support of it.

*Article 4 – Costs caps*

- 4.1 The arbitrator's fee shall be capped at 10% of the total amount in dispute or such lesser sum as the arbitrator may determine, excluding taxes where applicable.

- 4.2 In addition to the fee charged under Article 4.1, the arbitrator may also recover reasonable expenses incurred in connection with the arbitration.
- 4.3 The parties' recoverable legal costs shall be capped at 15% of the total amount in dispute or such lesser sum as the arbitrator may determine, excluding any taxes where applicable. A party may also recover other costs incurred in relation to the arbitration to the extent that the arbitrator determines that the amount of such costs is reasonable.

#### *Article 5 - Hearing*

- 5.1 The arbitration shall proceed on documents-only basis, unless the arbitrator determines that a hearing is appropriate. Where a hearing is to be held, the arbitrator, after consulting with the parties, shall decide the place and date of the hearing. The hearing shall not exceed one day unless the arbitrator determines otherwise.
- 5.2 In order to expedite matters at a hearing, the arbitrator may:
- a) specify which witnesses and/or experts will be heard;
  - b) conduct the questioning of witnesses; and
  - c) require two or more witnesses and/or experts be examined together.

#### *Article 6 - The Award*

- 6.1 The arbitrator shall make the final award including costs within 180 days from the date on which the arbitrator was appointed.
- 6.2 In exceptional circumstances, the arbitrator may extend the period for making the final award including costs by a further 30 days. Should additional time be required thereafter the Chair of the Bermuda Branch of the CI Arb (or his or her designate) may grant a further extension of time, upon a written and reasoned request addressed from the arbitrator or if otherwise deemed necessary. Any written request for such an extension shall be submitted to the Chair of the Bermuda Branch no later than 14 days prior to the expiration of the time limits prescribed by Articles 6.1 and 6.2. Having regard to the expedited nature

of the proceeding the Chair may only grant a time extension pursuant to this clause in exceptional circumstances and for no more than two months or for an alternative period of time as the Chair (or his or her designate) shall, after consultation with the arbitrator and the parties, deem appropriate.

- 6.3 In any event, if there is a challenge to the arbitrator, the period for making the final award in article 6.1 shall be extended by the period of any suspension of the proceedings due to the challenge.