

Arbitration Scheme for the Association of International Property Professionals (AIPP)

Rules 2010 Edition

1 Introduction

- 1.1 The Arbitration Scheme for the Association of International Property Professionals Ltd (the scheme) applies to claims for compensation or other remedy sought in respect of disputes between members of the AIPP and their customers, arising from breach of contract and / or negligence. Where a contract exists, claims may be made by or on behalf of any person named in the contractual documents. It is administered independently by IDRS Ltd (the administrator).
- 1.2 Any arbitration under the scheme will be conducted under the provisions of the Arbitration Act 1996 (the Act) and these rules. For the purposes of the Act, all arbitrations under these rules will be deemed to take place in London.
- 1.3 Awards made under the scheme shall be final and binding on the Parties.
- 1.4 The language of the arbitration will be English and all evidence and all correspondence between the parties and the administrator and arbitrator will be in English.
- 1.5 The scheme does not apply to claims for compensation or remedy exceeding £30,000 or equivalent in another currency. The exchange rate on the date of application shall apply.
- 1.6 The rules apply to disputes between two parties, generally the AIPP member (the respondent) and the customer (the claimant), together “the parties”.
- 1.7 In considering the parties’ cases, the arbitrator shall have regard to the provisions of the AIPP Code of Conduct for its members (the AIPP code). Where there is a conflict between a rule of law and a provision of the AIPP code, the interpretation most favourable to the claimant shall prevail.
- 1.8 The claimant must confirm on the application form that they have made every reasonable effort to resolve the dispute through the respondent’s in-house complaints procedure.
- 1.9 The application for arbitration must normally be received by the administrator within 6 months of the events giving rise to the dispute. However, applications can still be made outside this time limit if the respondent agrees in writing.

1.10 The service is designed for use without the need for legal representation. However, any party may choose to be legally represented but will do so at its own cost.

2 Commencement of arbitration proceedings

2.1 If the claimant wishes to proceed to arbitration then an application must be submitted to the administrator on its application form, accompanied by the appropriate registration fee as specified in Schedule 1 to these rules, and by the documents and supporting materials, together "the claim". Application forms are available from the administrator.

2.2 Where the claimant wishes to proceed to arbitration the respondent is bound to proceed as per the requirements of the AIPP Code of Conduct.

a) Failure by an applicant to pay their registration fee will result in a rejection of the application.

b) Counterclaims cannot be made by the respondent.

2.3 Registration fees are non-returnable except as provided for in rule 2.7.

2.4 The arbitration commences when the administrator writes to the parties telling them that the application has been accepted.

2.5 On receipt of all forms, fees, evidential documents and / or materials from the parties, the administrator will appoint an arbitrator from the panel it maintains for the purpose and inform the parties of the arbitrator's name.

2.6 Once appointed, the arbitrator will communicate with or issue directions to the parties through the administrator. Correspondence with the arbitrator must be copied to all parties.

2.7 If the arbitrator believes that the dispute is not capable of proper resolution under these rules, the parties will be so advised. In that case the arbitrator's appointment shall be cancelled, the parties' application for arbitration will be treated as withdrawn and the parties' registration fees shall be refunded. The parties will then be able to pursue the matter either through other appropriate arbitration rules provided by the administrator or through the courts.

3 Arbitration procedure

3.1 The arbitrator shall have the jurisdiction and power to direct the procedure of the arbitration including the amendment of any time limits and other procedural requirements. The arbitrator shall also have the power to:

a) Allow submission of further evidence and the amendment of the claim or defence;

- b) Order the parties to produce documents for inspection;
- c) Conduct such enquiries as may appear to the arbitrator to be desirable;
- d) Receive and take into account any written evidence as the arbitrator shall decide to be relevant;
- e) Award interest, whether or not claimed;
- f) Proceed with the arbitration if either party fails to submit any evidence when required, or either fails to comply with these rules or with the arbitrator's directions;
- g) Terminate the arbitration if he or she considers the case to be incapable of resolution under the scheme, or if the parties settle their dispute prior to an award. If the case is settled after appointment of the arbitrator the parties must immediately inform the arbitrator and the administrator in writing of the terms of the settlement and the arbitrator shall record them in an agreed award enforceable under the Act, if requested.
- h) Where the arbitrator considers that a claim made on behalf of the claimant and others should be the subject of two or more separate arbitrations, he or she may in his or her absolute discretion refuse to deal with multiple claims in the single reference.
- i) When deciding on liability and the amount of any award, the arbitrator must not take into account any offers of settlement that have been made by either party. It shall be open to the arbitrator to take such offers into account when awarding to the applicant the reimbursement of the registration fee under rule 5.4 below.

3.2 In addition to the powers conferred by these rules, the arbitrator shall have the widest discretion permitted by law to resolve the dispute in a just, speedy, economical and final manner and in accordance with natural justice.

3.3 The arbitration will normally proceed on the basis of written argument and evidence, which must be submitted in duplicate and in accordance with the following procedure.

3.4 On submitting the application the claimant shall send the completed form to the administrator, together with their registration fee, all supporting documents and materials, in accordance with rule 4.1 below, in order to prove the case. The claimant may not raise issues or claim amounts not covered by the application.

3.5 The administrator will send a copy of the claim documents to the respondent who then has 28 calendar days in which to submit their written defence, prepared in accordance with rule 4.5 below, or to give written notification to the administrator that the claim has been settled, together with details of the settlement.

- a) Any settlement made at this stage will be subject to confirmation, by the administrator, of the claimant's written acceptance of the settlement before the arbitration procedure will be closed. The administrator will confirm this acceptance to both parties.
- 3.6 On receipt of the respondent's defence and registration fee the administrator will send a copy of the defence papers to the claimant, who is entitled to submit written comments within a further 14 calendar days. Such comments must be restricted to points arising from the respondent's defence. The claimant may not introduce any new matters, new evidence or new points of claim.
- 3.7 The administrator will send a copy of the claimant's comments to the respondent. The respondent may only make any further comments with the arbitrator's express approval.
- 3.8 The arbitrator will make an award, with reasons, normally within 42 calendar days of appointment, after considering all submissions and evidence.
- 3.9 The administrator will send a copy of the award to each party and to AIPP, who are entitled to inspect a copy of the award for the purposes of monitoring complaint resolution procedures under the AIPP code and to take disciplinary action if appropriate under its Disciplinary Procedure.
- 3.10 Unless otherwise directed, any amount or other remedy awarded shall be paid or complied with within 42 days of dispatch of the award to the parties. Such payments shall be made directly to the party entitled to receive it.
- 3.11 Any award made under this scheme is final and legally binding on all parties, subject to any party's right under the provisions of the Act to seek leave to appeal in the courts.
- 3.12 Any party may request the return of its original documents but must do so within 6 weeks of the date of dispatch of the award, after which date the administrator will destroy them.

4 Content of submissions for arbitration

- 4.1 The claim shall be stated on the application form and shall include:
 - a) The nature and basis of the claim;
 - b) The amount of compensation claimed or other remedy sought;
 - c) All supporting documents, materials and images (including video) relied on as evidence, in duplicate and enclosed with their application form.

- 4.2 An award cannot be made for any amount that is more than the total amount claimed on the application form subject to 3.1(e).
- 4.3 If the claimant is unable to submit a copy of any original contract or reservation form, the respondent shall submit a copy of that document with the defence, if it existed.
- 4.4 The defence shall include:
- a) What matters in the opposing documents are accepted or agreed;
 - b) What matters are disputed, with reasons why;
 - c) Any supporting documents relied on as evidence, in duplicate and enclosed with their agreement and defence form.
- 4.5 The response by the claimant to any defence shall include:
- a) What matters in the opposing documents are accepted or agreed;
 - b) What matters are disputed, with reasons why;
 - c) Any supporting documents relied on as evidence in support of such response.
- 4.6 If any party fails to deliver anything required by these rules and does not supply it within 7 calendar days of a reminder by the administrator then:
- a) Where a claim is not delivered in accordance with rule 4.1 it shall be deemed to be abandoned;
 - b) Where a claim is abandoned the arbitration will not proceed;
 - c) Where the failure concerns information requested by the arbitrator, the arbitration shall proceed as the arbitrator considers appropriate;
 - d) Where the failure is the non-delivery of the defence, the arbitrator may make the award on the basis of documents already received.

5 Arbitration costs

- 5.1 The registration fees as detailed in schedule 1 to these rules, paid by the claimant and the respondent, includes the arbitrator's fee and the administrator's administration costs.

- 5.2 Subject to rules 5.3 and 5.5 below, each party shall bear its own costs of any legal representation and of preparing and submitting its case. No legal action may be brought to recover these costs.
- 5.3 Subject to the limitation in Rule 5.5 below, the arbitrator has the power to make such orders for costs of the arbitration as in his or her absolute discretion he or she thinks fair.
- 5.4 In exercising his or her discretion under rule 5.3, the arbitrator may have regard only to offers made to settle the dispute prior to commencement of the arbitration.
- 5.5 The maximum amount that may be awarded to any party as recompense for costs expended in the arbitration shall be an amount equal to the customer's registration fee for the arbitration.
- 5.6 These provisions for costs will not apply to any appeal to the court.

6 Confidentiality

- 6.1 No party involved in any dispute under the rules, or the administrator or the arbitrator, shall disclose details of the proceedings to any stranger to the proceedings unless it is necessary to do so in order to enforce a binding settlement or as may be required by law. Notwithstanding the foregoing and subject to rule 3.9, the administrator may collate and process data pertaining to the use of the scheme, compile, analyse and publish statistics therefrom and monitor and review the operation of the scheme provided always that (save with the express consent of the parties) no personal data, privileged or confidential information shall be published.

7 Miscellaneous

- 7.1 The law to apply shall be determined by the arbitrator if the parties fail to agree.
- 7.2 The administrator reserves the right to appoint a substitute arbitrator if the originally appointed arbitrator dies, is incapacitated or is, for any reason, unable to deal expeditiously with the dispute. The parties shall be notified of any substitution.
- 7.3 Subject to the right of either party to request the administrator to draw the arbitrator's attention to any accidental slip or omission which he or she has power to correct by law, neither the administrator nor the arbitrator can enter into correspondence regarding an award made under the service.
- 7.4 Neither the administrator nor the arbitrator shall be liable to any party for any act or omission in connection with any arbitration conducted under these rules, save that the arbitrator (but not the administrator) shall be liable for any wrongdoing on his or her own part arising from bad faith.

Schedule 1 – Registration Fees

1. The case fee is payable to the administrator by the parties as set out below:
 - a. For sums in dispute up to £3,000, the claimant will pay £270 plus VAT and the respondent will pay £170 plus VAT. (Total £440 plus VAT)
 - b. For sums in dispute between £3,001 - £10,000, the claimant will pay £300 plus VAT and the respondent will pay £200 plus VAT. (Total £500 plus VAT)
 - c. For sums in dispute between £10,000 - £30,000, the claimant will pay £450 plus VAT and the respondent will pay £300 plus VAT. (Total £750 plus VAT)