STATUTORY INSTRUMENTS

1999 No. 2167

ARBITRATION

The Unfair Arbitration Agreements (Specified Amount) Order 1999

Made - - - -	*28th July 1999*
Laid before Parliament	*2nd August 1999*
Coming into force	*1st January 2000*

The Secretary of State, in exercise of the power conferred on him by section 91(1) and (3)(a) and (b) of the Arbitration Act 1996**(a)**, with the concurrence (as respects England and Wales) of the Lord Chancellor**(b)**, hereby makes the following Order:

1. This Order may be cited as the Unfair Arbitration Agreements (Specified Amount) Order 1999 and shall come into force on 1st January 2000.

2. The Unfair Arbitration Agreements (Specified Amount) Order 1996**(c)** is hereby revoked.

3. The amount of £5,000 is hereby specified for the purposes of section 91 of the Arbitration Act 1996 (arbitration agreement unfair where modest amount sought).

Kim Howells
Parliamentary Under-Secretary of State for
Competition and Consumer Affairs,
Department of Trade and Industry

27th July 1999

I concur

28th July 1999 *Irvine of Lairg*, C.

(a) 1996 c. 23.
(b) The words in section 91(3)(b) of the Arbitration Act 1996 "with the concurrence of the Lord Advocate" were repealed by S.I. 1999/678.
(c) S.I. 1996/3211.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order specifies the amount of £5,000 for the purposes of section 91 of the Arbitration Act 1996 for England and Wales and Scotland. It replaces The Unfair Arbitration Agreements (Specified Amount) Order 1996 which specified the amount of £3,000.

Section 91(1) of the 1996 Act provides that a term which constitutes an arbitration agreement is unfair for the purposes of the Unfair Terms in Consumer Contracts Regulations 1994 (S.I. 1994/3159) so far as it relates to a claim for a pecuniary remedy which does not exceed the amount specified by order for the purposes of that section. The 1994 Regulations implement Council Directive 93/13/EEC on unfair terms in consumer contracts (O.J. No. L95, 21.4.93, p. 29). The Unfair Terms in Consumer Contracts Regulations 1999 (S.I. 1999/2083) revoke and replace the 1994 Regulations with effect from 1st October 1999.

Section 89(1) of the 1996 Act defines "arbitration agreement" as an agreement to submit to arbitration present or future disputes or differences (whether or not contractual).

A Regulatory Impact Assessment of the costs and benefits which will result from this Order has been prepared by the Department of Trade and Industry and is available from Consumer Affairs Directorate, Department of Trade and Industry, Room 407, 1 Victoria Street, London SW1H 0ET (telephone 0171 215 0342). Copies have been placed in the libraries of both Houses of Parliament.

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