

**NOTES TO ASG 3
SUBMISSION TO ARBITRATION -
SALVAGE SERVICES**

1. The purpose of this agreement is to allow for disputes arising from the provision of salvage services to be dealt with by arbitration in cases where the parties do not wish to determine the dispute in Court or by way of Lloyd's Form. The type of arbitration which the agreement initiates is close to the procedure applied to disputes in respect of salvage services provided under the Lloyd's Form, and the arbitrator will usually be chosen by the parties from the Lloyd's Form panel of arbitrators.
2. Unlike Lloyd's Form, the parties do not, in entering this agreement, admit that services in the nature of salvage were rendered (see lines 13-17).
3. The parties and their advisers should pay particular attention to Clause 5 which provides for the award of the arbitrator to be in a currency specified by the parties. If it is possible to reach agreement on this aspect complicated questions of law which would otherwise need to be dealt with at the arbitration can be avoided.
4. In order to avoid delays the agreement makes provision in Clause 6 for the award to be collected (and, therefore, to be initially paid for) by the Claimants or Appellants within 48 hours of publication.

ASG SUBMISSION TO ARBITRATION - SALVAGE SERVICES**MEMORANDUM OF AGREEMENT** made the [] day of [] 20[]**BETWEEN :**

- (1) Messrs. [**X and Co.**], of [Address] solicitors for and on behalf of the owners of the [tug/vessel]¹ "AAA" [her master, officers and crew]² ("the Claimants") and
- (2) Messrs. [**Y and Co.**], of [Address] solicitors for and on behalf of the owners of the vessel "**BBB**" and her bunkers, stores and freight at risk if any ("the First Respondents") and
- (3) Messrs. [**Z and Co.**], of [Address] solicitors for and on behalf of the owners of cargo lately laden on board the "**BBB**" and freight at risk if any ("the Second Respondents").

WHEREAS :

The Claimants allege that they have rendered salvage services entitling them to salvage or in the alternative to a quantum meruit to the "**BBB**", her cargo, bunkers stores and freight or any other property thereon in [insert place of salvage] on or about the [insert date], and the Respondents dispute that services as alleged were rendered by the Claimants, or at all.

NOW IT IS HEREBY AGREED as follows:-

1. The determination of the dispute as to whether the Claimants' services were in the nature of salvage and the assessment of the amount of the salvage or such other remuneration payable for the alleged services by the Respondents to the Claimants together with any other dispute between the parties arising out of the alleged services shall be and is hereby referred to the sole arbitrament of [], of [.....], one of Her Majesty's Counsel ("the Arbitrator") whose award shall (subject to appeal as hereinafter provided) be binding on the parties.
2. Any appeal from the award of the Arbitrator shall be referred to the sole arbitrament of the Appeal Arbitrator ("the Appeal Arbitrator") for the time being appointed by the Council of Lloyd's in salvage arbitration proceedings under the

¹ Delete tug or vessel as applicable

² Delete as applicable.

terms of the current Lloyd's Standard Form of Salvage Agreement ("Lloyd's Form") whose award shall be binding on the parties. Either party may appeal from the award of the Arbitrator by giving to the solicitors for the other party notice in writing of the appeal within 14 days of the date upon which the copy of the award has been served in accordance with paragraph 6 hereof.

- 3. The arbitration and any appeal from the award of the Arbitrator (including his award as to costs) shall take place in London and shall be conducted in all respects except for the non admission of salvage services as hereinbefore recited as if it were an arbitration or an appeal arbitration held under Lloyd's Form including, without prejudice to the generality of the foregoing, clause D thereof and save as aforesaid the Arbitrator and the Appeal Arbitrator shall have all such powers and duties hereunder as are granted to and imposed on them under Lloyd's Form. The Council of Lloyd's is excluded from any involvement in this matter.
- 4. If the Arbitrator or the Appeal Arbitrator is unable or unwilling to act, or is not named in this agreement, the determination of the said dispute or of any appeal shall be referred to another Arbitrator or Appeal Arbitrator to be agreed upon by the parties and in default of agreement to be chosen by the Chairman [**the Secretary**]³ of the Admiralty Solicitors Group.
- 5. The parties shall be at liberty to be represented by counsel at any hearings before the Arbitrator or Appeal Arbitrator. The parties agree that the Arbitrator or the Appeal Arbitrator as the case may be shall express any award in [**pounds sterling**]⁴.
- 6. The Arbitrator or the Appeal Arbitrator shall upon publication of any award inform the parties of the Reasons for such award and the said Reasons shall form part of the award. The solicitors for the Claimants or the appellants as the case may be shall take up the award or award on appeal forthwith and shall serve the solicitors for the Respondents or the other party as the case may be with a true copy within 48 hours.
- 7. This agreement shall be governed by English law and any dispute arising hereunder shall be submitted to arbitration in the same manner as is provided herein.

Signed.....
Solicitors
For and on behalf of the Claimants

Signed.....
Solicitors
For and on behalf of the First Respondents

Signed.....
Solicitors For and on behalf of the Second Respondents

³ Delete as applicable

⁴ Amend currency as agreed