

**IN THE GENERAL DIVISION OF
THE HIGH COURT OF THE REPUBLIC OF SINGAPORE**

[2023] SGHC 185

Originating Application No 189 of 2023 (Registrar's Appeal No 77 of 2023)

Between

DAY

... Claimant

And

DAZ

... Defendant

GROUND OF DECISION

[Arbitration — Stay of court proceedings — Mandatory stay under
International Arbitration Act]

TABLE OF CONTENTS

INTRODUCTION.....	1
BACKGROUND FACTS	2
THE DISPUTE BETWEEN THE PARTIES.....	4
THE LAW APPLICABLE TO A STAY APPLICATION UNDER S 6 OF THE IAA	7
WHETHER THE DISPUTE IN OA 189 FELL WITHIN THE SCOPE OF THE ARBITRATION AGREEMENT IN GT 14	8
THE PARTIES' SUBMISSIONS	10
MY DECISION	13
CONCLUSION.....	17

This judgment is subject to final editorial corrections approved by the court and/or redaction pursuant to the publisher's duty in compliance with the law, for publication in LawNet and/or the Singapore Law Reports.

DAY
v
DAZ

[2023] SGHC 185

General Division of the High Court — Originating Application No 189 of 2023 (Registrar's Appeal No 77 of 2023)
Chua Lee Ming J
15 May 2023

5 July 2023

Chua Lee Ming J:

Introduction

1 This was an appeal by the defendant against the Assistant Registrar's decision dismissing its application to stay the proceedings under HC/OA 189/2023 ("OA 189") in favour of arbitration, pursuant to s 6 of the International Arbitration Act (2020 Rev Ed) (the "IAA") or, alternatively, the court's inherent powers of case management.

2 The critical issue in the defendant's application for a stay was whether the dispute arising in OA 189 fell within the scope of the arbitration agreement or whether it was carved out from the arbitration agreement.

3 For the reasons below, I allowed the appeal and ordered that OA 189 be stayed pursuant to s 6 of the IAA.

Background facts

4 On 28 October 2019, the claimant, the defendant, the defendant's related company ("RelCo") and the defendant's parent company ("HoldCo") entered into a funding agreement (the "LFA").¹

5 Pursuant to the LFA, the claimant agreed to provide funding and project support services to the defendant and RelCo to pursue their claims against two companies, Co1 and Co2, respectively. Project support services included, among others, assisting the defendant and RelCo with commercial and strategic issues, assisting with the identification and retention of service providers, and facilitating any alternative dispute resolution process (*eg*, negotiations, discussions, mediation, conciliation). In exchange, the defendant and RelCo agreed that the claimant was entitled, strictly as a first priority, to receive certain amounts out of any settlement or judgment sum obtained.

6 The present proceedings concerned only the defendant's claim against Co1.

7 On 4 March 2020, the defendant commenced arbitration proceedings against Co1 (the "Arbitration"). The tribunal issued a final award on 16 September 2021 in favour of the defendant (the "Final Award"). The claimant paid for the costs of the Arbitration pursuant to the LFA.

8 On 14 October 2021, Co1 applied to the English High Court to set aside parts of the Final Award. The application was dismissed by the English High

¹ 1st affidavit filed on behalf of the claimant on 1 March 2023 ("Claimant's 1st affidavit") at pp 21–61.

Court on 11 January 2022. The claimant funded the costs incurred by the defendant in defending Co1's application.

9 Co1 and the defendant subsequently entered into settlement negotiations. The parties exchanged drafts of the settlement agreements between July 2022 and September 2022.

10 On or around 21 September 2022, the defendant's solicitors sent a draft settlement agreement (the "Draft Settlement Agreement") to Co1's solicitors. The terms of the Draft Settlement Agreement provided that Co1 would pay an agreed sum to the defendant in instalments. By an email dated 22 September 2022, Co1 agreed to the terms of the Draft Settlement Agreement. The claimant also agreed that the terms of the Draft Settlement Agreement were acceptable and appropriate.

11 However, on 26 September 2022, the defendant informed the claimant that it would not enter the Draft Settlement Agreement unless the claimant was prepared to share the first instalment payment with the defendant. The claimant did not agree to the defendant's proposal.

12 On 11 October 2022, the claimant wrote to the defendant putting it on notice that its failure to promptly execute the Draft Settlement Agreement was a breach of the terms of the LFA, including General Term ("GT") 4.1, which provided that the defendant must act in good faith in respect of its obligations to the claimant.² The claimant requested that the defendant remedy the breach by executing the Draft Settlement Agreement as soon as practicable and no later than 14 October 2022.

² Claimant's 1st affidavit, at pp 66–69.

13 On 13 October 2022, the defendant replied (through its lawyers) stating that it did not wish to enter the Draft Settlement Agreement.³ The defendant explained that the commercial rationale for accepting the proposed instalment payment plan had evaporated, in light of its difficult financial predicament in the preceding few months. The defendant expressed its concern that under the instalment payment plan, it would not recover anything until the final tranche payment and that the risk of Co1 defaulting on that final payment was high. The defendant denied that it had committed an event of default under the LFA.

The dispute between the parties

14 Specific Term (“ST”) 3.3 of the LFA provided a mechanism for resolving disagreements between the claimant and the defendant over whether to agree to a settlement of the defendant’s claim against Co1. The first step involved the defendant’s lawyers providing a written opinion as to whether the proposed settlement was fair and reasonable. If the claimant and the defendant still could not resolve their disagreement, an independent counsel (either agreed between the parties or appointed by the “President of the Singapore Bar Association”) would provide a written opinion as to whether the proposed settlement was fair and reasonable. Under ST 3.4 of the LFA, the opinion of counsel instructed under ST 3 would be “final and binding” on the claimant and the defendant. The full text of ST 3.3 and ST 3.4 are set out in [26] below.

15 According to the claimant, it was agreed on 20 October 2022 that pursuant to ST 3.3 of the LFA, the defendant’s lawyers would prepare a written opinion on whether the Draft Settlement Agreement was fair and reasonable. The defendant denied any such agreement.

³ Claimant’s 1st affidavit, at pp 71–73.

16 It was not disputed that the defendant’s lawyers did commence preparing an opinion as to whether the Draft Settlement Agreement was fair and reasonable. However, the defendant claimed that although its lawyers had commenced work on the written opinion, they were simultaneously advising the defendant as to whether the dispute resolution mechanism in ST 3.3 even applied. An email dated 21 November 2022 from the defendant’s lawyers to the claimant stated that the defendant had taken legal advice and that it was not required under ST 3.3 to instruct its lawyers to opine on whether the Draft Settlement Agreement was fair and reasonable.⁴

17 In summary, the defendant’s reasons for its position that ST 3.3 and ST 3.4 did not apply to the Draft Settlement Agreement were as follows:

(a) ST 3.3 and ST 3.4 concerned the settlement of “Claims” or “Proceedings”, which (as defined) would include recognition and enforcement proceedings only if the claimant had agreed to fund such proceedings in accordance with the terms of the LFA.

(b) The Draft Settlement Agreement did not relate to the defendant’s claim against Co1 but related to the enforcement of the Final Award against Co1. It fell within the meaning of “Proceedings” only if the claimant had agreed to fund the enforcement proceedings in accordance with the terms of the LFA. Pursuant to GT 8.1 and GT 8.2 of the LFA, the claimant had to notify the defendant and its lawyers in writing that it was prepared to fund the enforcement proceedings. The claimant did not give any such notice to the defendant and its lawyers. Consequently,

⁴ Claimant’s 1st affidavit, at p 81.

the Draft Settlement Agreement was not a settlement of “the Proceedings” within the meaning of ST 3.3.

18 The claimant disagreed with the defendant and on 2 March 2023, the claimant filed OA 189 seeking, in substance, specific performance of ST 3.3. The claimant sought, among others, the following orders:

- (a) The defendant to jointly (with the claimant) instruct an independent counsel to be agreed or otherwise to be appointed by the President of the Law Society of Singapore to provide his or her written opinion within seven (7) days from appointment as to whether the terms of the Draft Settlement Agreement were fair and reasonable in the circumstances.
- (b) The defendant to take all necessary steps to execute the Draft Settlement Agreement if the independent counsel’s opinion is that the Draft Settlement Agreement was fair and reasonable.
- (c) The defendant to disclose to the claimant’s solicitors, within seven (7) days of the Order to be made herein, the identity, address, and the contact details of the defendant’s secured creditors in order for a copy of the Order to be made herein to be served on the Creditors.

19 On 27 March 2023, the defendant filed HC/SUM 860/2023 (“SUM 860”) for a stay of the whole action in OA 189 in favour of arbitration, pursuant to s 6 of the IAA or the court’s inherent powers of case management. The defendant relied on the arbitration agreement under GT 14 of the LFA. GT 14.1 provided that any dispute arising out of the LFA “which is not subject to Specific Term 3.3 and 3.4” must be resolved in accordance with GT 14. GT 14

provided for disputes to be resolved by way of good faith endeavours, mediation (if the parties so agree), and arbitration (if the dispute remained unresolved). The relevant provisions of GT 14 are set out in full in [25] below.

20 On 12 April 2023, the AR dismissed the defendant's application for a stay of proceedings. The issue before the AR was whether the anterior question as to whether ST 3.3 and ST 3.4 applied to the Draft Settlement Agreement fell within the scope of GT 14 or whether it had been carved out from GT 14. The AR held that the dispute as to whether the defendant should be compelled to obtain a written opinion from its lawyers in accordance with ST 3 had been carved out from the arbitration agreement in GT 14.

21 On 18 April 2023, the defendant lodged the present appeal against the AR's decision.

The law applicable to a stay application under s 6 of the IAA

22 A court hearing a stay application under s 6 of the IAA should grant a stay in favour of arbitration if the applicant is able to establish a *prima facie* case that:

- (a) there is a valid arbitration agreement between the parties to the court proceedings;
- (b) the dispute in the court proceedings (or any part thereof) falls within the scope of the arbitration agreement; and
- (c) the arbitration agreement is not null and void, inoperative or incapable of being performed.

(Tomolugen Holdings Ltd and another v Silica Investors Ltd and other appeals [2016] 1 SLR 373 at [63])

23 It was not contested that there was a valid arbitration agreement between the parties under GT 14 of the LFA, and that such arbitration agreement was not defective. The sole question before me was whether the defendant had established a *prima facie* case that the dispute in OA 189 fell within the scope of the arbitration agreement in GT 14.

Whether the dispute in OA 189 fell within the scope of the arbitration agreement in GT 14

24 The dispute in OA 189 was whether the claimant was entitled to enforce ST 3.3 and ST 3.4 with respect to the Draft Settlement Agreement. More specifically, the parties disagreed on the anterior question as to whether ST 3.3 and ST 3.4 were applicable to the Draft Settlement Agreement on the facts of this case. Thus, the specific question before me was whether the dispute as to whether ST 3.3 and ST 3.4 applied to the Draft Settlement Agreement fell within the scope of the arbitration agreement in GT 14.

25 GT 14 of the LFA provided as follows:

GENERAL TERM 14. DISPUTE RESOLUTION

14.1. Any dispute, controversy or claim in relation to or arising out of this Agreement, including any question about its existence, validity, meaning, performance or termination or the rights, duties and liabilities of any party to it and *which is not subject to Specific Term 3.3 and 3.4* (**Dispute**) must be resolved in accordance with this General Term 14.

14.2. If any party wishes to raise a Dispute then that party must promptly give a written notice of the Dispute to the other Party (**Notice**). ...

...

14.4. The parties agree to meet to discuss, and endeavour in good faith to resolve, the Dispute within 28 days of the Notice being received.

14.5. The parties may agree, within the time period referred to in General Term 14.4, to submit the Dispute to mediation ...

14.6. If the Dispute is not resolved within 28 days of the Notice being received (or if the parties have agreed in writing to mediate, within 70 days of the Notice being received), then either party may issue a notice referring the Dispute to arbitration. ...

...

[emphasis added in italics]

26 ST 3.3 and ST 3.4 provided as follows:

SPECIFIC TERM 3. [CLAIMANT'S] INVOLVEMENT

...

3.3. In recognition of the fact that [the claimant] has an interest in the Resolution Sum, if the [defendant]:

3.3.1. wants to Settle the Claims or the Proceedings for less than [the claimant] considers appropriate; or

3.3.2. does not want to Settle the Claims or the Proceedings when [the claimant] considers it appropriate for the [defendant] to do so;

then the parties must resolve the difference of opinion as follows:

(a) the [defendant] may, or shall upon request by [the claimant], instruct the Lawyers to provide a written opinion as to whether, in the Lawyers' opinion, Settlement of the Claims or the Proceedings on the terms and in the circumstances identified by either [the claimant] or the [defendant] is fair and reasonable;

(b) if the difference of opinion is not resolved within 2 Business Days following receipt of the Lawyers' opinion provided under paragraph (a) above, [the claimant] and the [defendant] agree to jointly instruct independent counsel, to be agreed between the parties or otherwise to be appointed by the President of the Singapore Bar Association, to provide an opinion as to whether,

in counsel's opinion, Settlement of the Claims or the Proceedings on the terms and in the circumstances identified by either [the claimant] or the [defendant] is fair and reasonable in all of the circumstances.

3.4. Counsel may proceed as he or she sees fit to inform himself or herself before forming and delivering his or her opinion pursuant to Specific Term 3.3 and shall have regard to the factors set out in Schedule 3. ... The opinion of counsel instructed under this Specific Term 3 will be final and binding on both the [defendant] and [the claimant].

The parties' submissions

27 The defendant emphasised that GT 14.1 provided that only disputes that were "subject to ST 3.3 and 3.4" were carved out from GT 14. The defendant submitted that a dispute over whether ST 3.3 and ST 3.4 were applicable was not a dispute that was "subject to ST 3.3 and 3.4" and therefore was not carved out from GT 14.

28 The claimant submitted that the question as to whether ST 3.3 and ST 3.4 were engaged did not fall within the scope of the arbitration agreement in GT 14 for the following reasons:

(a) Any dispute that *related to* ST 3.3 and ST 3.4, including a dispute as to whether ST 3.3 and ST 3.4 were engaged, was a dispute that was "subject to ST 3.3 and 3.4".⁵

(b) The parties' intention was that disputes over the applicability of ST 3.3 and ST 3.4 should be resolved by the court pursuant to GT 18.1 of the LFA, which provided that "... subject to General Term 14, the parties submit to the exclusive jurisdiction of the courts of Singapore".

⁵ During oral submissions.

GT 18.1 contemplated that disagreements relating to ST 3.3 and ST 3.4 of the LFA should be submitted to the exclusive jurisdiction of the Singapore courts. This interpretation was consistent with the parties' intention that disputes subject to ST 3.3 and ST 3.4 should be determined quickly without the need to go through the lengthy dispute resolution mechanism set out under GT 14.⁶

(c) Up until November 2022, the defendant had agreed that ST 3.3 and ST 3.4 were applicable.⁷ The defendant's lawyers had stated that they would work on the opinion as to whether the Draft Settlement Agreement was fair and reasonable and also that they would circulate the opinion as soon as possible.

29 The claimant also relied on *Seeley International Pty Ltd v Electra Air Conditioning BV* [2008] FCA 29 ("*Seeley*") and *Maxx Engineering Works Pte Ltd v PQ Builders Pte Ltd* [2023] SGHC 71 ("*Maxx*") to support its case.

30 In *Seeley*, cl 20 in an exclusive distribution agreement provided for disputes to be resolved through "friendly discussions", failing which the disputes were to be referred to arbitration. Clause 20.3 provided that nothing in the provision "prevents a party seeking injunctive or declaratory relief in the case of a material breach or threatened breach" of the exclusive distribution agreement. The applicant commenced proceedings to seek (among other things) a declaration that the respondent was in breach of the agreement. The South Australian Federal Court dismissed the respondent's application to stay the proceedings in favour of arbitration.

⁶ Claimant's Written Submissions dated 11 May 2023 ("Claimant's Written Submissions"), at paras 42–44.

⁷ Claimant's Written Submissions, at paras 76–77.

31 The claimant submitted that in *Seeley*, the court considered that the question as to whether there was a “material breach or threatened breach” was also a question that the court could decide.⁸ The claimant further submitted that where a contract contained a clear carve-out from the arbitration mechanism in certain circumstances, the carve-out would naturally encompass any disputes over whether the said circumstances apply.⁹

32 In *Maxx*, cl 54 in a contract provided that if a dispute arose, parties “shall endeavour to resolve the dispute through negotiations”, and “[i]f negotiations fail, the parties shall refer the dispute for mediation”. Clause 54 also provided that prior reference of the dispute to mediation “shall not be a condition precedent for its reference to arbitration” under cl 55. Clause 55 provided that if the dispute was not resolved in accordance with cl 54, “the parties shall refer the dispute for arbitration”. A dispute arose and the respondent referred the dispute to arbitration without referring it to mediation. The applicant sought an order to compel the respondent to refer the dispute to mediation. The High Court held that there was a legal obligation to refer the dispute to mediation and granted an order for specific performance to compel the respondent to do so.

33 The claimant relied on the fact that the court in *Maxx* had no difficulty in addressing the dispute over whether there was even a legal obligation to mediate and did not consider that the disagreement over the interpretation of the dispute resolution clause had to be determined by arbitration.¹⁰

⁸ Claimant’s Written Submissions, at para 59.

⁹ Claimant’s Written Submissions, at para 63.

¹⁰ Claimant’s Written Submissions, at para 69.

My decision

34 I agreed with the defendant that, as a matter of interpretation, a dispute as to whether ST 3.3 and ST 3.4 were even engaged was not a dispute that was “subject to ST 3.3 and 3.4”. In my view, the defendant had shown a *prima facie* case that such a dispute was not carved out from GT 14 and therefore fell within the scope of GT 14.

35 ST 3.3 and ST 3.4 dealt with differences of opinion between the claimant and the defendant over whether to “Settle” a “Claim” or “Proceeding”. The resolution of these differences of opinion were carved out from GT 14 because parties intended that these differences should be resolved in the specific manner set out in ST 3.3 and ST 3.4, namely by way of a written opinion from the defendant’s lawyers, and if the claimant and the defendant still disagreed, by way of a written opinion from the independent counsel.

36 However, the question as to whether ST 3.3 and ST 3.4 were even engaged in the first place was a separate and distinct one. Only disputes that were “subject to ST 3.3 and 3.4” were carved out from GT 14. In its ordinary meaning, a dispute that was “subject to ST 3.3 and 3.4” referred to a dispute over whether to “Settle the Claims or the Proceedings”. A dispute that was “subject to ST 3.3 and 3.4” presupposed that ST 3.3 and ST 3.4 were applicable in the first place. It did not and could not refer to a dispute over whether ST 3.3 and ST 3.4 were applicable.

37 The claimant submitted that any dispute “subject to Specific Term 3.3 and 3.4” meant any dispute *relating to* ST 3.3 and ST 3.4. In my view, such an interpretation would require rewriting ST 3.3 and ST 3.4. This was clearly impermissible.

38 In my view, the claimant’s reliance on GT 18.1 was misplaced. Parties to an agreement could decide to have certain types of disputes resolved by arbitration and others by litigation; so long as the agreement evinces such an intention, that intention should be given effect to: *Silverlink Resorts Ltd v MS First Capital Insurance Ltd* [2021] 3 SLR 1422 at [31]–[32]. Where parties evince a real intention to have matters resolved by arbitration, the court ought to give effect to that intention: *BXH v BXI* [2020] 1 SLR 1043 (“*BXH*”) at [60]. Ultimately, the question is one of interpretation of the relevant clauses in the agreement.

39 In the present case, GT 18.1 was expressed to be “subject to General Term 14” (see [28(b)] above). Clearly, GT 18.1 was not intended to apply to disputes that fell within the scope of GT 14. The question remained whether a dispute as to whether ST 3.3 and ST 3.4 applied to the Draft Settlement Agreement fell within GT 14. GT 14 applied to “[a]ny dispute, controversy or claim in relation to or arising out of [the LFA]” and excluded only disputes that were “subject to ST 3.3 and 3.4”. The dispute as to whether ST 3.3 and ST 3.4 applied to the Draft Settlement Agreement was a dispute arising out of the LFA. That dispute therefore fell squarely within GT 14 unless it could be said to fall within the carve-out (*ie*, that it was a dispute that was “subject to ST 3.3 and 3.4”). For reasons given in [36] above, such a dispute was not a dispute that was “subject to ST 3.3 and 3.4” and therefore was not carved out from GT 14. In the circumstances, GT 18.1 had no application. GT 18.1 should be interpreted to mean that disputes arising out of any arbitration commenced pursuant to GT 14 are to be resolved in the Singapore courts in the exercise of their supervisory jurisdiction: *BXH* at [59]–[60].

40 The fact that ST 3.3 and ST 3.4 contemplated the speedy resolution of differences of opinion as to the settlement of claims or proceedings was neither

here nor there and did not assist the claimant's case. It begged the question as to whether ST 3.3 and ST 3.4 were even applicable in the first place.

41 As for the fact that the defendant's lawyers had commenced preparing the opinion pursuant to ST 3.3, in my view, the most that could be said was that the defendant was prepared at some point in time to commence the process under ST 3.3 but changed its mind after taking legal advice on the applicability of ST 3.3 and ST 3.4. This court still had to interpret the term "subject to ST 3.3 and 3.4" and decide whether a dispute as to whether ST 3.3 and ST 3.4 were applicable was a dispute that was "subject to ST 3.3 and 3.4".

42 Finally, I did not think that *Seeley* and *Maxx* assisted the claimant's case. Those cases concerned the interpretation of the specific provisions that were before the court. In *Seeley*, the court declined the application to stay the proceedings because it was of the view that the parties had not agreed to submit the claim in question to arbitration (at [38]). The court was of the view that the parties' agreement was to treat disputes to which cl 20.3 referred differently from the regime for arbitration (at [32]). In *Maxx*, the court found that on its plain wording, cl 54 imposed a legal obligation on the parties to refer their dispute to mediation, if negotiations failed (at [15]). Ultimately, I had to interpret the arbitration agreement in GT 14, specifically, the meaning of a dispute that was "subject to ST 3.3 and 3.4".

43 Further, in *Seeley* (at [19]), the respondent submitted that cl 20.3 of the exclusive distribution agreement did not expressly refer to injunctive or declaratory relief being granted by a court but merely made it clear that an arbitrator may grant such relief. The respondent further submitted that cl 20 of the exclusive distribution agreement amounted to an arbitration agreement in respect of the matters in issue between the parties. The court rejected the

respondent's submissions. The court found (at [32]) that the parties' agreement was to treat disputes to which cl 20.3 referred differently from the regime for arbitration. The court interpreted cl 20.3 to mean that it was part of the bargain between the parties as to how their disputes should be resolved where there was a threatened breach (encompassing conduct which one party asserted amounted to a breach and the other did not), a material breach or an *asserted* material breach (at [31]).

44 *Seeley* is quite different from the present case. In *Seeley*, the court found that disputes to which cl 20.3 referred were carved out from the arbitration agreement. The court's view was that cl 20.3 was applicable where there was a threatened breach (encompassing conduct which one party asserted amounted to a breach) and also where there was a material breach or an *asserted* material breach. In other words, the court's interpretation of cl 20.3 meant that cl 20.3 applied even though the threatened breach or material breach were disputed. *Seeley* is not authority for the claimant's submission that where a contract contains a clear carve out from the arbitration mechanism in certain circumstances, the carve out would naturally encompass any dispute over whether the said circumstances apply.¹¹ It is a matter of interpretation of the relevant provision in each case.

45 In the present case, it was not disputed that only disputes that were "subject to ST 3.3 and 3.4" were carved out from the arbitration agreement in GT 14. The only disputes that were "subject to ST 3.3 and 3.4" were disputes over whether a proposed settlement should be accepted and did not include disputes over whether ST 3.3 and ST 3.4 were applicable to the proposed settlement (see [36] and [39] above). Thus, the dispute as to whether ST 3.3 and

¹¹ Claimant's Written Submissions, at para 63.

ST 3.4 applied to the Draft Settlement Agreement was not carved out from, and instead fell squarely within, the arbitration agreement. Indeed, if the claimant's submission (that a carve out in certain circumstances would encompass disputes over whether the circumstances apply) was correct, that would have meant that the question as to whether ST 3.3 and ST 3.4 applied to the Draft Settlement Agreement would have been subject to the dispute resolution mechanism in ST 3.3 and ST 3.4. Clearly, that could not have been the parties' intention and neither was it the claimant's case.

46 In any event, the court in *Seeley* noted (at [31]) that clearly, the dispute concerned what may be a material breach and the respondent did not contend to the contrary. The question as to whether cl 20.3 was engaged was therefore not an issue before the court.

47 As for *Maxx*, the applicant's case was not that parties had to mediate before commencing arbitration but that parties had to refer the dispute to both mediation and arbitration, so long as arbitration had not been concluded (see *Maxx* at [7]). The issue before the court was thus simply whether there was a legal obligation to mediate. The issue before the court was not whether the question as to whether there was a legal obligation to mediate had to be decided by arbitration.

Conclusion

48 For the reasons above, I concluded that the underlying dispute in OA 189 was whether ST 3.3 and ST 3.4 were engaged in the circumstances. This was not a dispute that was "subject to ST 3.3 and 3.4" and thus was not carved out from GT 14. Instead, the dispute fell within the scope of the arbitration

agreement in GT 14. Therefore, I allowed the appeal and ordered that OA 189 be stayed pursuant to s 6 of the IAA.

49 I made the following orders on costs:

- (a) The claimant was to pay the defendant's costs of SUM 860 fixed at \$10,391 (inclusive of disbursements); and
- (b) The claimant was to pay the defendant's costs of RA 77 fixed at \$10,750.80 (inclusive of disbursements).

Chua Lee Ming
Judge of the High Court

Vergis S Abraham SC, Zhuo Jiaxiang and Veluri Hari (Providence
Law Asia LLC) for the claimant;
Aw Hon Wei, Adrian and Anand Shankar Tiwari s/o Sivakant Tiwari
(Resource Law LLC) for the defendant.
