## The phrase “arising from or relating” is generally given quite a wide interpretation by the courts in Singapore.

## In *The “Jian He”* [2000] 1 SLR 8 (“**Jian He**”), the Court held that:

## *“The wording of the jurisdiction clause was extremely wide and would cover a claim in tort if the claim arose under or had a “close connection” with the contract.”*

## The court in *Jian He* held that the close connection of the tortious claim to the contractual claim arising under the Bill of Lading meant that the dispute could not fall outside the jurisdiction clause.

## Similarly, Russell on Arbitration (21st Ed, 1997 Sweet & Maxwell) opined at paragraph 2-068 that:

## “*phrases such as ‘disputes arising under the contract’ and ‘disputes arising out of the contract’ do not cover disputes as to whether the contract was made in the first place, but otherwise have a wide meaning”*

## In *Societe Commerciale de Reassurance v Eras (International) Limited (formerly ERAS (UK)) and Others* [1992] 2 All ER 82, the Court opined that:

## *“In the present case the natural meaning of the reference to all disagreements arising "under the partnership"* ***must surely embrace at least those disputes which arise from allegations that there have been breaches of the contract which brought the partnership into existence.****”*

## [emphasis added]

## However, in *Sabah Shipyard (Pakistan) Ltd v Government of the Islamic Republic of Pakistan* [2004] 3 SLR 185 (“**Sabah Shipyard**”), the High Court opined that:

## *“To me, however, “arising out of”* [as compared to “arising in connection with”]***does seem to be the more restrictive phrase in that it would usually seem to require a more direct connection between the dispute*** *and the contract than the phrase “arising in connection with”.”*

## [emphasis added]

## However, the court in *Sabah Shipyard* noted that an earlier English case had decided that it was very difficult to make a distinction between the words “*arising out of*” and “*arising in connection with*” but was of the opinion that it was not bound by that decision.

## Therefore, it can be reasonably concluded that the court will tend to take a more liberal approach in the interpretation of such arbitration clauses and as long as the dispute in question bears a “close connection” with the underlying agreement.