



# Contract (Third Party Rights) (Scotland) Act 2017

## 2017 asp 5

### 9 Arbitration

- (1) In relation to a dispute to which subsection (2) or (3) applies, the person who has the third-party right mentioned in subsection (2) or (as the case may be) (3) is to be regarded as a party to the arbitration agreement mentioned in that subsection.
- (2) This subsection applies to a dispute if—
  - (a) the dispute concerns an undertaking being enforced or otherwise invoked by virtue of a person's third-party right to do so, and
  - (b) an arbitration agreement provides for a dispute on the matter under dispute to be resolved by arbitration.
- (3) This subsection applies to a dispute if—
  - (a) subsection (2) does not apply to the dispute,
  - (b) an arbitration agreement provides for a dispute on the matter under dispute to be resolved by arbitration,
  - (c) a person has a third-party right to enforce or otherwise invoke an undertaking to resolve a dispute on the matter by arbitration under the agreement, and
  - (d) the person who has the third-party right has—
    - (i) submitted the dispute to arbitration, or
    - (ii) sought a sist of legal proceedings concerning the matter under dispute on the basis that an arbitration agreement provides for a dispute on the matter to be resolved by arbitration.
- (4) For the purpose of subsection (3)(d)(i), the person who has the third-party right is to be regarded as having submitted the dispute to arbitration if the person has done whatever a party to the agreement would need to do in order to submit the dispute to arbitration.
- (5) A person is not to be regarded as having renounced a third-party right to enforce or otherwise invoke an undertaking to resolve a dispute by arbitration by bringing legal proceedings in relation to the dispute.
- (6) In this section—

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**Changes to legislation:** There are currently no known outstanding effects for the Contract (Third Party Rights) (Scotland) Act 2017, Section 9. (See end of Document for details)

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“arbitration agreement” has the meaning given by section 4 of the Arbitration (Scotland) Act 2010, and

“dispute” is to be construed in accordance with section 2(1) of that Act.

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**Commencement Information**

**II** S. 9 in force at 26.2.2018 by S.S.I. 2018/8, reg. 2

**Changes to legislation:**

There are currently no known outstanding effects for the Contract (Third Party Rights) (Scotland) Act 2017, Section 9.