

TOPIC: GTA Dispute Resolution System – Small Claims Arbitrations Release

DISTRIBUTION: GTA Members – primary contact list. Please circulate to all appropriate internal parties.

1. Purpose

The purpose of this Member Update is to advise members of the introduction of the **Small Claims Arbitration** process and related changes to the GTA Dispute Resolution Rules, Guidelines and Schedule of Fees.

2. Background

GTA administers a **Dispute Resolution Service (DRS)** with arbitrations conducted in accordance with the NSW Commercial Arbitration Act (the Act). GTA publishes Dispute Resolution Guidelines and Dispute Resolution Rules to assist, govern and guide the overall dispute resolution process.

It is important that the GTA DRS is efficient and effective and ultimately meeting the needs of members and industry. Consistent with this the GTA Board has approved a Small **Claims Arbitration service**. GTA consulted and sought member feedback on Small Claims Arbitrations via <u>Member Update 23 of 22</u> in October 2022.

3. Small Claims arbitration process

The Small Claims Arbitration process will:

- be compulsory for disputes with a claim value of less than \$15,000
- not apply to claims valued in excess of \$15,000
- issue binding Awards, rather than non-binding Opinions as per current Expert Determination
- provide efficiency for Parties and GTA.

The Small Claims process & fees are outlined below:

- Fee structure: \$2,000 (non-refundable) payable by Claimant on commencement (but which may be recoverable as part of the Final Award)
- Submissions are capped at three (3) pages in Points of Claim or Points of Defence with no more than ten (10) pages of supporting documentation
- GTA will appoint a sole Arbitrator (from its Panel of approved arbitrators)
- The final Award will include a brief statement of reasons
- The Arbitration Guidelines and Dispute Resolution Rules have been updated accordingly

• Small Claims Arbitration Model aligns with Commercial Arbitration Act

With the addition of Small Claims Arbitrations Model, Fast Track Arbitration will be compulsory for disputes with a claim between \$15,000 and \$50,000 (exclusive of interest and costs).

GTA Dispute Resolution Rules, Dispute Resolution Guidelines and Arbitration Fees Schedule have been revised and approved by GTA Board to incorporate the above changes.

Amended **Dispute Resolution Rules**, **Dispute Resolution Guidelines** and **Arbitration Fees Schedule** are effective from **19 December 2022** and can be found on <u>GTA website</u>.

4. Further Information

All queries in relation to the changes outlined above should be directed to <u>admin@graintrade.org.au</u> or (02)9235 2155.