

Hoban, Fergus v Coughlan, Kieran and Claire Riordan, and Frank Nyham (notice party)

12/5/2017 No. 2016/399 MCA [2017] IEHC 301

Facts: The applicant filed the present application for setting aside the arbitral award made by the notice party (“arbitrator”) in relation to the applicant’s liabilities under the relevant lease agreement entered into between the applicant and the respondents. The respondents claimed the payment of a sum due from the applicant on foot of the personal guarantee executed by the applicant.

Held: Mr. Justice Brian J. McGovern refused to set aside the arbitral award. The Court held that the award made by the arbitrator was a reasoned decision and every aspect was considered in detail. The Court found that the applicant was given proper notice of the appointment of the arbitrator, given the opportunity to partake in the arbitral process, and was informed of the date of arbitration, however, he did not respond. The Court held that the jurisdiction of the Court to set aside an arbitral award under art. 34 of the UNCITRAL Model Law (“Model Law”) was restricted and such jurisdiction should be exercised with utmost care. The Court held that under art. 25(c) of the Model Law, the arbitrator was entitled to make an award in the absence of the other party if the other party had reasonable notice of the arbitration hearing. The Court found that despite extensive engagement by the arbitrator, the applicant remained absent.