

## Case summary

### Issue(s)

When should an arbitrator make disclosure of circumstances which may give rise to justifiable doubts as to his impartiality?

### Facts

Halliburton Company ("Appellant") provided cementing and well monitoring services to BP in the Gulf of Mexico. Transocean Ltd also provided services to BP, including overlapping services to those provided by the Appellant. The Appellant entered into a liability policy with Chubb Bermuda Insurance Ltd (Formerly known as Ace Bermuda Insurance Ltd) (the "Respondent"). Transocean Ltd was also insured with the Respondent.

In 2010, there was an explosion and fire on an oil rig in the Gulf of Mexico, the "Deepwater Horizon" oil spill. As a result, thousands of civil claims were brought against BP, Halliburton and Transocean. BP also claimed against Halliburton and Transocean.

Following a trial in the US in which judgment was given apportioning blame between the parties, the Appellant concluded a settlement to agree the amount of damages. The Appellant sought to claim a proportion of this settlement under its insurance policy. The Respondent declined to pay the Appellant's claim. Arbitration was commenced. Both parties selected their own arbitrator, but the parties were unable to agree the Chairman of the arbitration. This resulted in an application to the High Court. The result of which was that the Respondent's first-choice candidate "M" was selected.

The appeal arises out of the discovery by the Appellant in 2016 that subsequent to M's appointment and without the Appellant's knowledge, M had accepted appointment as an arbitrator in two other references both of which arose out of the same Deepwater Horizon incident (i) Transocean's claim against the Respondent; and (ii) a nomination by another insurer to arbitrate another claim by Transocean arising out of the same incident.

In December 2016, the Appellant applied to the court to remove M as arbitrator. That application was refused.