

[For Publication on 1 December, 2025]

The Financial Dispute Resolution Centre (FDRC) issues Guideline No. 7 pursuant to Paragraph 3.2 of Section A in the Terms of Reference (ToR) as follows. The Guideline takes immediate effect upon its issuance (i.e. 1 December, 2025).

Guideline No. 7: Protocol for handling mediation and/or arbitration cases with claim amount over HKD 10,000,000

The FDRC adopts the following procedures for mediation and/ or arbitration cases with claim amount over HKD 10,000,000.

(A) Procedure for handling mediation cases with claim amount over HKD 10,000,000

Where an Applicant submits an Application to the FDRC for mediation under the Financial Dispute Resolution Scheme (FDRS), and where both parties to the dispute agree that the claim amount is over HKD 10,000,000, the following procedures apply.

- (i) Upon acceptance of the case, a non-refundable deposit of HKD 4,000 and HKD 20,000 from the Eligible Claimant (EC) and the Financial Institution (FI) respectively would be paid to the FDRC. An FI which qualifies as a Small Enterprise (SE) may file a claim as an EC. In such case, the non-refundable deposit and the mediation fee will be shared equally by the SE and other FI.
- (ii) Upon full payment of the above, the FDRC will consult both parties regarding their preferences for mediator.
- (iii) Taking into account the parties' views, the FDRC will approach three mediators for fee quotes.
- (iv) For each mediation case, the FDRC charges an administrative fee in a fixed sum of HKD 5,000, which is paid by the parties involved. For administrative convenience, we do not issue separate invoices for this fee. Instead, the administrative fee will be deducted directly from the total amount paid to the mediator. Because of this arrangement, the mediator should include the HKD 5,000 administrative fee in the fee quote.
- (v) The names, CVs and fee quotes of the three mediators would be relayed to the parties.
- (vi) If both parties select the same mediator, the FDRC would proceed with the engagement of that mediator.

- (vii) If the parties are unable to agree on any of the proposed mediators, the FDRC will select and appoint a mediator who is not among the three mediators initially suggested and inform the parties accordingly. The fees of the appointed mediator shall fall within the range of fees quoted by the initial three mediators.
- (viii) The fees of the mediator appointed in para (vi) or (vii) above shall be fully paid upon confirmation of the choice of the mediator and shall be shared between the EC and the FI in the ratio of 1:5. Deposit paid upon acceptance of the case (para (i) above) would be taken into account.
- (ix) Upon full payment of the above, the FDRC would proceed with the appointment. For avoidance of doubt, if full payment has not been made by the EC, the case shall be regarded as withdrawn.

(B) Procedure for handling arbitration cases with claim amount over HKD 10,000,000

Where a Claimant to a dispute with a claim amount over HKD 10,000,000 proceeds with an Arbitration at the FDRC under the FDRS pursuant to Arbitration Agreement as stated in Clause 30 of the Agreement to Mediate (Mediation First, Arbitration Next) or Clause 1 of Arbitration Agreement (Arbitration Only), the ***Procedure for handling mediation cases with claim amount over HKD 10,000,000*** (i.e. Section (A) above) applies to the handling of the arbitration case with the following modifications:

- (i) A non-refundable deposit is to be paid upon receipt of (a) the Notice to Arbitrate and (b) the Response to the Notice to Arbitrate. The deposit is HKD 16,000 for EC and HKD 64,000 for FI. An FI which qualifies as Small Enterprise (SE) may file a claim as EC, but the non-refundable deposit and the arbitration fee will be shared equally by the SE and other FI.
- (ii) The administration charge of the FDRC is HKD 10,000 per arbitration case.
- (iii) Upon confirmation of the choice of the arbitrator, the balance of the fees payable to the arbitrator (i.e. the fees net of deposit paid) shall be paid and be shared between the EC and the FI in the ratio of 1:4 (for documents-only arbitration) or 1:1 (for in-person hearing).

Dated 1 December 2025

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