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Dilemma for Parties Choosing to Serve Documents by Registered Post under the Construction Industry Payment and Adjudication Act 2012 ("CIPAA"): Lesser Time to Prepare Documents

The service of notices and documents under CIPAA are to be effected by one out of the four modes of service as set out in **Section 38 CIPAA**. Consequently, **Section 38(c) CIPAA** provides for the notice or document to be served "by registered post". The question that arises is when would the notice / document be deemed to have been served?

This is significant, particularly since CIPAA provides for a stringent timeline within which the adjudication papers are to be served, irrespective of the locality of the sender and receiver:

Documents	Period
Acceptance of appointment by the Adjudicator	10 working days
Adjudication Claim	10 working days
Adjudication Response	10 working days
Adjudication Reply	5 working days
Adjudication Decision	45 working days

The AIAC, last month, by its CIPAA Circular No.11 dated 1.4.2022, clarified that where service of a notice / document is effected by

<sup>1</sup> Construction Industry Payment and Adjudication Act 2012, s38



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registered post, the rebuttable presumption is that the delivery is deemed effected; "when such notice and / or documents would have been delivered <u>in its ordinary course</u>".

"In its ordinary course" is dependent on the locality and distance between the sender and receiver. The onus is on the sender to ensure that a sufficient period of time is allocated within the timelines under CIPAA to effect service by registered post.

For example, the High Court in <u>Ruhimin Adzim @ Ruhimin Bin</u> <u>Ajim v Tan Sri Bernard Dompok & Ors</u><sup>2</sup> [2005] 1 MLJ 345 observed, based on the evidence produced in the proceedings, a document delivered by registered post from Kota Kinabalu to Putrajaya would be deemed to have been "delivered in its ordinary course" 4 working days after the date of posting.

As an analogy, a Kota Kinabalu based Claimant would only have 1 working day to prepare and post its Adjudication Reply to a Respondent based in Putrajaya.

As such, considering the risks that may arise from the service of notice / documents by registered post, it is advisable for the parties to:

- i. agree, pursuant to <u>Section 38(d) CIPAA</u>, on an instantaneous mode of service such as email; and / or
- ii. where possible, effect delivery by personal service pursuant to **Section 38(a) and (b) CIPAA.**

As it may not always be the case that delivery of notices / documents can be practically effected by personal service, or that parties can agree on an instantaneous mode of service, it may be worthwhile for amendments to be introduced to <u>Section 38 of CIPAA</u> to include other instantaneous modes of service such as email, courier etc.

If you have any queries, please contact associate, Kok Hao Ying (<a href="mailto:khy@lh-ag.com">khy@lh-ag.com</a>) or team partner, <a href="mailto:Darshendev Singh">Darshendev Singh</a> (<a href="mailto:ds@lh-ag.com">ds@lh-ag.com</a>).

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