

Dispute Resolution in the Restructuring of Defaulted Sukuk: An Empirical Investigation in Malaysia.

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- **Abstract:** The objective of the study is to empirically investigate the dispute resolution in the restructuring of defaulted corporate sukuk in Malaysia. Under Malaysia law system, the disputing parties may resolve their business dispute through the court or various Alternative Dispute Resolution (ADR) mechanisms. The ADR includes negotiation, mediation and arbitration mechanism. The finding suggests that the disputing parties may utilize a combination of dispute resolution mechanisms to restructure the defaulted sukuk. The negotiation tends to be used as the first option, then followed by the court trial or mediation. The finding implies that the disputing parties should consider any possible dispute resolution method under the jurisdiction where a sukuk is structured to resolve the defaulted sukuk.
- **Keywords:** Alternative Dispute Resolution, jurisdiction, Malaysia law system