

SEC. 2. *And be it further enacted, That Sections 1 through 5, inclusive, of Article 7 of the said Code, title "Arbitration and Award," be and they are hereby repealed, and that new Sections 1 through 23, inclusive, be and they are hereby enacted in lieu thereof, to stand in the place of the sections so repealed, and to read as follows:*

1.

*A written agreement to submit any existing controversy to arbitration or a provision in a written contract to submit to arbitration any controversy thereafter arising between the parties is valid, enforceable and irrevocable, save upon such grounds as exist at law or in equity for the revocation of any contract. This article does not apply to an arbitration agreement between employers and employees or between their respective representatives unless it is expressly provided in such agreement that this article shall apply.*

2.

(a) *On application of a party showing an agreement described in Section 1, and the opposing party's refusal to arbitrate, the court shall order the parties to proceed with arbitration, but if the opposing party denies the existence of the agreement to arbitrate, the court shall proceed expeditiously to the determination of the issue so raised and shall order arbitration if found for the moving party, otherwise, the application shall be denied.*

(b) *On application, the court may stay an arbitration proceeding commenced or threatened on a showing that there is no agreement to arbitrate as described in Section 1. Such an issue, when in substantial and bona fide dispute, shall be forthwith tried and the stay ordered if found for the moving party. If found for the opposing party, the court shall order the parties to proceed to arbitration.*

(c) *If an issue referable to arbitration under the alleged agreement is involved in an action or proceeding pending in a court having jurisdiction to hear applications under subsection (a) of this section, the application shall be made therein. Otherwise and subject to Section 17, the application may be made in any court of competent jurisdiction.*

(d) *Any action or proceeding involving an issue subject to arbitration shall be stayed if an order for arbitration or an application therefor has been made under this section or, if the issue is severable, the stay may be with respect thereto only. When the application is made in such action or proceeding, the order for arbitration shall include such stay.*

(e) *An order for arbitration shall not be refused or an arbitration proceeding stayed on the ground that the claim in issue lacks merit or bona fides or because a valid basis for the claim sought to be arbitrated has not been shown.*

3.

*If the arbitration agreement provides a method of appointment of arbitrators, this method shall be followed. In the absence thereof, or if the agreed method fails or for any reason cannot be followed,*