

ANNEX I

SCHEDULE OF COSTS AND ARBITRATORS' FEES

Pursuant to the terms of the Arbitration Rules, hereinafter referred to as Rules, the costs for the administration of proceedings encompass¹:

1. FILING FEE

1.1. The Filing Fee shall be paid by the Claimant on the date of the submission of a request for arbitration, at the rate of one percent (1%) of the amount of the dispute, subject to the following:

a) The minimum amount shall be three thousand Brazilian reais (R\$ 3,000.00);

b) The maximum amount shall be five thousand Brazilian reais (R\$ 5,000.00).

1.2. Should it be impossible to determine the amount of the dispute, the Claimant shall pay the minimum amount, for purposes of Filing Fee, which shall be supplemented upon determination of the amount of the dispute to be set out in the Terms of Reference, or as determined afterwards.

1.3. The Filing Fee is non-refundable.

¹ This item was altered by Resolution no. 2/2016 of August 18, 2016, in view of the creation of a specific Schedule of Costs and Mediators' Fees (Annex III).

2. ADMINISTRATION FEE

2.1. The Administration Fee shall be equivalent to two percent (2%) of the amount of the dispute, subject to the following:

Amount of the Dispute		Administration Fee
Below R\$ 30,000,000.00, the minimum amount shall be R\$ 10,000.00 and the maximum shall be R\$ 120,000.00.		
From	To	Administration Fee (cap)
R\$ 30,000,000.01	R\$ 45,000,000.00	R\$ 140,000.00
R\$ 45,000,000.01	R\$ 120,000,000.00	R\$ 170,000.00
R\$ 120,000,000.01	R\$ 250,000,000.00	R\$ 180,000.00
From R\$ 250,000,000.01 or higher		R\$ 190,000.00

2.2. Should it be impossible to determine the amount of the dispute, the parties shall pay the minimum amount, which shall be supplemented upon determination of the amount of the dispute in the Terms of Reference, and/or as determined in the course of proceedings.

2.3. The Administration Fee shall be equally divided between Claimant(s) and Respondent(s), at the rate of fifty percent (50%).

2.4. The Secretary General of the Chamber, following receipt of the request for commencing arbitral proceedings, shall notify the parties for them to pay the Administration Fee within no more than fifteen (15) days.

2.5. The Administrative Fee is non-refundable.

3. ARBITRATORS' FEES

3.1. Arbitrators' fees shall be equally divided between Claimant(s) and Respondent(s), at the rate of fifty percent (50%), according to the following table:

3.1.1. Claims of up to R\$ 7,999,999.99:

Amount of the Dispute (R\$)	Minimum Hours per arbitrator	Per hour (R\$)
Up to 100,000.00	20	500.00
From 100,000.01 to 500,000.00	40	500.00
From 500,000.01 to 1,000,000.00	80	500.00
From 1,000,000.01 to 3,000,000.00	100	500.00
From 3,000,000.01 to 7,999,999.99	105	500.00

3.1.2. Disputes in the amount equal to or exceeding R\$8,000,000.00:

Amount of the Dispute (R\$)		Fees (R\$)		
Minimum (R\$)	Maximum (R\$)	Minimum (R\$)	Intermediary (R\$)	Maximum (R\$)
8,000,000	10,000,000	103,700	minimum + 0.574% of the difference between the minimum amount within the range and the amount of the dispute	115,180
10,000,001	15,000,000	115,180	minimum + 0.352% of the difference between the minimum amount within the range and the amount of the dispute	132,780
15,000,001	20,000,000	132,780	minimum + 0.337% of the difference between the minimum amount within the range and the amount of the dispute	149,630
20,000,001	25,000,000	149,630	minimum + 0.128% of the difference between the minimum amount within the range and the amount of the dispute	156,030
25,000,001	50,000,000	156,030	minimum + 0.099% of the difference between the minimum amount within the range and the amount of the dispute	180,780

50,000,001	100,000,000	180,780	minimum + 0.094% of the difference between the minimum amount within the range and the amount of the dispute	227,780
100,000,001	150,000,000	227,780	minimum + 0.070% of the difference between the minimum amount within the range and the amount of the dispute	262,780
150,000,001	200,000,000	262,780	minimum + 0.070% of the difference between the minimum amount within the range and the amount of the dispute	297,780
200,000,001	250,000,000	297,780	minimum + 0.051% of the difference between the minimum amount within the range and the amount of the dispute	323,280
250,000,001	300,000,000	323,280	minimum + 0.051% of the difference between the minimum amount within the range and the amount of the dispute	348,780
300,000,001	350,000,000	348,780	minimum + 0.051% of the difference between the minimum amount within the range and the amount of the dispute	374,280
350,000,001	400,000,000	374,280	minimum + 0.051% of the difference between the minimum amount within the range and the amount of the dispute	399,780
400,000,001	450,000,000	399,780	minimum + 0.049% of the difference between the minimum amount within the range and the amount of the dispute	424,280
450,000,001	500,000,000	424,280	minimum + 0.049% of the difference between the minimum amount within the range and the amount of the dispute	448,780
500,000,001	550,000,000	448,780	minimum + 0.049% of the difference between the minimum amount within the range and the amount of the dispute	473,280
550,000,001	600,000,000	473,280	minimum + 0.049% of the difference between the minimum amount within the range and the amount of the dispute	497,780

600,000,001	-	497,780	minimum + 0.049% of the difference between the minimum amount within the range and the amount of the dispute	-
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3.1.3. The amounts under item 3.1.2 shall be multiplied by the number of arbitrators, and the President of the Arbitral Tribunal shall be entitled to forty percent (40%) of the total fees, and each co-arbitrator shall be entitled to thirty percent (30%) of the total fees.

3.1.4. For the cases referred to in item 3.1.2, except as otherwise expressly provided in the Terms of Reference, the closure of the proceedings by withdrawal or agreement between the parties entails the payment of arbitrators' fees according to the following² :

- a) after the signing of the Terms of Reference, and before the hearing for production of evidence, arbitrators will be entitled to 70% of fixed fees;
- b) after the hearing for production of evidence, 100% of fixed fees will be due.

Sole Paragraph. In case the arbitration is terminated before the execution of the Terms of Reference, the arbitrators will be entitled to the hours duly worked, both in the event of item 3.1.1 as well as of item 3.1.2.

3.2. Where the request for arbitration fails to mention the exact amount of the dispute, the Secretary General of the Chamber shall determine the payment of the minimum amount of the arbitrators' fees, which may be supplemented in the course of proceedings, according to the amount determined.

² Item 3.1.4 and its Sole Paragraph have been included in Annex I – Schedule of Costs and Arbitrators' Fees by Resolution no. 2/2015, of December 16, 2015.

3.2.1. The arbitrators may, at any time, inform the Secretary General of the Chamber about any elements justifying a change to the amount of the dispute. The President of the Chamber shall issue a decision in this respect, upon consideration of the elements provided.

3.3. The Secretary General of the Chamber shall send a collection notice to the parties demanding prepayment of the arbitrators' fees within fifteen (15) days following the request for arbitration.

3.4. Payment to the arbitrators shall be made in three installments, as follows:

a) Thirty percent (30%) upon the filing of Replies;

b) Thirty percent (30%) upon the closing of the production of evidence; and

c) Forty percent (40%) following the entering of the award.

3.5. The arbitrator shall send a report concerning the expenses incurred, accompanied by the relevant original receipts, whenever so requested by the Secretary General of the Chamber.

3.6. Upon the entering of the award, the arbitrators shall submit a report on the hours worked, and the Secretary General of the Chamber may request such reports in the course of proceedings.

4. REVOKED ³

3. Item 4 and its subparagraphs were revoked by Resolution no. 2/2016, dated August 18, 2016, in view of the creation of a specific Schedule of Costs and Mediators' Fees (Annex III).

5. EXPENSES

- 5.1. Payment of expenses in advance shall be equally divided between Claimant(s) and Respondent(s), at the rate of fifty percent (50%), at the request of the Secretary General of the Chamber.
- 5.2. The party requesting any action or remedy shall prepay the expenses connected therewith.
- 5.3. The parties, at the request of the Secretary General of the Chamber, shall prepay costs incurred by the arbitrators with travel expenses, costs connected with any challenge of arbitrators, actions taken outside the place of arbitration, meetings held outside the Chamber regular hours or at other locations, experts' fees and expenses, interpreter services, stenography and other resources needed in the course of proceedings.
- 5.4. The party requesting expert examination shall prepay the costs thereof, unless otherwise determined by the Arbitral Tribunal. Expert works shall only begin following full payment of the experts' fees. The Secretary General of the Chamber shall pay the expert based on the hours' report submitted by the expert.
- 5.5. Where the language of the arbitral proceedings is a foreign language, the Secretariat of the Chamber may hire one or more secretaries who master the chosen language, whose fees and expenses shall be divided between the parties.

6. GENERAL PROVISIONS

- 6.1. The arbitral costs include the arbitrators' fees and expenses, the Filing Fee, the Administration Fee, according to the applicable schedule in force on the date of the request for arbitration, as well as the fees and expenses incurred with experts appointed by the Arbitral Tribunal and the expenses incurred in developing the arbitral proceedings.

- 6.2. The President of the Chamber may, under item 3.1.2, set the arbitrators' fees at lower or higher amounts, within up to twenty percent (20%) of the amount stated in the Schedule of Fees, if deemed fit, considering the exceptional circumstances surrounding the case, such as the number of parties, the level of complexity of the case, the amount at issue, etc.
- 6.3. Should either party fail to pay for the amount owed by it under Annex I and/or agreement of the parties, the other party may pay for it in order to prevent the arbitral proceedings from being suspended or closed.
- 6.4. When payment is made by the other party, the Secretary General of the Chamber shall inform the parties and the Arbitral Tribunal that the pleadings of the defaulting party, if any, are not to be examined.
- 6.5. Should no payment be made on the due date, the Secretary General of the Chamber, following consultation with the President of the Chamber and/or with the Chairman of the Arbitral Tribunal, may suspend the proceedings for up to two (2) months. Upon expiration of such period, if no payment is made, the proceedings shall be closed, at the discretion of the President of the Chamber and/or the Chairman of the Arbitral Tribunal.
- 6.6. Either party may, within the time-period set in item 6.5, request that the proceedings be restarted, provided that all pending costs be duly paid.
- 6.7. Upon submission of a counterclaim, the amount of the main claim shall be added the amount of the counterclaim. Once the amount is determined, it shall be equally divided between Claimant(s) and Respondent(s), at the rate of fifty percent (50%), at the request of the Secretariat of the Chamber.
- 6.8. The Chamber may refuse to administer the arbitral proceedings unless the fees, arbitrators' fees and expenses are duly paid.

- 6.9. Any requests for compensation of arbitration costs, as well as any requests for payment of the arbitration costs in a different manner, shall be analyzed by the President of the Chamber.
- 6.10. Cases not provided for or special situations shall be decided by the President of the Chamber.
- 6.11. The Secretary General of the Chamber may grant supplementary time-periods for the parties to make any deposits.
- 6.12. In arbitral proceedings administered by the Chamber, if a request for payment of costs and arbitrators' fees in installments is granted, the proceedings shall only continue upon payment of the last installment.
- 6.13. The other sums concerning expenses, as well as any supplementary payment of arbitration costs, shall be requested by the Secretary General of the Chamber to the parties, as needed.
- 6.14. The President of the Chamber is exclusively competent to decide on costs relative to arbitral proceedings, except where he determines that such decision shall be made by the Arbitral Tribunal.
- 6.15. At the end of the arbitral proceedings, the Secretary General of the Chamber shall present to the parties a statement of costs, arbitrators' fees and expenses, and request payment of any pending amounts, subject to the terms of the arbitral award as regards the liability for payment therefor.
- 6.16. The arbitral award shall determine the liability for payment of the arbitration costs.
- 6.17. Revoked⁴.

⁴ Item 6.17 was revoked by the Resolution no. 2/2016 of August 18, 2016, in view of the creation of a specific Schedule of Costs and Mediators' Fees (Annex III).

- 6.18. No alteration and/or agreement involving the arbitrators' fees may be negotiated between the parties and the arbitrators.
- 6.19. In *ad hoc* arbitrations where the President of the Chamber performs the function of authority in charge of appointing arbitrators, as agreed by the parties in their arbitration agreement, the party requesting the arbitration shall, following the appointment of the arbitrator(s), pay for the maximum amount corresponding to the Filing Fee set out in this schedule, in effect on the date of the request.
- 6.20. In the event of challenge of an arbitrator, the challenging party shall, together with the challenge, pay for the minimum amount of the Administration Fee and pay in advance the fees owed to the members of the Committee under Item 7.3 of the Arbitration Rules, and such members will be entitled to the hours effectively worked to rule on the challenge, assuring a minimum of ten hours to each member. The value of the hour will be of R\$500.00. Failure to make such payment shall cause the challenge to be closed and the arbitration to continue.
- 6.21. No arbitral award entered in arbitral proceedings administered by the Chamber shall be delivered to the parties without full payment of the arbitration costs.
- 6.22. Failure to pay for the arbitration costs shall entitle the Center of Industries of the State of São Paulo (Ciesp) to enforce, both in-court and out-of-court, the payment of relevant fees, the arbitrators' fees and expenses hereunder.
- 6.23. This Annex I is an integral part of the Rules issued by the Chamber, duly approved under the Bylaws on November 29, 2012, and is effective as of August 1, 2013.

⁵ This item was modified by Resolution no. 1/2016, dated July 13, 2016.