# ANNEX III

# SCHEDULE OF COSTS AND MEDIATORS' FEES

Pursuant to the Mediation Rules, the mediation proceedings' costs include:

### **1. ADMINISTRATION FEE**

1.1. The Administration Fee shall be equivalent to one percent (1%) of the amount involved in the conflict, subject to the following:

a) The minimum amount shall be one thousand reais (R\$ 1,000.00);

b) The maximum amount shall be five thousand reais (R\$ 5,000,00).

- 1.2. Should the amount involved in the claim be impossible to define, the Secretary General of the Chamber shall request the payment of the minimum amount, which shall be supplemented in the course of proceedings, according to the total then ascertained.
- 1.3. The Administration Fee shall be fully owed by each party before execution of the Statement of Mediation, and is non-refundable.

#### 2. MEDIATOR'S FEES

2.1.The mediator's fee shall equally divided between the Claimant(s) and Respondent(s), at the rate of fifty percent (50%), according to the following schedule:

ESTIMATED AMOUNT OF THE CONTROVERSY	HOUR FEE
Up to R\$ 500,000.00	R\$ 350.00
R\$ 500,000.01 to R\$ 1,000,000.00	R\$ 500.00
R\$ 1,000,000.01 to R\$ 2,000,000.00	R\$ 700.00
R\$ 2,000,000.01 to R\$ 10,000,000.00	R\$ 900.00
More than R\$ 10,000,000.01	R\$ 1,000.00

- 2.1.1. For cases involving sums lower than R\$ 500,000.00, the fees owed to the mediator shall be calculated by taking into consideration only the hours effectively worked. Before execution of the Statement of Mediation, the parties shall pay a sum equivalent to 10 hours, and any remaining balance shall be returned at the end of the proceedings.
- 2.1.2. For cases involving sums over R\$ 500,000.00, the parties shall pay at least 20 hours to the mediator, subject to a supplementary amount in the course of proceedings. The minimum hours shall be paid by the parties before execution of the Statement of Mediation.

2.1.2.1. The mediator shall only be entitled to the minimum hours if at least one mediation meeting has been held.

2.1.2.2. Should either party abandon the arbitration following the execution of the Statement of Mediation and before the first mediation meeting, the mediator shall be entitled to the hours effectively worked.

- 2.2. Under exceptional circumstances, the parties, upon consent of the mediator, may establish different compensation terms.
- 2.3. Where the amount of the dispute is not mentioned, the Secretary General of the Chamber shall determine the payment of the minimum amount of the mediator's fees, which may be supplemented in the course of proceedings, according to the amount then ascertained.

- 2.3.1. The mediator may, at any time, inform the Secretary General of the Chamber of the existence of elements justifying the amendment to the amount of the dispute. The President of the Chamber shall decide thereon, considering all the elements informed in such respect.
- 2.4. The mediator's fees shall be paid in advance by the parties whenever so requested by the Secretary General of the Chamber.
- 2.5. The mediator shall send a report on the hours worked and expenses incurred, together with the relevant original receipts, whenever so requested by the Secretary General of the Chamber.
- 2.5.1. Payment to the mediator shall be made at the end of the proceedings. For cases exceeding R\$ 500,000.00, the mediator may request the withdrawal of the minimum hours deposited if the number of hours worked exceeds the minimum amount, and the remaining balance of hours worked shall be paid at the end of the proceedings.

# **3. EXPENSES**

- 3.1. Payment of expenses in advance shall be equally divided between the sides of the proceedings, at the rate of fifty percent (50%), whenever so requested by the Secretary General of the Chamber.
- 3.1.1. In order to request the initiation of mediation proceedings, the requesting party shall pay in advance the amount necessary to create an expenses fund, as requested by the Secretary General. The other party shall pay for the same amount when so requested by the Secretary General of the Chamber.
- 3.2. The party requesting any action shall prepay the relevant expense necessary for performance thereof.

3.3. The parties shall prepay, when so requested by the Secretary General of the Chamber, the mediator's expenses concerning mediation meetings, mail, courier, or any other resource used for development of the proceedings.

## 4. GENERAL PROVISIONS

- 4.1. The costs of the mediation include the Administration Fee, the mediators' fees and expenses, and the expenses incurred in the development of the mediation proceedings.
- 4.2. If either party fails to pay for the sum owed by it, the other party may make such payment to prevent suspension or ending of the mediation proceedings, according to the provisions contained in this Annex III and/or agreement between the parties.
- 4.3. If no payment is made on the respective due date, the proceedings may be closed at the discretion of the President of the Chamber's and/or Mediator's discretion.
- 4.4. The Chamber may refuse to administer the mediation proceedings if the administration fee, the mediator fees, and the expenses are not paid.
- 4.5. Any requests for reimbursement of mediation costs, as well as the payment of mediation costs in a different manner, shall be analyzed by the President of the Chamber.
- 4.6. Cases not provided for or specific situations shall be decided by the President of the Chamber.
- 4.7. The Secretary General of the Chamber may grant additional time for the parties to make any deposits.
- 4.8. Other sums relative to expenses, as well as supplementary payments of mediation costs, shall be requested by the Secretary General of the Chamber to the parties, as needed.

- 4.9. The President of the Chamber is exclusively competent to resolve on costs concerning mediation proceedings, except in cases where it deems necessary for the Mediator to do so.
- 4.10.At the end of the mediation proceedings, the Secretary General of the Chamber shall submit to the parties a statement containing the costs, the mediator's fees and the relevant expenses.
- 4.11.Should either party be a member of Ciesp, a 10% discount shall be applied on the administration fee and on the mediator's fees for all the parties involved in the proceedings.
- 4.12. Should arbitral proceedings be initiated between the same parties involved in the mediation proceedings, the amount owed as filing fee by the party requesting the arbitration shall be deducted from the administration fee paid by such party in the mediation proceedings. If the amount paid is lower than the relevant filing fee, the party shall pay for the difference upon request for initiation of the arbitral proceedings.
- 4.13.A party presenting a package of at least 5 cases for mediation on the same date shall be afforded a 20% discount on the administration fee owed on each case.
- 4.14.In the event of failure to pay for mediation costs, the Center of Industries of the State of São Paulo may seek, either in court or out of court, payment of the fees, the mediator's fees and the expenses under this Annex III.
- 4.15. This Annex III is an integral part of the Mediation Rules issued by the Chamber, duly approved under its Bylaws on August 18, 2016, and applies to the proceedings initiating from the present date.