

SCHEDULE OF ARBITRATION COSTS (LCIA)

effective 1 October 2014

For arbitrations conducted under the LCIA arbitration rules (the Rules).

This schedule of arbitration costs (the Schedule), as amended from time to time by the LCIA, forms part of the Rules, and will apply in all current and future arbitrations as from its effective date.

1. Administrative charges

1(i) Registration Fee (payable in advance with the Request for Arbitration: non-refundable). **£1,750**

1(ii) Time spent* by the Secretariat of the LCIA in the administration of the arbitration.**

Registrar / Deputy Registrar	£250 per hour
Counsel	£225 per hour
Case administrators	£175 per hour
Casework accounting functions	£150 per hour

1(iii) Time spent by members of the LCIA Court in carrying out their functions in deciding any challenge brought under the Rules.**

at hourly rates advised by members of the LCIA Court

1(iv) A sum equivalent to 5% of the fees of the Tribunal (excluding expenses) in respect of the LCIA's general overhead.**

1(v) Expenses incurred by the Secretariat and by members of the LCIA Court, in connection with the arbitration (such as postage, telephone, facsimile, travel etc.), and additional arbitration support services, whether provided by the Secretariat or by the members of the LCIA Court from their own resources or otherwise.**

1(vi) The LCIA's charges will be invoiced in sterling, but may be paid in other convertible currencies, at rates prevailing at the time of payment.

1(vii) Charges may be subject to Value Added Tax at the prevailing rate.

2. Fees and expenses of the Tribunal

2(i) The Tribunal's fees will be calculated by reference to work done by its members in connection with the arbitration and will be charged at rates appropriate to the particular circumstances of the case, including its complexity and the special qualifications of the arbitrators. The Tribunal shall agree in writing upon fee rates conforming to the Schedule prior to its appointment by the LCIA Court. The rates will be advised by the Registrar to the parties at the time of the appointment of the

Tribunal, but may be reviewed if the duration or a change in the circumstances of the arbitration requires.

Fees shall be at hourly rates **not exceeding £450**.

However, in exceptional cases, the rate may be higher, provided that, in such cases, (i) the fees of the Tribunal shall be fixed by the LCIA Court on the recommendation of the Registrar, following consultations with the arbitrator(s), and (ii) the fees shall be agreed expressly by all parties.

- 2(ii) The Tribunal's fees may include a charge for time spent travelling.
- 2(iii) The Tribunal's fees may also include a charge for time reserved but not used as a result of late postponement or cancellation of hearings, provided that the basis for such charge shall be advised in writing to, and approved by, the LCIA Court and that the parties have been informed in advance.
- 2(iv) The Tribunal may also recover such expenses as are reasonably incurred in connection with the arbitration, and as are reasonable in amount, provided that claims for expenses should be supported by invoices or receipts.
- 2(v) The Tribunal's fees shall be invoiced in the currency of account between the Tribunal and the parties.
- 2(vi) In the event of the revocation of the appointment of any arbitrator, pursuant to the provisions of Article 10 of the Rules, the LCIA Court shall, in accordance with Article 10.7, determine the amount of fees and expenses (if any) to be paid for the former arbitrator's services as it may consider appropriate in all the circumstances.
- 2(vii) Charges may be subject to Value Added Tax at the prevailing rate.

3. Deposits

- 3(i) The LCIA Court may direct the parties, in such proportions and at such times as it thinks appropriate, to make one or more payments to the LCIA on account of the costs of the arbitration, other than the legal or other expenses incurred by the parties themselves (the Arbitration Costs). Such payments deposited by the parties may be applied by the LCIA Court to pay any item of such Arbitration Costs (including the LCIA's own fees and expenses) in accordance with the LCIA Rules.
- 3(ii) All payments made by parties on account of the Arbitration Costs shall be held by the LCIA in trust under English law in England, to be disbursed or otherwise applied by the LCIA in accordance with the LCIA Rules and invested having regard also to the interests of the LCIA. Each payment made by a party shall be credited by the LCIA with interest at the rate from time to time credited to an overnight deposit of that amount with the bank(s) engaged by the LCIA to manage deposits from time to time; and any surplus income (beyond such interest) shall accrue for the sole benefit of the LCIA. In the event that payments (with such interest) exceed the total amount of the Arbitration Costs at the conclusion of the arbitration, the excess amount shall be returned by the LCIA to the parties as the ultimate default beneficiaries of the trust.

- 3(iii) Save for exceptional circumstances, the Arbitral Tribunal should not proceed with the arbitration without having ascertained from the Registrar that the LCIA is or will be in requisite funds as regards outstanding and future Arbitration Costs.
- 3(iv) In the event that a party fails or refuses to make any payment on account of the Arbitration Costs as directed by the LCIA Court, the LCIA Court may direct the other party or parties to effect a substitute payment to allow the arbitration to proceed (subject to any order or award on Arbitration Costs).
- 3(v) In such circumstances, the party effecting the substitute payment may request the Arbitral Tribunal to make an order or award in order to recover that amount as a debt immediately due and payable to that party by the defaulting party, together with any interest.

4. Interim payments

When interim payments are required to cover any part of the Arbitration Costs, including the LCIA's administrative charges; the fees or expenses of members of the LCIA Court, the Tribunal's fees or expenses, including the fees or expenses of any expert appointed by the Tribunal, the fees or expenses of any Secretary to the Tribunal; or charges for hearing rooms and other support services, such payments may be made against the invoices for any of the above from funds held on deposit. If no or insufficient funds are held at the time the interim payment is required, the invoices for any of the above may be submitted for payment direct by the parties.

5. Registrar's authority

- 5(i) For the purposes of sections 3(i) and 3(iv) above, and of Articles 24.1 and 24.4 of the Rules, the Registrar has the authority of the LCIA Court to make the directions referred to, under the supervision of the Court.
- 5(ii) For the purposes of section 4 above, and of Article 24.1 of the Rules, the Registrar has the authority of the LCIA Court to approve the payments referred to.
- 5(iii) Any request by an arbitrator for payment on account of his fees shall be supported by a fee note, which shall include, or be accompanied by, a detailed breakdown of the time spent at the rates that have been advised to the parties by the LCIA, and the fee note will be forwarded to the parties prior to settlement of the account.
- 5(iv) Any dispute regarding the LCIA's administrative charges, or the fees and expenses of the Tribunal shall be determined by the LCIA Court.

6. Arbitration costs

- 6(i) The parties shall be jointly and severally liable to the Tribunal and the LCIA for the costs of the arbitration (other than the legal or other costs incurred by the parties themselves).
- 6(ii) Any bank charges incurred on any transfer of funds by the parties to the LCIA shall be borne exclusively by the party or parties transferring the funds.

- 6(iii) In accordance with Article 26.7 of the Rules, the Tribunal's Award(s) shall be transmitted to the parties by the LCIA Court provided that the costs of the arbitration have been paid to the LCIA in accordance with Article 28 of the Rules.

7. Emergency Arbitrator

- 7(i) Application fee (payable with the application for the appointment of an Emergency Arbitrator under Article 9B of the Rules: non-refundable).

£8,000

- 7(ii) Emergency Arbitrator's fee, to cover time charges and expenses (payable with the application for the appointment of an Emergency Arbitrator: non-refundable if the LCIA Court appoints an Emergency Arbitrator).

£20,000

- 7(iii) The Emergency Arbitrator's fee may be increased by the LCIA Court on the recommendation of the Registrar at any time during the emergency proceedings if the particular circumstances of the case are deemed to warrant a higher fee.

- 7(iv) In the event of a challenge by any party to the Emergency Arbitrator, the party that applied for the appointment of the Emergency Arbitrator shall pay forthwith to the LCIA such further sum as may be directed by the LCIA Court in respect of the fees and expenses of the individual or division appointed to decide the challenge.

- 7(v) If the LCIA refuses an application for the appointment of an Emergency Arbitrator, the Emergency Arbitrator's fee shall be treated as a deposit lodged by the applicant party on account of the Arbitration Costs in accordance with Article 24 of the Rules and the Schedule.

* Minimum unit of time in all cases: 15 minutes.

** Items 1(ii), 1(iii), 1(iv) and 1(v) above, are payable on interim invoice; with the award, or as directed by the LCIA Court under Article 24.1 of the Rules.