

## **ARBITRATION RULES – FGV CHAMBER**

### **Preamble**

---

The option of out of Court dispute settlements is encompassed by a widespread drive towards better access to Justice, which is supported almost unanimously by jurists who are keenly aware of the core issue of aligning the complexity of modern life with traditional mechanisms for settling disputes.

Arbitration is particularly noteworthy among what are known as alternative ways of settling disputes. Through Law N<sup>o</sup> 9,307, promulgated on September 23, 1996, Brazil introduced the conditions required for the effective deployment of arbitration, which was scarcely used prior to this date as a result of a lack of tradition due to the rules set forth in the Brazilian Civil Procedural Law Code (CPC) in effect at that time, as well as the jurisdictional culture.

Today, arbitration and mediation are closely aligned with the fundamental principles of Brazilian Constitutional Law. Enshrining the non-litigious settlement of disputes over international matters as a key precept in its Article 4, VII, the Brazilian Constitution raises social solidarity to the status of this core objective of the Nation in its Article 3, I, implicitly encouraging the use of non-litigious methods of resolving disputes and, should agreements not be reached, resorting to submit the disputed matters to arbitration panels selected freely by the parties involved.

In order to ensure that mediation and arbitration – these two desirable alternative mechanisms for the settlement of disputes – can be properly deployed, it is a common interest that mediation and arbitration chambers be established and linked to institutions whose activities in the life of the Nation have brought them the respect and trust of the communities within which they operate.

Consequently, pursuing its higher purpose of helping to solve basic problems related to Brazil's economic development and well-being of its citizens (Article 2, I, FGV By-Laws) the Getulio Vargas Foundation has decided to extend its services by setting up a Mediation and Arbitration Chamber as an integral part of its organizational structure, supplemented by the knowledge and experience built up over many decades by this Foundation.

The Arbitration Rules are set forth below. Mediation proceedings are subject to specific Rules that are presented separately.

## **CHAPTER ONE**

### **Organization of the FGV Mediation and Arbitration Chamber**

#### **Section I – Purpose**

---

*Article 1* – The FGV Mediation and Arbitration Chamber, hereinafter referred to simply as the FGV Chamber is an entity integrated into the organizational structure of the Getulio Vargas Foundation; whose purpose is to administer mediation and arbitration proceedings submitted thereto, in compliance with the regulations and FGV Chamber Rules.

#### **Section II – Administration of the FGV Chamber**

---

*Article 2* – The FGV Chamber is administered by an Executive Board consisting of a President, two Vice Presidents, a Chief Executive Officer and a Legal Director.

*Sole Paragraph* – The President of the FGV Chamber is the President of the Getulio Vargas Foundation. The Vice Presidents are selected by the President of the FGV Chamber from among the members of the Getulio Vargas Foundation Board. The President of the FGV Chamber nominates the Chief Executive Officer and Legal Director for renewable three-year terms of office, after approval of the nominations by the Getulio Vargas Foundation Board.

*Article 3* – The President of the FGV Chamber shall:

- a) constitute the senior management body of this entity, steering it along the key guidelines established by the Getulio Vargas Foundation Board;
- b) coordinate and oversee the activities of the other Executive Board Members;
- c) alter the FGV Chamber Rules;
- d) represent the FGV Chamber before third parties, being empowered to delegate powers of representation to the Chief Executive Officer;
- e) convene and chair the meetings of the Executive Board and those of the List of Authorized Arbitrators drawing up their respective Agendas;
- f) appoint and dismiss the members of the List of Authorized Arbitrators;
- g) delegate specific functions to the Vice Presidents and establish the order in which they will replace the President during any temporary impediment or absence thereof;
- h) designate a substitute for any of the Officers/Directors, during any of their temporary impediments or absences.

*Article 4* – It is incumbent upon the Vice Presidents to assist the President in the performance of his duties, undertaking the specific functions delegated by the President and replacing him/her during any absence or impediment.

*Article 5* – The Chief Executive Officer shall:

- a) organize and direct the General Secretariat, who provides the back-office services required for the functioning of the FGV Chamber;

- b) establish the procedures and routines to be followed by the General Secretariat;
- c) accept requests to initiate arbitration proceedings;
- d) manage the funds channeled through the FGV Chamber;
- e) submit to the President updates of the costs and fees lists;
- f) appoint mediators and arbitrators;
- g) ensure that the FGV Chamber Rules are applied, as well as other directives it issues, clearing up any doubts that might be raised regarding the interpretation of any of the provisions therein;
- h) issue directives supplementing the Rules;
- i) issue directives regulating the payment of costs and expenses incurred through mediation and arbitration proceedings, along with mediator and arbitrator fees, in addition to approving the respective pricelists.

*Article 6* – The Legal Director shall:

- a) issue opinions on matters related to the activities of the FGV Chamber that involve legal aspects;
- b) issue opinions prior to any decisions taken by the President that clear up doubts over the interpretation of the Rules and directives issued by the FGV Chamber;
- c) issue opinions prior to any decisions taken by the President in the hypothesis addressed in item (c) of Article 3;
- d) serve as Secretary at the meetings of the Executive Board and the Arbitration Commission.

### **Section III – List of Authorized Arbitrators**

---

*Article 7* – The FGV Chamber shall employ a List of Authorized Arbitrators composed of persons endowed with well-known expertise, renowned capabilities, solid professional experience and impeccable reputations who, on acceptance of such designation, shall be immediately accredited to engage in arbitration proceedings for the account and benefit of the Parties involved in a dispute.

*Sole Paragraph* – The members of the List of Authorized Arbitrators may not receive any type of remuneration from the Getulio Vargas Foundation.

*Article 8* – The List of Authorized Arbitrators shall meet when convened by the Chairperson - the President of the FGV Chamber - in order to address matters related thereto. These meetings shall commence with the attendance of at least 5 (five) of its members.

*Article 9* – 9 (nine) members of the List of Authorized Arbitrators are nominated by the President of the FGV Chamber to form the Arbitration Commission, a chairman, 5 (five) full members and other 3 (three) acting as alternates.

*Paragraph 1* – The Arbitration Commission is the liaison entity between the FGV Chamber management and the List of Authorized Arbitrators, and shall:

- a) in specific cases, approve the nomination for arbitrators of those who are not in the List of Authorized Arbitrators;
- b) decide on the replacement of arbitrators, under the hypothesis addressed in Article 21 of these Rules;
- c) submit suggestions to the President of the FGV Chamber aiming to upgrade the activities of the FGV Chamber and the arbitration proceedings;
- d) issue a statement, prior to any decisions being handed down by the FGV Chamber, on the impediment (or not) of an arbitrator, under the hypothesis addressed in Paragraph 2 of Article 19 of these Rules;
- e) issue an opinion, prior to any Chief Executive Officer decisions, regarding an Arbitrator's impediment alleged by the Parties (Article 19, Paragraph 2 of these Rules); and
- f) issue opinions on any matters submitted by the President of the FGV Chamber or the Chief Executive Officer.

*Paragraph 2* – The President of the Arbitration Commission shall be selected by the President of the FGV Chamber from among the Commission Members, being empowered to assist and advise the President of the FGV Chamber on all matters related to the List of Authorized Arbitrators.

*Article 10* – When members of the List of Authorized Arbitrators are appointed to act in proceedings administered by the FGV Chamber, their fees shall be subject to the rules set forth in the Arbitration Costs, Expenditures and Fees Regulation that is annexed to these Rules.

*Article 11* – Should an FGV Chamber Officer/Director serve as an Arbitrator, he/she shall be replaced by a member of the Arbitration Commission, who shall perform the FGV Chamber Officer/Director's functions related to the proceedings in which he/she is an arbitrator.

## **CHAPTER TWO**

### **Arbitration**

#### **Section I – General Rules**

---

*Article 12* – Any issue involving available asset rights of legally capable persons may be addressed through arbitration conducted by the FGV Chamber.

*Paragraph 1* – Arbitration may be decided by law or through equity judgements, at the discretion of the Parties, who may also stipulate that it be conducted on the basis of the general principles of law, customs and uses, or international trade rules, provided there be no breach of good practice and the public order.

*Paragraph 2* – Arbitration proceedings involving the Public Administration must always be decided in compliance with the governing law.

*Article 13* – Parties submitting any issue to arbitration by the FGV Chamber shall be subject to these Rules.

*Article 14* – The rules set forth in these Rules that govern arbitration may be subject to alterations agreed upon through Arbitration Clauses or Commitment to Arbitrate, with the application thereof being limited to the specific case.

## **Section II – Arbitrators**

---

*Article 15* – When the Parties agree that a dispute shall be settled by a sole arbitrator, they may nominate him/her through common agreement. Should they not do so within 15 (fifteen) days after receiving the reply to the request for arbitration mentioned in Article 24 below, the sole arbitrator shall be appointed by the Chief Executive Officer of the FGV Chamber.

*Article 16* – When the Parties agree that a dispute shall be settled by 3 (three) arbitrators, the petitioner, when requesting arbitration, must nominate 1 (one) arbitrator, and the respondent party shall nominate the other in its reply to the request for arbitration. The third arbitrator, who shall preside over the proceedings, shall, in principle, be selected by the other 2 (two) arbitrators.

*Paragraph 1* – Should any of the arbitrators not be nominated, or in case of any disagreement over the appointed names, the designation shall be handled by the Chief Executive Officer of the FGV Chamber in compliance with the provisions set forth in this Article.

*Paragraph 2* – For arbitration proceedings with a plurality of petitioners and / or respondents, each of the sides shall nominate 1 (one) arbitrator through common agreement. Should no agreement be reached, the Chief Executive Officer of the FGV Chamber shall appoint all members of the Arbitration Panel.

*Article 17* – Should the Parties fail to indicate the number of arbitrators, the FGV Chamber shall decide whether the matter in dispute should be heard by 1 (one) or 3 (three) arbitrators thereby appointed, taking into account the complexity of the matter, the number of parties engaged in the dispute and its economic value.

*Article 18* – The Chief Executive Officer of the FGV Chamber shall appoint the arbitrators.

*Paragraph 1* – Whenever the Parties nominate an arbitrator from among the members of the List of Authorized Arbitrators, the nominee shall be appointed.

*Paragraph 2* – The appointment of an arbitrator who is not a member of the List of Authorized Arbitrators must be previously approved, in compliance with the provisions set forth in Paragraph 1, (a), of Article 9 of these Rules. Should approval be refused, the arbitrator nomination procedure shall be repeated within 10 (ten) days of the previous name's rejection.

*Paragraph 3* – In case the Parties decide to delegate the nomination of an arbitrator to a third party, the FGV Chamber shall request that the nomination be presented prior to the signature of the Commitment to Arbitrate, proceeding with the appointment in compliance with the provisions set forth in this Article. Should the third party fail to issue the nomination within the deadline established by the FGV Chamber, the arbitrator shall be appointed by the Chief Executive Officer of the FGV Chamber.

*Paragraph 4* – Whenever it is incumbent upon the FGV Chamber to nominate an arbitrator, it shall preferably select a member of the List of Authorized Arbitrators. However, in special cases and with due regard to the provisions set forth in these Rules, it may nominate a person who is not a member of the List, as provided in Paragraph 1, (a) of Article 9 of these Rules.

*Paragraph 5* – Within 10 (ten) days of their appointment, the appointed arbitrators must issue written statements of acceptance. Should an arbitrator not accept the appointment within this period, the nomination procedure shall be repeated.

*Article 19* – The following persons may not serve as arbitrators:

- a) persons who have any relationship with the Parties or the dispute that could constitute impediment or presumed partiality, as established in the Brazilian Civil Procedural Law Code (CPC); and
- b) persons who have served as mediators in the dispute, with due regard to the provisions set forth in FGV Chamber Mediation Rules with regard thereto.

*Paragraph 1* – Any impediment or presumed partiality shall either prevent the arbitrator's appointment, or, if ascertained during the course of the arbitration proceedings, result in his substitution.

*Paragraph 2* – Upon nomination, arbitrators must notify the FGV Chamber of any circumstances that might be deemed likely to adversely affect their independence and impartiality. The FGV Chamber shall inform the Parties of such notifications, requesting that they issue statements within 5 (five) days. After this period, whether the Parties have issued statements or not, the Chief Executive Officer of the FGV Chamber, having consulted the Arbitration Commission, shall decide on whether or not any impediments exist. Should any presumed partiality be observed, the same procedure used to select the substituted arbitrator shall be employed to select a replacement.

*Paragraph 3* – Impediments or presumed partiality on behalf of the arbitrators may be declared by the Chief Executive Officer of the FGV Chamber, or when requested by any of the Parties, after consulting the arbitrator and the Arbitration Commission.

*Article 20* – In case of death, incapacity/disability, absence, supervening impediment or withdrawal of an arbitrator, the FGV Chamber shall assign a period of 10 (ten) days to the nominating party which shall then designate a substitute to

be appointed through the procedure outlined in Article 18 of these Rules. Should the nomination not take place within the above-mentioned period, the Chief Executive Officer of the FGV Chamber shall appoint the substitute arbitrator.

*Article 21* – Having consulted the arbitrator - and the Parties, whenever deemed necessary - the Chief Executive Officer of the FGV Chamber may replace an arbitrator who is not performing his/her functions in compliance with these Rules, or who unjustifiably fails to attend sessions or misses deadlines, by means of a decision undertaken by the Arbitration Commission.

*Sole Paragraph* – Upon decision regarding the arbitrator’s replacement, the substitute’s nomination shall observe the same procedure adopted for the appointment of the substituted arbitrator.

### **Section III – Commencement of Arbitration**

---

*Article 22* – The Party who wishes to appeal to arbitration must submit a written request to the FGV Chamber, which shall necessarily include:

- a) the full names, personal data and addresses of the Parties;
- b) the subject of the dispute and, if they wish to, a succinct presentation of the brief underpinning the claim;
- c) the value assigned to the dispute by the Petitioner;
- d) the nomination of an arbitrator, when applicable.

*Paragraph 1* – A receipt of the arbitration commencement fee’s payment must be appended to the request for arbitration.

*Paragraph 2* – Any arbitration clauses or commitments to arbitration must necessarily be appended to the request for arbitration.

*Paragraph 3* – The Petitioner shall supply, along with the original version, the same number of copies of the request as there are Respondent Parties and members of the Arbitration Panel, as well as a copy for the FGV Chamber.

*Article 23* – Once the request to start arbitration proceedings has been accepted by the FGV Chamber, the Secretariat shall ensure that copies of the request are delivered to all the Respondent Parties and invite them to present their written replies to the arbitration request within 10 (ten) days. In these replies, each Respondent Party may present its counterclaim, setting forth the reasons for its cross action request, its purpose and respective value.

*Sole Paragraph* – A copy of these Rules, as well as the List of Authorized Arbitrators, shall accompany the requested duplicates.

*Article 24* – The Respondents, even if consisting of more than one Party, shall nominate a single arbitrator in their response to the request for arbitration, pursuant to the provisions set forth in Article 16, Paragraph 2.

*Article 25* – Being otherwise subject to the penalty of preclusion, any Party who wishes to raise issues regarding the competence, jurisdiction, impediment or presumed partiality of one or more arbitrators, as well as the nullity, invalidity or ineffectiveness of the agreement on arbitration, must do so at the first available opportunity for issuing a statement expressing these views.

***Article 26* – Should the Respondent Party refuse to submit to arbitration or fail to sign the Commitment to Arbitrate mentioned in Article 27, after having agreed to do so, the Petitioner Party may, at its discretion, request within 10 (ten) days’ receipt of the notification forwarded by the FGV Chamber, that it take steps to move the arbitration proceedings ahead, provided that the arbitration agreement establishes that it shall be administered by the FGV Chamber in compliance with its Rules.**

*Paragraph 1* – In order to exercise the option set forth in this Article, the Petitioner Party shall forward a draft of the Commitment to Arbitrate to the FGV Chamber, whose contents shall be analyzed by the Chief Executive Officer of the FGV Chamber, thus empowered to implement alterations in order to adapt it to the provisions of the arbitration agreement and to those set forth in Article 27 of these Rules.

*Paragraph 2* – Should the Petitioner Party not acquiesce to such possible future alterations to the Draft proposed by the Chief Executive Officer of the Chamber, he shall declare the termination of the arbitration proceedings.

*Paragraph 3* – Moving ahead with the arbitration proceedings as set forth in this Article, the Chief Executive Officer shall nominate an arbitrator as though he/she had been nominated by the defaulting Respondent, which shall be notified *in absentia* of all procedural acts, being allowed to join the proceedings at any time and stage to which they have progressed. In arbitration proceedings, default does not entail the effects set forth in the Brazilian Civil Procedural Law Code (CPC).

*Article 27* – Upon receipt of the reply to the request for arbitration, the Chief Executive Officer of the FGV Chamber shall appoint the nominated arbitrators, observing the provisions set forth in this Section III, and shall convene the Parties and the appointed arbitrators to sign the Commitment to Arbitrate, within 10 (ten) days, along with 2 (two) witnesses.

*Article 28* – The Commitment to Arbitrate shall necessarily include:

- a) the names, professions, marital status and domiciles of the Parties and the addresses to which notifications should be forwarded;
- b) the name, profession, and domicile of the arbitrator(s) and, if applicable, the nomination of the President of the Arbitration Panel;
- c) the matter to be addressed by the arbitration proceedings;
- d) the venue where the arbitration proceedings will take place and where the arbitration decision will be handed down;
- e) the deadline by which the arbitration decision must be handed down;

- f) the value of the dispute;
- g) declaration(s) from the arbitrator(s) that they are not impeded from serving (Article 19 of these Rules);
- h) the value of the fees payable to the arbitrator(s) and the manner of settlement;
- i) a declaration of liability for the form of payment of procedural costs, fees and expenditures incurred through the arbitration proceedings;
- j) modifications to the arbitration proceedings that may be agreed by the Parties;
- k) a definition of the governing law for the arbitration proceedings and other directives, if applicable; and
- l) the authorization for the arbitrator or arbitrators to hand down equity judgements, if applicable.

*Article 29* – The Commitment to Arbitrate may also contain a schedule regarding the stages of the arbitration proceedings, as well as other matters that may be deemed convenient or appropriate by the Parties and the arbitrators.

#### **Section IV – Arbitration Proceedings**

*Article 30* – Once the Commitment to Arbitrate has been signed, the Panel shall assign the Petitioner a period of no more than 15 (fifteen) days to present its brief, along with any documents it deems necessary.

*Sole Paragraph* – The briefs and documents must be presented in as many copies as there are Respondents and members of the Arbitration Panel, in addition to a copy for the FGV Chamber.

*Article 31* – Once the briefs have been received from the Petitioner, they shall be forwarded to the Respondents, who shall have a period of 15 (fifteen) days to present their reply, to which they must attach any documentation deemed necessary.

*Paragraph 1* – Should there be more than one Respondent, all of them may present replies within the common period of 15 (fifteen) days.

*Paragraph 2* – The Respondents, be it the case, shall present their counterclaim briefs within the deadlines for their replies.

*Paragraph 3* -Once the counterclaim briefs have been received, the Petitioner shall be notified to reply within 15 (fifteen) days.

*Article 32* – In their briefs, the Parties must list the evidence that they wish to present.

*Article 33* – Upon expiration of the deadline for the presentation of briefs by the Parties, the Arbitration Panel shall hand down an immediate decision on the matter within the 20 (twenty) subsequent days, should it consider that it is not necessary to present evidence and hear witnesses.

*Article 34* – If it considers that evidence is required, the Arbitration Panel shall define the pertinent proof and the manner in which it should be presented, setting a period of 10 (ten) days for such presentation.

*Sole Paragraph* – The Parties are assured the right to oversee the presentation of evidence, including the questioning of witnesses and, should expert evidence be required, to introduce a technical advisor and submit queries.

*Article 35* – Upon completion of the discovery stage, the Arbitration Panel shall set a procedural order deadline for the Parties to present their final claims in writing.

## **Section V – Arbitration Decision**

---

*Article 36* – Should no deadline be set by the Parties, the Arbitration Decision shall be handed down within 60 (sixty) days after expiration of the period for presentation of the final written claims. The Arbitration Panel is empowered to extend this period for no more than a further 30 (thirty) days, in view of due justification.

*Sole Paragraph* – Upon expiration of the deadline mentioned in the main section of this Article, any of the Parties may notify the Arbitration Panel, granting it a period of 10 (ten) days for rendition of judgement and the presentation of the Arbitration Decision, being otherwise subject to the penalty of termination of the arbitration proceedings.

*Article 37* – The Arbitration Decision shall be reached through a majority vote, with each arbitrator casting a single ballot. Any arbitrator who dissents from the majority vote must issue a Dissenting Opinion that will form an integral part of the decision.

*Sole Paragraph* – Should the votes of all three 3 (three) members of the Arbitration Panel differ, that of its President shall prevail.

*Article 38* – The President of the Arbitration Panel shall draft the Arbitration Decision, unless he casts a dissenting vote, in which case this task shall be incumbent on the oldest of the arbitrators casting majority votes. The Arbitration Decision shall be valid and effective when signed by a majority of the arbitrators.

*Article 39* – The Arbitration Decision shall necessarily contain:

- a) the report, with the names of the Parties and a description of the disputed matter;
- b) the grounds for the decision, specifically mentioning that this is an equity judgement, when applicable;
- c) the provisions, by which the issues raised by the Parties shall be settled;
- d) the date and place it was signed.

*Paragraph 1* – The Arbitration Decision may set a deadline for its compliance.

*Paragraph 2* – The Arbitration Decision shall establish liability for payment of costs and fees, including expenses incurred by the arbitrators and any experts appointed by the Arbitration Panel and the back-office costs of the FGV Chamber, in addition to reasonable expenses incurred by the Parties for their defense, pursuant to the declaration of liability addressed in item (i) of Article 27 of these Rules.

*Article 40* – Within 5 (five) days from the receipt of the notification or from being personally informed of the decision, unless some other period is agreed among the Parties, and provided that they notify the others, any of the Parties may request the Arbitration Panel to:

- a) rectify a material error in the Arbitration Decision;
- b) clarify any obscure points or contradictions therein;
- c) issue a statement on some point that should have been addressed by the decision.

*Sole Paragraph* – The Arbitration Panel shall decide within 10 (ten) days of receipt of the final statements from the Parties, or within a period they have agreed upon, notifying them of its decision in writing.

*Article 41* – The Arbitration Panel is authorized to render partial judgements or hand down decisions on incidental matters during the course of the proceedings, either at its own initiative or when requested to do so by the Parties.

## **Section VI – Mediation in the course of the Arbitration Proceedings**

*Article 42* – In the course of the Arbitration Proceedings, should all the Parties engaged in the dispute express their intentions of submitting the issue to mediation, the Arbitration Panel shall suspend the proceedings, and mediation proceedings shall be commenced as established in the Mediation Rules of the FGV Chamber.

*Article 43* – Should the Parties reach an agreement towards the disputed matter, the Arbitration Panel shall ratify such agreement, handing down an Arbitration Decision that is compliant with the provisions set forth in Article 38 of these Rules, as applicable.

## **Section VII – Periods and Deadlines**

---

*Article 44* – The periods and deadlines established in these Rules run continuously, except when otherwise stipulated by the Arbitration Panel.

*Paragraph 1* – When calculating periods and deadlines, the starting day is excluded and the final day is included.

*Paragraph 2* – Periods and deadlines are calculated only from the first business day after their notification.

*Article 45* – All periods and deadlines addressed in these Rules may be altered by the Arbitration Panel or as agreed by the Parties, with justification.

### **Section VIII – Confidentiality and Secrecy**

---

*Article 46* – Arbitration proceedings must be conducted in absolute secrecy, being the members of the FGV Chamber, arbitrators, Parties and other participants in the proceedings forbidden to disclose any information to which they may have access through their engagement in the proceedings, unless specifically authorized to do so by all the Parties, or in view of a Court Order.

*Article 47* – The Arbitration Decision may be disclosed only upon authorization from all the Parties or when required for its judicial enforcement.

### **Section IX – General Rules**

---

*Article 48* – The arbitrators shall construe the rules established through these Rules in order to pursue the goals of swiftness, informality and discretion sought by the Parties when opting for arbitration.

*Article 49* – The Arbitration Panel shall decide on matters not addressed in these Rules, being empowered to opt, on a subsidiary basis, for the directives set forth in the Brazilian Civil Procedural Law Code (CPC), with due compliance to the objectives of swiftness and informality.

*Article 50* – The regimen regulating arbitration costs, expenditures and fees consists of an integral part of these Rules.

---

## **ANNEX**

### **FGV Mediation and Arbitration Chamber Arbitration Costs, Expenditures and Fees Regimen**

#### **Section I – Costs**

**Article 1** – Arbitration costs include the commencement and administration fees.

**Article 2** – The commencement fee of R\$ 5,000.00 (five thousand Brazilian Reais) is payable upon presentation of the request for the commencement of arbitration.

**Sole Paragraph** – The commencement fee is non-refundable and may not be offset against other outlays.

**Article 3** – The administration fee shall be calculated according to the value of the dispute, pursuant to the list presented in Annex I and paid on signature of the Commitment to Arbitrate.

**Paragraph 1** – Should the value of the case be contested, the administration fee shall be paid up to 5 (five) days after the decision handed down by the arbitrator or the Arbitration Panel regarding the objection.

**Paragraph 2** – Should a counterclaim be presented, the counterclaimant shall pay a commencement fee and the value of the counterclaim request shall be added to the value of the original request for the purposes of calculating the administration fee.

**Paragraph 3** – Should the decision result in an increased value for the dispute, the administration fee shall be adjusted.

**Paragraph 4** – All amounts payable to the FGV Chamber shall be covered by commercial invoices issued by the Getulio Vargas Foundation as a corporate entity.

**Article 4** – Unless otherwise agreed by the Parties, arbitration costs shall be apportioned out evenly between them.

**Article 5** – Should the dispute end due to the Parties' desistance to arbitrate or in view of an agreement between them before the Commitment to Arbitrate is signed, the administration fee shall correspond to 20% (twenty per cent) of the amount listed in Annex I.

**Article 6** – Should the Commitment to Arbitrate not be signed within 3 (three) months of the request to start arbitration, an amount of R\$ 2,000.00 (two thousand Brazilian Reais) shall be charged each month as an administration fee until the Commitment to Arbitrate is duly signed.

## **Section II – Expenses**

**Article 7** – Arbitration expenses shall encompass all incidental expenditures required to conduct the proceedings, such as (i) leasing venues and equipment; (ii) hiring specialized staff to conduct hearings, when necessary; and (iii) travel expenses for the arbitrators and members of the FGV Chamber.

**Article 8** – These expenditures shall be covered through advances requested by the FGV Chamber or subsequently reimbursed. All expenditures must be duly documented.

**Article 9** – Unless otherwise agreed by the Parties, arbitration expenses shall be apportioned out evenly between them.

## **Section III – Arbitrator Fees**

**Article 10** – The fees payable to the arbitrators shall depend on the value of the case and the dispute's complexity. The list presented in Annex II is merely indicative.

**Sole Paragraph** – The amounts agreed between the arbitrators and the Parties must be stated in the Commitment to Arbitrate.

**Article 11** – The arbitrator fees shall be apportioned out evenly between the Parties.

**Article 12** – Should the dispute come to an end through an agreement settled between the Parties before they sign the Commitment to Arbitrate, the arbitrator fees shall correspond to 20% (twenty per cent) of the minimum amounts of the stipulated fee brackets listed in Annex II.

**Article 13** – 50% (fifty per cent) of the arbitrator fees must be paid when the Commitment to Arbitrate is signed, and the remaining 50% (fifty per cent) upon presentation of the final written claims (Article 35 of the FGV Chamber Arbitration Rules) or, should the final written claims be waived, within 10 (ten) days of the last hearing.

**Paragraph 1** – Should there be no hearing nor any final written claims, the outstanding 50% (fifty per cent) of the arbitrator fees must be paid within 10 (ten) days after the termination of the discovery phase.

**Paragraph 2** – The arbitrator fees must be covered by a commercial invoice issued by the Getúlio Vargas Foundation as a corporate entity, being the FGV Chamber required to undertake the necessary provisions to ensure such payment.

#### **Section IV – General Provisions**

**Article 14** – Should any of the Parties fail to comply with any payments or deposits incumbent upon them, the other Party may do so on behalf of the Party in default.

**Article 15** – Should payments or deposits not be duly settled by the Parties, the FGV Chamber shall set a deadline for this, after which – should the default endure –

the arbitration proceedings shall be terminated, yet not adversely affecting the Parties' rights to resubmit the same request through new arbitration proceedings.

**Article 16** – An Arbitration Decision shall only be issued to the Parties in view of the full settlement of the arbitrator fees and of all costs and expenditures owed.

**Article 17** – The FGV Chamber shall settle any matters not addressed by these Rules.

**Article 18** – These Rules and their Annexes constitute an integral part of the Arbitration Rules of the FGV Mediation and Arbitration Chamber.

## ANNEX I

### Administration Fee

AMOUNT (R\$)	AMOUNT (R\$)	FEE BRACKET ADJUSTMENT RATE	ADJUSTED UPPER LIMIT
Up to 5,000,000	50,000	-	50,000
5,000,000 – 14,999,999	50,000	0.4%	90,000
15,000,000 – 29,999,999	90,000	0.3%	135,000
30,000,000 – 49,999,999	135,000	0.2%	175,000
50,000,000 – 99,999,999	175,000	0.1%	225,000
Above 100,000,000	225,000	0.05%	....

## ANNEX II

### Individual Arbitrator Fees (suggested list)

<b>DISPUTED AMOUNT (R\$)</b>	<b>MINIMUM (R\$)</b>	<b>MAXIMUM (R\$)</b>
Up to 5,000,000	60,000	95,000
5,000,000 – 14,999,999	110,000	180,000
15,000,000 – 29,999,999	125,000	200,000
30,000,000 – 49,999,999	145,000	255,000
50,000,000 – 99,999,999	180,000	300,000
Above 100,000,000	300,000	.....

**NOTE: These Rules and their annexes substitute the former version, dated January 5, 2015, and shall be effective as of July 1, 2016.**