

Approved  
by the Order of the Independent Arbitration Court “IAC”  
No. 01/11 dated 02 November 2018

**STATUTE**  
**of the International Arbitration Court “IAC”**  
**ON ARBITRATION FEES AND EXPENSES**

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The present Statute defines the amount, calculation rules, procedure, and terms of payment of registration and arbitration fees, additional expenses, procedure for determining the claim price, as well as distribution of expenses associated with dispute resolution in the International Arbitration Court "IAC" (hereinafter - the IAC) .

### Article 1. Registration fee

1. Registration fee is the fee, which shall be paid by the claimant when submitting a claim to cover initial expenses of the IAC for registration of the claim and preparation of the case for arbitration proceedings. Registration fee is not refundable, including cases of repayment of arbitration fee or its part.

2. Amount of registration fee:

Registration fee, Euro	500
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### Article 2. Arbitration fee

1. **Arbitration fee** is the amount charged for conduct of the proceeding in the IAC, consisting of administrative fee and fees of the arbitrators.

2. **Administrative fee** provides coverage of expenses associated with the IAC activity and organization of arbitration proceedings in a particular case.

3. **Arbitrators' fees** are the remuneration payable to the arbitrators for consideration of the case.

### Article 3. Calculation of the amount of arbitration fee

1. The amount of arbitration fee is calculated on the basis of the claim price specified in the claim, according to the following scale:

Claim price, Euro	Arbitration fee, Euro
Up to 50 000	1 500
50 000 to 1 000 000	1 500 + 2,25% from the amount over 50 000
1 000 000 to 10 000 000	23 375 + 1,0% from the amount over 1 000 000
10 000 000 to 50 000 000	113 875 + 0,25% from the amount over 10 000 000
50 000 000 to 100 000 000	214 375 + 0,15% from the amount over 50 000 000
over 100 000 000	289 875 + 0,1% from the amount over 100 000 000

2. The amount of arbitration fee for the Republic of Kazakhstan residents in KZT shall be calculated by the scale in accordance with the p.1 of the current article at the exchange rate of the National Bank of the Republic of Kazakhstan on the date of issuance of the invoice for arbitration fee payment.

3. Calculation and recalculation of the claim price, as well as of arbitration fee, shall be made as at the date of issuance of the invoice for the arbitration fee payment.

4. If the parties have agreed that dispute consideration will be carried out by the arbitral tribunal on the basis of presented materials without participation of the parties in the arbitration sessions the amount of arbitration fee may be reduced by 10 (ten) percent.
5. Given the complexity of the case, time-consuming, and costs associated with the arbitration proceedings the Chairman of the IAC pending a decision by the IAC may issue an order to increase the amount of the arbitration fee or, at request of the party, to reduce the size of the arbitration fee.
6. In case of increase of the claim price in the course of arbitration proceedings an outstanding amount of the arbitration fee shall be paid by the claimant in accordance with the increased cost of the claim. If failure to make payment of the outstanding amount of the arbitration fee the IAC shall leave the statement about increasing the claim price without consideration. In case of reduction of the claim price in the course of arbitration proceedings arbitration fee shall not be revised.
7. If parties have agreed that the dispute shall be considered by arbitration tribunal of three or more arbitrators, the arbitration fee shall be increased by the amount calculated at the rate of 15 (fifteen) percent of the amount of arbitration fee multiplied by the number of the arbitrators exceeding one.
8. The rules on amount and order of payment of arbitration fee to the basic claim shall be applied to the counterclaim and the set-off. If failure to make payment of the arbitration fee on the counterclaim and/or the set-off the arbitration tribunal leaves the counterclaim and/or the set-off without consideration.
9. With the resumption of arbitration in the event of cancellation of the decision of the IAC or refusal to issue a writ of execution to enforce the arbitral decision the arbitration fee is not subject to repayment, except for replacement of the arbitral tribunal at the request of any of the parties, at which the arbitration fee shall be paid by the party that had requested the replacement of the arbitral tribunal.

#### **Article 4. Determination of claim price**

1. The claim price shall be determined as follows:
  - a) in claims for recovery of money - based on claimed (contested) amount;
  - b) in claims for recovery of property - based on the value of claimed (vindicated) property estimated at market prices prevailing at property location on the day of vindication;
  - c) in claims for recognition of a transaction as void (unconcluded), as well as disputes arising from conclusion, modification, or termination of transaction - based on the amount of transaction;
  - d) in other claims - based on data available on property interests of the claimant.
2. The price shall also include specified in the claim and demanded (disputed) amounts of interest, penalties (fines), and other financial sanctions.
3. In the claim which consists of several independent claims amount of each claim shall be determined separately, and the price of the claim shall be determined as the sum of all claims.
4. If the price of the claim is defined in the claim incorrectly, amount of arbitration fee shall be determined by the Chairman of the IAC.
5. If estimation of the claim price is impossible, the Chairman of the IAC shall determine amount of the claim based on preliminary assessment of potential costs associated with arbitration proceedings.

**Article 5. Procedure and terms of payment of registration and arbitration fees by claimants**

1. Registration and arbitration fees shall be paid in KZT at the exchange rate set by the National Bank of the Republic of Kazakhstan on the date of invoice by transferring to the bank account. The non-residents of Kazakhstan may make payment in another currency.
2. Registration fee shall be paid on the basis of invoice prior to submission of the claim.
3. Arbitration fee shall be paid by the claimant under invoice within thirty calendar days from the date of the order on initiation of arbitration proceedings, but not later than the date of completion of the arbitral tribunal election.
4. The arbitration fee upon presentation of a counterclaim or a claim presented to offset, or the missing amount of the arbitration fee in the case of increase of the claim price in the course of arbitration proceedings, shall be paid by the claiming party in the terms defined by the arbitral tribunal.
5. The documents confirming payment of registration and arbitration fees shall be submitted to the secretariat of the IAC.
6. In exceptional cases, the Chairman of the IAC, at request of the claimant, may defer or install payment of the arbitration fee based on claimant's financial position. In this case, the claimant must pay the arbitration fee in full before announcement of the decision by the arbitral tribunal.

**Article 6. Repayment of arbitration fee**

1. In case of refusal to accept and return of the claim prior to arbitral tribunal election the arbitration fee shall not be paid by the claimant, and the arbitration fee paid shall be repaid in full to the claimant.
2. The arbitration fee shall be repaid in full to the claimant, if the statement of claim is returned at his request prior to the commencement of arbitral proceedings or if the arbitration proceedings were terminated prior to formation of arbitral tribunal on the grounds specified in the clause e) of paragraph 2 of the Art. 43 of the Rules of the IAC.
3. If prior to formation of arbitration tribunal the statement of claim is returned to the claimant on the grounds specified in the paragraph 1 of the Art. 19 of the Rules of the IAC or the arbitration proceedings terminated on the grounds stated in clauses a) - d) paragraph 2 of Art. 43 of the Rules of the IAC, the amount to be refunded equals to 75 (seventy five) percent of the amount of arbitration fee, at this, in case when the arbitration fee is not paid by the claimant - the International Arbitration Court is entitled to demand payment of 25 (twenty five) percent of the arbitration fee from the claimant.
4. If, following election of arbitral tribunal the claim is returned to the claimant on the grounds specified in paragraph 1 of Art. 19 of the Rules of the IAC, or the arbitration proceedings are terminated on the grounds stated in clauses a) - f) paragraph 2 of Art. 43 of the Rules of the IAC, the IAC at its own discretion shall determine amount of arbitration fee to be repaid, taking into account the stage at which the claim is returned or arbitration proceedings terminated and other relevant circumstances of the case, but not more than 50 (fifty) percent of the amount of arbitration fee.
5. Grounds of repayment and the amount of arbitration fee to be repaid shall be specified in the corresponding orders of the IAC.

**Article 7. Payment of fees to the arbitrators**

1. Payment of fees to the arbitrators shall be made out of funds received as arbitration fee, following the decision of the IAC or an order on termination of arbitration proceedings.

2. Any agreements on fee arrangements between the parties and the arbitrators are inadmissible.

**Article 8. Additional expenses related to participation of the arbitrator living outside of the settlement defined as the place of arbitration**

1. Additional expenses arising from participation of the arbitrator who lives outside of the settlement defined as the place of arbitration consist of expenses of the IAC for the arbitrator to travel to the place of arbitration and back, health insurance for the period of his/her staying in the place of arbitration, the arbitrator's accommodation and daily expenses.
2. When electing an arbitrator living outside of the settlement defined as the place of arbitration:
  - a) by the party of arbitration – the party is obliged to pay additional costs associated with participation of the arbitrator in the proceedings;
  - b) by other arbitrators as the presiding arbitrator - payment of additional costs associated with his participation in arbitration proceedings shall be carried out by the parties of arbitration in equal shares;
  - c) by the IAC - the party consenting to election of the arbitrator shall pay additional costs associated with his participation in arbitration proceedings.
3. Payment of additional expenses related to participation of the arbitrator living outside of the settlement defined as the place of arbitration shall be in the form of advance payments to the IAC. With non-payment of advance payment by any party - the arbitrator is subject to replacement by the arbitrator living in the place of arbitration, except where the payment of additional expenses is incurred by the other party. In this case, at election of the arbitrator residing in the place of arbitration, the arbitrator and the reserve arbitrator shall be elected by the IAC in accordance with the rules established by the Statute of the IAC "On arbitral tribunal election".
4. Amount and procedure for paying additional expenses associated with arbitration proceedings shall be specified in the order of the IAC.

**Article 9. Additional expenses related to carrying out of arbitration proceedings in other place**

1. Additional expenses arising when the parties agree to arbitrate not at the location of the IAC or have identified the place of arbitration proceedings otherwise than prescribed by the IAC, include all administrative expenses of the IAC associated with the choice of the parties of another place of arbitration or of arbitration sessions.
2. Payment of additional expenses associated with the choice of the parties of other place of arbitration than prescribed by the IAC shall be in the form of advance payments made by the parties to the IAC in equal shares. If there is non-payment of advance payment by any party – the arbitration shall be transferred to the location defined by the IAC, except for the case when payment of additional expenses is incurred by the other party.
3. The size and order of payment of additional expenses associated with arbitration proceedings shall be specified in the order of the IAC.

**Article 10. Expenses of the parties**

1. Expenses of the parties are the costs incurred by the parties due to protection of their interests in dispute consideration at the IAC, including the costs of:

- a) payment for the actions related to inspection and examination of written and material evidence at their location;
  - b) presentation of expert's evidence;
  - c) payment of the costs of witnesses, translators, experts associated with their participation in arbitration sessions;
  - d) translation of documents and payment of fees to translators;
  - e) travel expenses of the parties;
  - f) payment for representative's assistance;
  - g) other additional expenses defined by the arbitral tribunal and before completion of its election - by the Chairman of the IAC.
2. Each party of the arbitration, which has expressed the need for remedial action requiring additional costs, shall pay them before it occurs, otherwise the stated request for remedial action remains unsatisfied. In all other cases, additional expenses will be paid by the parties in equal shares. If payment of additional expenses has to be made by the parties in equal shares and one of the parties had not paid an advance payment on the due date, the payment shall be assigned to the other party.
3. The size and order of payment of additional expenses associated with arbitration proceedings shall be specified in the order of the IAC.

#### **Article 11. Distribution of expenses between parties**

1. Either party in the course of arbitration proceedings may claim from the other party for reimbursement of costs incurred by him and additional costs, and the claimant may also claim from the defendant the compensation of the sum of registration and arbitration fees.
2. Unless the parties agree otherwise, allocation of the costs for arbitration fee, additional costs and expenses between the parties shall be made by the arbitral tribunal in proportion to the satisfied and rejected requirements, and shall be reflected in the decision of the IAC or the order on termination of the proceedings.
3. Reimbursement of payment for representative's assistance to the party in whose favor is the decision, and referred to the other party by the decision of the arbitration, shall be equal to the actual expenses incurred, but in an amount not more than 10 (ten) percent of the satisfied part of the claim.

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*The present Statute is made in three languages (Kazakh, Russian, English). In case of any discrepancy, the version in Russian (language of writing) shall prevail.*