

Appendix I

Arbitration Costs and Fees

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Article (1): Registration Fee

A request to commence an arbitration pursuant to Article 4 of the SCCA Arbitration Rules (“the Rules”) must be accompanied by a registration fee of SAR 5,000. Such payment is non-refundable and shall be credited to the claimant’s share of the SCCA administrative fees.

Article (2): SCCA Administrative Fees and Expenses

1. As per Article 35 of the Rules, the SCCA shall determine the SCCA administrative fees and expenses. As per Article 37 of the Rules, the SCCA may fix an advance deposit for SCCA administrative fees and expenses, which the parties shall pay in equal shares or as otherwise requested by the SCCA. The SCCA administrative fees shall be based on the amount in dispute and calculated in accordance with Article 4 of this Appendix.
2. In exceptional circumstances, including but not limited to situations where the parties have agreed upon additional services or conduct the arbitration in a manner not reasonably contemplated at the time of the constitution of the arbitral tribunal, the SCCA may fix a higher amount in SCCA administrative fees than would result from applying the SCCA Fee Schedule.
3. If an arbitration terminates before the arbitral tribunal has issued the final award, the SCCA shall determine the SCCA administrative fees at its discretion, taking

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into account the stage reached in the arbitral proceedings and any other relevant circumstances.

4. The parties are jointly and severally liable for the SCCA administrative fees and expenses.

Article (3): Arbitral Tribunal Fees and Expenses

1. As per Article 36 of the Rules, the SCCA shall determine the arbitral tribunal's fees in accordance with the SCCA Fee Schedule in force at the time of commencement of the arbitration. The parties may agree to an alternative fee arrangement based on an hourly rate prior to the constitution of the arbitral tribunal.
 - a) Where the arbitral tribunal fees are based on the SCCA Fee Schedule, the following applies:
 - 1) As per Article 37 of the Rules, the SCCA may fix an advance deposit in an amount likely to cover the arbitral tribunal fees and expenses, which the parties shall pay in equal shares or as otherwise requested by the SCCA. The arbitral tribunal fees shall be based on the amount in dispute and calculated in accordance with Article 4 of this Appendix. The arbitral tribunal fees shall cover all the work carried out in connection with the arbitration and are deemed to be approved by the arbitrator upon accepting the appointment. The SCCA shall finally determine the arbitral tribunal fees and expenses at the conclusion of the proceedings.
 - 2) In case of a panel of three arbitrators, the total in arbitral tribunal fees will be distributed as follows: 40% for the presiding arbitrator and 30% for each co-arbitrator unless the mem-

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bers of the arbitral tribunal agree otherwise. The SCCA shall determine any disagreement regarding the distribution of the arbitral tribunal fees.

- 3) The SCCA shall release the arbitral tribunal fees and expenses once the arbitral tribunal has issued the final award or termination order, or when the SCCA has otherwise closed the case. Upon request by an arbitrator, the SCCA may make partial payments after certain milestones in the arbitral proceedings have been completed.
- 4) In the event of any exceptional circumstances beyond an arbitrator's control that render him or her incapable of performing his or her duties, or in the event of an arbitrator's death after accepting appointment and before issuing the final award, the SCCA, in consultation with the remaining arbitrators, shall determine the amount in arbitral tribunal fees to be paid to that arbitrator, taking into account the work he or she has performed and all other relevant circumstances.
- 5) In the event that an arbitrator withdraws, has been removed or successfully challenged pursuant to Article 14 of the Rules, or ceases to serve as an arbitrator for any other reason, the SCCA, in consultation with the remaining arbitrators, shall determine the amount in arbitral tribunal fees to be paid to that arbitrator, taking into account the work he or she has performed and all other relevant circumstances.

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- 6) If an arbitration terminates before the arbitral tribunal has issued the final award, the SCCA shall determine the arbitral tribunal's fees, taking into account the stage reached in the arbitral proceedings and any other relevant circumstances.
- b) Where the arbitral tribunal fees are based on an hourly rate, the following applies:
 - 1) The hourly rate agreed to by the designating party and that designated co-arbitrator shall apply. In case of a sole or presiding arbitrator, the hourly rate agreed to by the parties and that sole or presiding arbitrator shall apply. If the parties fail to agree or where the SCCA administratively appoints the arbitrator, the SCCA shall determine the hourly rate to be paid to that arbitrator.
 - 2) The SCCA shall finally determine any disagreement regarding the reasonableness of any requests for arbitral tribunal fees.
 - 3) In the event of a postponement or cancellation of scheduled hearings pursuant to Article 24 of the Rules, the arbitral tribunal shall be compensated for lost time, subject to the following conditions:
 - a. Where a scheduled hearing is cancelled at the arbitral tribunal's request, or at the request of any party 60 days before the first hearing day, no fees shall be paid to the arbitral tribunal;
 - b. Where a scheduled hearing is cancelled at the request of any party less than 60 days

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- but more than 30 days before the first hearing day, the arbitral tribunal shall be paid for each day of lost time at 50% of the applicable hourly rate for eight hours;
- c. Where a scheduled hearing is cancelled at the request of any party 30 days or less before the first hearing day, the arbitral tribunal shall be paid for each day of lost time at 75% of the applicable hourly rate for eight hours;
 - d. If an arbitrator has spent time on the case during the scheduled hearing days, he or she shall be paid based on his or her hourly rate or the cancellation fee, whichever is higher.
 - e. Where scheduled hearing days are postponed or cancelled other than by agreement of all parties or request of the arbitral tribunal, this may be taken into account when considering any subsequent apportionment of costs.
2. As per Article 36 of the Rules, the arbitral tribunal's expenses, including those of any former or substitute arbitrators, shall be reasonable and shall be determined by the SCCA at the conclusion of the proceedings. The SCCA shall finally determine any disagreement regarding the reasonableness of any requests for arbitral tribunal expenses. Expenses may include, without limitation:
- a) Reasonable travel, accommodation, and other expenses incurred by the arbitrators for the purposes of fulfilling their obligations as arbitrators;

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- b) Reasonable costs of expert advice pursuant to Article 25 of the Rules and any other assistance for the arbitral tribunal.
3. The parties are jointly and severally liable for the arbitral tribunal fees and expenses, irrespective of which party appointed an arbitrator.

Article (4): Methods of Calculation

1. To determine the SCCA administrative fees under the SCCA Fee Schedule, as well as the arbitral tribunal fees where subject to the SCCA Fee Schedule, the amount in dispute shall be calculated as follows:
 - a) The amount in dispute shall be calculated by adding together all claims filed by the parties.
 - b) If any claim, counterclaim, or cross-claim is not quantified or remains undetermined, the SCCA shall determine the amount to be used for the calculation, taking into account the circumstances of the case.
 - c) If any claim, counterclaim, or cross-claim is non-monetary in nature, the filing party shall estimate the value behind its claim, counterclaim, or cross-claim to be used as the basis for the calculation. Absent that, the SCCA shall determine the amount to be used for the calculation, taking into account the circumstances of the case.
 - d) Article 4 (1) equally applies to any set-off, unless the arbitral tribunal, in consultation with the parties, determines that such set-off will not require significant additional work.
2. Any increase in the amount in claims, counterclaims, cross-claims, or set-offs shall be taken into account in

the calculation of the SCCA administrative fees under the SCCA Fee Schedule, as well as the arbitral tribunal fees where subject to the SCCA Fee Schedule.

Article (5): Deposits

1. As per Article 37, the SCCA shall fix the advance deposit for costs referred to in Article 34(2)(a)(b)(c)(e). Where the SCCA Fee Schedule applies, the SCCA may fix an advance deposit for arbitral tribunal fees that is higher or lower than the average amount that would result from applying the SCCA Fee Schedule.
2. Where counterclaims, set-offs or cross-claims are submitted, or where it otherwise appears appropriate in the circumstances, the SCCA may request separate advance deposits for the SCCA administrative fees and the arbitral tribunal fees.
3. Upon payment of the advance deposit, the SCCA shall forward the case file to the arbitral tribunal.
4. Any request for additional deposits under Article 37 of the Rules shall take into account fluctuations in the amount in dispute, changes in estimated expenses, the use of experts appointed by the arbitral tribunal, or any other circumstances, including but not limited to evolving difficulties or the complexity of the arbitration.
5. When the parties have agreed to an alternative fee arrangement based on an hourly rate, the SCCA may, in consultation with the arbitral tribunal, request the parties to deposit an amount likely to cover the arbitral tribunal fees and expenses.
6. Upon request by any party, the SCCA may allow the advance deposit for arbitral tribunal fees to be paid in installments, subject to any terms and conditions the

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SCCA deems appropriate.

7. If a party's share of arbitral tribunal fees exceeds SAR 1,000,000 ("the Threshold Amount"), such party may post a bank guarantee for any amount above the Threshold Amount. The SCCA shall establish the terms governing all bank guarantees and may modify the Threshold Amount at any time at its discretion. In the event that a party also advances the defaulting party's share, it may do so by posting a bank guarantee to cover the defaulting party's share.
8. Once the arbitral tribunal issues the final award, the SCCA shall send the final award to the parties, provided that the SCCA administrative fees and arbitral tribunal fees have been fully paid to the SCCA by the parties.
9. After a final award or termination order has been sent to the parties, the SCCA shall render an accounting to the parties of the deposits received and return any unused deposits to the parties after also the time period prescribed in Article 33 has passed.

Article (6): Methods of Payment

1. All advance deposits paid on account of the costs referred to in Article 34(2)(a)(b)(c)(e) shall be deposited with the SCCA by wire transfer, check, or other methods approved by the SCCA, and shall remain on deposit until the arbitral tribunal has issued the final award or termination order, or the SCCA has otherwise closed the case. The payment of advance deposits shall not result in any charges for the SCCA.
2. Advance deposits do not yield interest or earnings for the parties or the arbitral tribunal.
3. Amounts paid to the Arbitral Tribunal do not include

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any possible value added tax (VAT) or other taxes or charges and imposts applicable to arbitral tribunal fees. Parties have a duty to pay any such taxes or charges; however, the recovery of any such charges or taxes is a matter solely between the arbitrator and the parties. Where required by law, the SCCA shall collect withholding tax and remit such tax to the appropriate tax authority.

Article (7): Award Interpretation and Correction Fee

1. At its discretion, the SCCA shall fix the costs of the procedure following an application made pursuant to Article 33 of the Rules, which shall include any SCCA administrative fees and expenses and any arbitral tribunal fees and expenses arising in relation to such request.
2. The SCCA may request the parties to pay appropriate amounts as an advance deposit to cover SCCA administrative fees and expenses and arbitral tribunal fees and expenses.
3. Applications made pursuant to Article 33 of the Rules shall not be forwarded to the arbitral tribunal until deposits are paid in full.

Article (8): Tribunal Secretary Fees and Expenses

1. Where the arbitral tribunal appoints a tribunal secretary, the SCCA Secretary Regulations in force at the time of commencement of the arbitration shall apply.
2. As per Section 24 of the SCCA Secretary Regulations, the arbitral tribunal shall determine the total in tribunal secretary fees and expenses and shall state them in the final award as per Section 27 of the SCCA Secretary

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Regulations.

3. Where the SCCA Fee Schedule applies, the tribunal secretary fees shall form part of the arbitral tribunal fees in accordance with Section 25 of the SCCA Secretary Regulations. In all other cases, the arbitral tribunal shall fix an hourly rate after consultation with the parties and the SCCA. The tribunal secretary fees and expenses shall be reasonable and, where applicable, charged separately.
4. The parties are jointly and severally liable for the tribunal secretary fees and expenses.

SCCA Fee Schedule for Regular Cases under the SCCA Rules

Amount in Dispute *		SCCA Administrative Fees **		Arbitral Tribunal Fees ***	
up to	200,000	10,000		10.3795%	of amount in dispute
from	200,001 to 400,000	10,000	+ 1.284% of amount over 200,000	20,759	+ 7.598% of amount over 200,000
from	400,001 to 800,000	12,568	+ 2.024% of amount over 400,000	35,958	+ 4.3036% of amount over 400,000
from	800,001 to 2,000,000	20,664	+ 1.672% of amount over 800,000	53,172	+ 3.8287% of amount over 800,000
from	2,000,001 to 4,000,000	40,728	+ 1.208% of amount over 2,000,000	99,116	+ 2.2556% of amount over 2,000,000
from	4,000,001 to 8,000,000	64,888	+ 0.76% of amount over 4,000,000	144,228	+ 2.0182% of amount over 4,000,000
from	8,000,001 to 20,000,000	95,288	+ 0.368% of amount over 8,000,000	224,701	+ 0.7789% of amount over 8,000,000
from	20,000,001 to 40,000,000	139,448	+ 0.2% of amount over 20,000,000	318,169	+ 0.5096% of amount over 20,000,000
from	40,000,001 to 100,000,000	179,448	+ 0.08% of amount over 40,000,000	420,089	+ 0.1349% of amount over 40,000,000
from	100,000,001 to 200,000,000	227,448	+ 0.072% of amount over 100,000,000	501,029	+ 0.1276% of amount over 100,000,000
from	200,000,001 to 300,000,000	300,000		628,629	+ 0.0879% of amount over 200,000,000
from	300,000,001 to 400,000,000	300,000		716,529	+ 0.06% of amount over 300,000,000
from	400,000,001 to 1,000,000,000	300,000		776,529	+ 0.036% of amount over 400,000,000
over	1,000,000,000	300,000		992,529	+ 0.025% of amount over 1,000,000,000
Undetermined Amount		179,448		420,089	

* Saudi Riyal (SAR) is the official currency (USD 1 = SAR 3.75). Please use our fee calculator on our website at www.sadr.org to calculate the fees. The SCCA reserves the right to revise the SCCA Fee Schedule from time to time as it deems appropriate.

** A non-refundable Registration Fee of SAR 5,000 is payable in full by the claimant when a claim is filed and will be credited towards the claimant's share of the SCCA Administrative Fees.

*** The amounts calculated using this formula represent the average amount in arbitral tribunal fees. The SCCA may fix advance deposit that is up to 30% higher or lower than the average amount. The SCCA will ultimately determine arbitral tribunal fees at the end of the case. The arbitral tribunal fees for a panel of three arbitrators is three times the amount calculated for sole arbitrator. The payout of the minimum amount in arbitral tribunal fees is only guaranteed if a case ends in a final award. Amounts paid to the Arbitral Tribunal do not include any possible value added tax (VAT) or other taxes or charges and imposes applicable to the arbitral tribunal fees.

