



POTTER CLARKSON LLP

TERMS OF ENGAGEMENT

1. About Us

- 1.1. Potter Clarkson LLP is a limited liability partnership, registered in England and Wales (No. OC315197). Our registered office is as stated on our website at www.potterclarkson.com.

2. The Terms of our agreement with you

- 2.1. The terms set out in this document (as varied, where applicable, by the terms of our general (or any specific) engagement letter with you) will apply to all work that we undertake for you. If there is a conflict between the terms set out in this document and any terms set out in an engagement letter, then the terms set out in the engagement letter will prevail.
- 2.2. You accept these terms either by counter-signing our engagement letter or by continuing to instruct us. No other terms (including for example, any terms that you include or refer to on a purchase order sent to us) will apply to our work for you.
- 2.3. Our agreement with you will be governed by, and interpreted in accordance with, English law. Any dispute between you and us in relation to the agreement will be dealt with exclusively by the English courts.
- 2.4. If any of these terms is found to be invalid or unenforceable for any reason, the term in question will be considered deleted and the remainder of the terms will continue unaffected. If the invalidity or unenforceability affects only a part of a term, the relevant part of the term will be deleted and the remainder of that term together with the other terms will continue unaffected.

3. Our Services

- 3.1. We will provide our services to that standard of skill and care that would reasonably be expected of a professional firm of our standing and reputation.
- 3.2. In providing our services:
 - (a) we are entitled to assume that any person identified or referred to in our engagement letter with you (whether or not identified by name) as being authorised to give instructions on your behalf is so authorised; and
 - (b) we may execute on your behalf any documents that are reasonably necessary in order to fulfil your instructions and you will indemnify us against any loss or damage that we incur as a result of so doing.
- 3.3. We will endeavour to provide our services in accordance with any timescales agreed in writing with you.
- 3.4. If, in order to provide any services to you, we need to engage other service providers (for example, barristers, overseas lawyers and attorneys, investigators and experts), we will exercise professional skill and care in selecting advisers who should have the skills and expertise required for the

relevant service. Provided we have done so, we will not be liable for any acts or omissions of those service providers.

- 3.5. Potter Clarkson LLP is the ultimate parent of other companies in the Potter Clarkson group, such as Potter Clarkson A/S in Denmark and Potter Clarkson AB in Sweden. Although your relationship is with Potter Clarkson LLP, and Potter Clarkson LLP would remain responsible for the work, some or all of the work that we do for you may be undertaken by staff at other companies in the group. We may, in particular, ask you to authorise attorneys at other Potter Clarkson companies to carry out work on your behalf.

4. Your responsibilities

- 4.1. You must ensure that, where we stipulate a deadline for the receipt of your instructions to take any action for you, we receive your instructions (together, where applicable, with the requested information or documentation), by that deadline.
- 4.2. If you have given us responsibility for managing a portfolio of patents, trade marks or other registered rights, you must notify us promptly in writing of any changes to your contact details or to the name or address of the entity owning any of those registered rights (including where this change occurs as the result of a transfer of those registered rights).
- 4.3. If you ask us to take over responsibility for the management of an existing portfolio of registered rights, you may ask us to verify the details of the portfolio that are provided to us by you or on your behalf. If you do not ask us to undertake such verification, then you must ensure that the details provided are complete and accurate and we will have no responsibility to verify them. We may make a charge for recording details of an existing portfolio on our systems and/or for undertaking any requested verification work.
- 4.4. You must notify us as soon as possible if you no longer wish us to provide any services, whether in general or in relation to a given matter. Until we receive such notification, we may undertake (and charge for) all such steps as we consider reasonably necessary to provide those services, including:
 - (a) such steps as are necessary to maintain in force any registered intellectual property rights or pending applications for such rights; and
 - (b) reporting upon actions or other communications received from intellectual property offices or other persons in relation to pending applications for intellectual property rights or granted rights.
- 4.5. If you are a foreign attorney to whom we are providing services for the ultimate benefit of your client, you must indemnify us against any loss or damage (including any awards of damages or legal costs against us, our own legal costs and expenses and any indirect loss or damage) arising from any claim made against us by your client as a result of (1) your failure accurately to communicate to your client any part of our advice and/or (2) your provision to us of any incorrect data as we are entitled to assume it is correct.

5. Charges

- 5.1. Unless otherwise agreed with you in writing, our charges will be calculated by reference to:
- (a) our standard fixed charges from time to time in force in respect of certain specified services;
 - (b) the time spent in providing services to you multiplied by the standard hourly charging rate from time to time in force applicable to the individual(s) providing those services.

For the purposes of paragraph (b), time spent on any particular task is measured in complete or partially complete units of 6 minutes and chargeable time includes time spent by the relevant individual(s) in undertaking any travelling reasonably necessary for the provision of the services.

- 5.2. Unless otherwise agreed with you in writing, we may increase our standard fixed charges and hourly charging rates at any time. We normally review these charges and rates at the end of each calendar year.
- 5.3. We may apply an uplift to our charges (whether standard or agreed with you) to reflect the unusual complexity, value or urgency of a matter.
- 5.4. In addition to our charges, we will invoice you for disbursements (that, is to say, expenses) that we reasonably incur in connection with our provisions of services to you including, without limitation, intellectual property office fees, overseas attorney, Counsel and other service provider fees, searchers' and investigators' fees, database usage and download costs, travel, accommodation and subsistence expenses. We may charge a service fee for dealing with such disbursements (other than intellectual property office and Counsel fees) equal to 5% of the disbursement value (inclusive of sales tax except where the sales tax is UK VAT).
- 5.5. We will add to our charges and disbursements any applicable VAT or other taxes at the appropriate rate. When we convert charges from one currency to another, the exchange rate applied may be different from the market rate on the day in question, due to the need to protect ourselves against currency fluctuations between our conversion of the charge for billing to our client (if billed in GBP) and our settling the supplier's charge, or between settling our supplier's charge and our being reimbursed by our client (if billed in other currencies).

6. Invoicing and Payment

- 6.1. Unless otherwise agreed with you in writing:
- (a) we may issue invoices for our charges and disbursements at any time after we have provided the services to which the charges or disbursements relate;
 - (b) invoices will be rendered, and must be settled, in GB pounds; and
 - (c) you must pay each of our invoices within 30 days of the date of invoice.

- 6.2. If you fail to pay an invoice in full by the due date, then, in addition to any other remedies that we may have under paragraph 10.2 of these terms, we may:
- (a) cease to provide any services to you until the invoice has been paid in full;
 - (b) charge interest on the overdue sum from the due date until the date of payment at an annual rate equal to the Bank of England bank rate in force during that period plus 4%.
- 6.3. If you are unhappy about any invoice and we are unable to resolve the cause of your unhappiness, you may use our complaints procedure detailed in section 14 below. Alternatively, if the matter to which our invoice relates was carried out by one of our solicitors, then you may ask the Court to assess your invoice under Part III of the Solicitors Act 1974 (though, if you make such a request, the Legal Ombudsman (see section 14 below) may decline to consider any complaint that you then make to him or her).

7. Payments on account and other client monies

- 7.1. We may, at any time, ask you to provide money on account of any charges or expenses that we expect will be incurred in providing or continuing to provide any services to you. If so, we may decline to proceed or continue with those services until the payment has been received.
- 7.2. We will hold any payment of this type in a designated client account until such time as we submit an invoice for the services to which the payment relates. If the actual charges exceed your payment on account, then you must pay the balance within 30 days of the date of the invoice. If, on the other hand, the payment you have made exceeds the amount of the invoice, we will return the balance to you unless you instruct us to retain it against other services that we are providing or to settle any other invoices.
- 7.3. Any monies that you send to us in connection with the services that we are providing to you but which do not relate to our charges or expenses will be held in our designated client account. These monies are your monies and, as such, represent a debt owed to you by the relevant bank. We will, accordingly, have no liability to you in the event of the failure of the bank.
- 7.4. You must not send any monies to us other than in settlement of an invoice or in response to our request in connection with the services that we are providing to you.
- 7.5. Unless otherwise agreed with you in writing (or required by our regulator or by law), we will not pay interest to you on the sums that we hold for you in our client account.

8. Identification of our client

- 8.1. In order to meet our obligations under legislation (including legislation relating to money laundering and terrorism), we may need to obtain evidence of your identity (or, if you are a corporate entity) the identity of your directors and ultimate owners. We may also need to obtain evidence of the ultimate owners

of any intellectual property rights in relation to which you have asked us to provide services.

- 8.2. We may obtain such evidence from you and from databases held by third parties. You agree to our obtaining and holding such evidence for the purpose of identifying you and, if applicable, the other persons referred to in paragraph 8.1 above.
- 8.3. You acknowledge that we may be unable to provide services to you until satisfactory identification evidence has been obtained and may have to suspend the provision of services if such evidence becomes out of date and is not timely updated in response to our request.

9. Communications, Confidentiality and Data Privacy

- 9.1. You agree that we may communicate with you by email and other electronic methods and acknowledge that we are unable to guarantee the security of such communications even where they are encrypted. We will consequently not be liable to you (whether in contract, negligence or otherwise) for any loss or damage that you may suffer as a result of any such communications not being received by you, being received late or in corrupted form or being seen by an unauthorised person.
- 9.2. Except as set out in this paragraph 9.2 and in paragraph 9.4 below, we will keep confidential the information that you provide to us and any advice or reports that we prepare for you. We may, however, disclose such information, advice or reports:
 - (a) in accordance with your instructions;
 - (b) to other service providers (including but not limited to other attorneys and solicitors, barristers and providers of administrative services) whom we need to engage in order to provide any services to you;
 - (c) to our regulators, auditors, insurers, other advisers and bankers;
 - (d) to the extent that such disclosure is required by law;
 - (e) to the extent necessary in order to defend ourselves in any actual or threatened, legal, civil or regulatory proceedings.
- 9.3. In the case of any disclosure by us under paragraphs (b) and (c) of paragraph 9.2 we will ensure that the recipient of the information, advice or report has a duty to maintain the confidentiality of the same. If we are required by law to make a disclosure (paragraph (d) of paragraph 9.2), we will, to the extent lawful and reasonably practicable, notify you in advance of the proposed disclosure and, in any event, notify the relevant authority that what is being disclosed is your confidential information.
- 9.4. Although we have a duty to keep your information confidential under paragraph 9.2, this duty will not apply, or will cease to apply, to any information which is, or becomes, generally available to the public other than as a result of a breach of the confidentiality obligation that we owe to you; which we knew (free from any confidentiality obligations) before you disclosed it to us; or which someone

else (who did not obtain the information from you) subsequently discloses to us free from confidentiality obligations.

- 9.5. If you have provided personal data to us, you agree that we may use and possess this data in order to:
- (a) provide services to you;
 - (b) process your payment for our services;
 - (c) inform you about other services that we provide, but you may stop receiving such information at any time by contacting us.
- 9.6 Further details about how we process personal information are set out in our privacy policy which can be reviewed at www.potterclarkson.com/privacy-policy. A hard copy of such policy can be forwarded on request.

10. Terminating our services

- 10.1. Either you or we may terminate our provision of services to you at any time by giving at least 30 days' written notice to the other.
- 10.2. Either you or we may terminate our provision of services to you immediately on giving written notice to the other if the other:
- (a) has breached in a significant way any of its obligations under the agreement and, if the breach was capable of remedy, failed to remedy the breach within 30 days of a notice setting out the breach and requiring its remedy;
 - (b) is declared bankrupt or is unable to pay its debts as they become due; is wound up or passes a resolution to be wound up; has appointed to it an administrator or an administrative receiver; has an encumbrancer take possession of, or a receiver, manager or administrative receiver appointed over, the whole or any part of its assets; suspends payment of any of its debts; enters into (or proposes to enter into) any arrangement, compromise or composition in satisfaction of its debts; ceases, or threatens to cease, to carry on business; or takes any action, or becomes subject to any event or circumstances, analogous to such action, event or circumstances described above in this paragraph (b) in any jurisdiction in which that other party is incorporated, resident or carries on business.
- 10.3. Following any termination of our services, we may submit a final invoice in respect of our unbilled charges and disbursements and you must pay this within 30 days from the date of invoice.
- 10.4. Termination does not affect any rights that you or we may have against the other as the result of acts or omissions that occurred prior to the date of termination and does not affect the coming into, or continuation in, force of any of these terms that is intended to come into, or continue in, force following termination.

11. Conflicts of Interest

- 11.1. A conflict of interest arises where two clients are involved in a matter in which their interests are not the same (for example, they are in dispute) or where, in acting for one client, we are likely to receive confidential information (for example regarding new inventions) relevant to the work that we are doing for another client.
- 11.2. We will endeavour to identify any likely conflict of interest before accepting any instructions from you. However, conflicts sometimes only become apparent at a later stage or because, for example, a client acquires a business or moves into a new business area.
- 11.3. We may stop providing services to you at any time if we become aware of a conflict of interest that we believe cannot be resolved.
- 11.4. The rules of the bodies by which we are regulated will prohibit us from acting or continuing to act for a client in certain conflict of interest situations. However, these rules would not necessarily preclude us from acting against an existing client in a matter of a type for which that client would not normally instruct us and in respect of which we did not possess relevant confidential information belonging to that client. This would be the case even if we were recorded as the address for service for that client's registered intellectual property rights.

12. Renewal of registered intellectual property rights

- 12.1. If you instruct us to administer your portfolio of patents, registered trade marks, registered designs or other registered intellectual property rights, we will, unless you wish to make different arrangements, undertake the renewal of these registered rights in a manner to be separately agreed.

13. Files and records

- 13.1. Unless law or regulation requires a longer period, we will keep our files and records relating to your matters (in either hard copy or electronic form) for at least 7 years from the date of the last recorded action relating to a particular matter.
- 13.2. At the end of the retention period mentioned in paragraph 13.1 above, we may destroy our files and records relating to a matter unless you have asked us not to, in which case, we will deliver them to you (excluding our internal notes and communications). We may make a charge for the time and costs incurred in fulfilling your request.
- 13.3. Unless we agree otherwise with you in writing, the copyright in all documents, letters and other items that we produce in the course of providing services to you will belong to us and you may use such items only for the purpose for which they were provided.
- 13.4. If you ask us to transfer responsibility for a matter or a portfolio of intellectual property rights, we will send the relevant files and records relating to the matter or portfolio to the person whom you have appointed but may keep a copy of such files and records. We may make a charge for the time and costs incurred

in taking such actions. We may remove from the files and records to be transferred any items comprising our confidential information such as invoices and other communications regarding our charges.

- 13.5. Unless otherwise agreed with you in writing, we will forward to you for safe keeping all original registration and renewal certificates, signed agreements and other similar documents that we receive in relation to your intellectual property rights and matters. If we agree to retain such documents, we will keep them in a secure location, which may be off-site and operated by someone else.
- 13.6. If we are liable for any loss of, or damage to, your original documents or our files and records relating to your matters and intellectual property rights (whether or not as a result of our negligence), your sole remedy will be for us to replace or reconstruct such documents, files or records (to the extent that this is reasonably practicable) at our own cost.
- 13.7. If you owe us any money at the date upon which you ask us to send any original documents, files or records to you or a replacement provider of services to you, we will not be obliged to do so until all of the outstanding amounts (together with any applicable interest) have been paid.

14. Complaints

- 14.1. If you are unhappy about any aspect of the services that we have provided, you should raise this initially with the attorney or solicitor who is your main contact for that work. If that person is unable to resolve the matter to your satisfaction, you should then refer the issue – or ask that person to refer the issue – to the partner responsible for that matter or for your matters generally. Alternatively – or if the issue remains unresolved – you can make a complaint to our practice director.
- 14.2. If you make a formal complaint – which we recommend that you do in writing – we will deal with this in accordance with our internal complaints procedure, a copy of which we will make available on request.
- 14.3. If you are unhappy with the outcome of our internal complaints procedure, you may, if you are an individual or small business, be entitled to make a complaint to the Legal Ombudsman. Full details of the service offered by the Legal Ombudsman including who can make a complaint and the applicable procedures can be found at www.legalombudsman.org.uk. Any complaint to the Legal Ombudsman must usually be made within six months from the date of our final response to your complaint and, must in any case, be made no later than six years from when the problem occurred (or, if later, three years from when you should reasonably have become aware of the problem).
- 14.4. If you are unhappy with the outcome of our internal complaints procedure and the complaint is one of professional misconduct, you may make a complaint to the relevant regulatory body. Normally, this will be IPReg (www.ipreg.org.uk). However, if the complaint concerns one of our solicitors, then it may be appropriate for you to complain to the Solicitors Regulation Authority (www.sra.org.uk).

- 14.5. If your unhappiness arises from one of our invoices and the invoice relates to work carried out by one of our solicitors, then, you also have the option of having our invoice assessed by the court, as mentioned in paragraph 6.3 above.

15. Limitation of Liability

- 15.1. This section sets out limits on our liability to you and applies whether that liability arises in contract, negligence, breach of statutory duty or otherwise. The limits do not apply in the case of death or personal injury caused by our negligence, fraud or fraudulent misrepresentation or in any other circumstances where the law does not permit limitation of liability.
- 15.2. Subject to paragraph 15.1:
- (a) our total liability in connection with each matter on which you instruct us will not exceed three million pounds (£3,000,000);
 - (b) we will not be liable to you for any indirect or consequential loss or for any of the following losses (whether or not those losses are considered by the law to flow "directly" (i.e. naturally) from the relevant breach or negligence), namely loss of profits, loss of contracts, loss of anticipated savings, loss of or damage to goodwill);
 - (c) your sole remedy for any loss of, or damage to, your original documents or our files and records relating to your matters and intellectual property rights is set out in paragraph 13.6 above;
- 15.3. We will not be liable to you for any failure to provide, or delay in providing, services to you if the failure or delay arises from events or circumstances outside our reasonable control. In such circumstances, we will notify you as soon as possible of the event or circumstances in question and let you know for how long we expect our provision of the services to be delayed.
- 15.4. You agree that you will not bring a claim against any of our members, partners or employees in respect of any alleged breach of contract, negligence or other legal wrong for which we would be vicariously liable.

16. Notices

- 16.1. If you or we need to give a notice under these terms, this must be in writing and in the English language. You should deliver or send any notice to us at our registered office address (see our website at www.potterclarkson.com for our current registered office address) and we will send or deliver any notice to you at your registered or main office address or, if you are an individual, at your home address.