

HARRISON IP LTD - TERMS OF ENGAGEMENT

1. INTRODUCTION

- 1.1 We are a firm of Patent and Trade Mark Attorneys providing intellectual property services throughout the world.
- 1.2 Our head office is located at the following address in York: 1st Floor, Box Tree House, Northminster Business Park, Northfield Lane, York YO26 6QU.
- 1.3 Although many of the terms and conditions set out below seem to be rather formal, they are thought to be appropriate to protect both you and ourselves from the consequences of particular situations which, at least in theory, might arise. However, it is our intention to handle your work in such a way that these situations will never arise. We would like to create and maintain a relationship with you which is both constructive and beneficial to you and we very much hope that you will be not only happy with the service which we provide but will also remain our clients for many years to come.

2. INSTRUCTIONS

- 2.1 We will endeavour to carry out any work which you entrust to us to the best of our abilities. The work will be carried out by one or more of the members of the firm, all of whom are qualified Patent and/or Trade Mark Attorneys, or trainees under the direct supervision of a qualified attorney.
- 2.2 We will respond to all communications which you send us within 24 hours and we will work to whatever deadlines are agreed between us or are imposed by external authorities such as the British or European Patent Offices.
- 2.3 It is important that you inform us as soon as possible of any change in your contact details and the ownership of patent, trade mark or other rights for which we have the responsibility.

Many such changes which affect the owner of rights should be officially registered. The registration of patent, trade mark and design rights can take a considerable time and there might be little activity for long periods followed by a situation which requires immediate action. We cannot be liable for any loss of rights as a consequence of your failure to inform us of any such changes.

- 2.4 When you provide instructions, information or advice to us orally without confirmation in writing, then we shall endeavour to keep a record of the instructions, information or advice and to act upon it as appropriate. Wherever possible, we will confirm to you in writing both your instructions, information or advice and the action we will be taking.

- 2.5 You authorise us to complete and sign in your name such official forms and applications as are necessary or desirable to carry out your lawful instructions and you will indemnify us in respect of all costs, claims, demands and expenses that may result from exercise of the authority hereby given.
- 2.6 Before we send any warning on your behalf to a third party, we may require you to indemnify us against the risks of our being sued for making an unjustified threat of infringement proceedings. The aim of this requirement would be to maintain our objectivity in contentious matters, which would diminish if our interest in any proceedings were to differ from yours. We may refuse to act for you if you are not able to provide the requested indemnity.
- 2.7 Our advice is provided for your benefit and solely for the purpose of the instructions to which it relates. It may not be used or relied on for any other purpose or by any other person other than you without our prior agreement.

3. EXCLUSIONS AND LIMITATIONS OF LIABILITY

- 3.1 During our work for you we may need to instruct third parties (for example, patent and trade mark attorneys in other countries) to act on your behalf. We might instruct such third parties directly on your behalf. Alternatively, you might need to sign a Power of Attorney or similar appointment to engage such third parties. Any such party is not part of Harrison IP Limited. While we shall endeavour to select third parties of appropriate good standing, we shall not be responsible for any default or negligence by such third parties. In the case of negligence or a default, your course of action will be directly against the third party.
- 3.2 Searches which you instruct us to carry out might be carried out by ourselves, by Patent Offices or by an independent specialist searching firm. The limitations and occasional errors in classifications, indices, computer databases and official records mean that no search can be guaranteed for comprehensiveness or accuracy. We shall not be liable to you for errors by searchers who we instruct on your behalf, or for the consequences of limitations in a reasonably drawn search strategy, or for errors in classifications, indices, computer databases and official records which are outside our control.

4. FEES

- 4.1 Our charges are based principally on the amount of professional time spent on the matter, although other factors may also be taken into account, for example, in as matter in which highly specialised knowledge is required or if the matter is complex. We might apply tariff charges to specific tasks such as the filing of a patent or trade mark application.
- 4.2 Our hourly rates are determined with reference to the seniority and experience of the professional staff involved. These rates are reviewed periodically. Charges are calculated at hourly rates which apply when the work is carried out.

- 4.3 In appointing us to act on your behalf, you are also authorising us to incur such expenses as we consider necessary to carry out your instructions properly, and agreeing that you will reimburse us in respect of those expenses. Examples of such expenses are Patent Office fees, fees of Counsel and other experts, Court fees and the costs of third parties (for example, Patent Attorneys in other countries, experts, searchers and translators) who we instruct on your behalf. Expenses might also include such items as courier charges, costs of travel and accommodation, and meeting expenses, telephone and fax charges. While our fixed charges and hourly rates are predictable, you should appreciate that many expenses are outside our control since they might be changed without notice and (in the case of foreign matters) vary with exchange rate fluctuations.
- 4.4 An estimate of the likely costs for service which we provide, whether in respect of your request or otherwise, is given as a guide only to assist you in budgeting and should not be regarded as a firm quotation or as a fixed or capped fee unless otherwise agreed in writing.
- 4.5 Any estimates or quotations given by us are net of VAT, which will be charged as applicable on our fees and those expenses that are liable for VAT.
- 4.6 We reserve the right to submit invoices to you at regular (usually monthly) intervals or at appropriate stages in the conduct of the matter. We reserve the right to request payments in advance on account of our fees and expenses incurred.

5. PAYMENT TERMS

- 5.1 Payment of all invoices is due within 30 days of the end of the month in which the invoice is raised. For late payment, we reserve the right to charge interest of 3% above the base rate from time to time of the Royal Bank of Scotland Plc accruing on a daily basis from the due date. Any query relating to invoice from us must be notified to us within 14 days of the date of such invoice.
- 5.2 We may require payment from you on account of payments to third parties or our professional fees or both. We may suspend and refrain from taking any action in relation to your affairs without any liability to you (even in the case of the loss of any rights) if we have specified that we will not take any action unless a payment on account is made and such payment has not been made in full, or if any invoice rendered to you has not been paid in full by a stipulated due date. Any such suspension of work or any cancellation by you of instructions given to us shall be without prejudice to our right to invoice and be paid for work undertaken and advice provided prior to the date of suspension or cancellation.

6. FILES

- 6.1 Our files remain our property at all times. In the event you decide to transfer your work to other professional advisers, we will, at your option, or the option of the new

advisers, (a) copy such of the files related to your work as you request (at your expense) and release the copy files, (b) give your new advisers access to the files to take such copies as they require, or (c) pass the files over to your new advisers on condition that they allow us access to the files and to take copies of anything on the files as and when we request.

- 6.2 Files which are no longer current, including those containing details of or otherwise relating to matters which may still be in force but for which we no longer have responsibility, may, at our discretion, be retained by us or destroyed. Specific arrangements may be made with us for maintenance of the files or records on a longer term basis. Such arrangements may include a charge for this service.
- 6.3 We retain copyright and all other rights in all documentation prepared by us and provided to you. Your use of such documentation is restricted to the purpose for which it was prepared.

7. OFFICE HOURS

- 7.1 We do not guarantee to attend to mail, faxes and e-mails received outside normal office hours (other than by prior arrangement). Our offices are normally open on weekdays (excluding public holidays) between the hours of 09:00 and 17:00.

8. E-MAIL COMMUNICATIONS

- 8.1 We will use e-mail for communications unless you tell us not to. You should be aware that:
- (a) Communications over the internet are not secure. We do not therefore guarantee that information which is communicated to us in this way will not be corrupted or intercepted;
 - (b) An e-mail sent over the internet does not always reach the intended recipient. We do not therefore guarantee that every e-mail, sent and received, will reach the intended recipient;
 - (c) Viruses or other harmful devices can be spread over the internet. While we take reasonable precautions to prevent these problems, we do not guarantee that our e-mail correspondence will be free from viruses. If we are to communicate by e-mail, it is on the basis that you will also take reasonable precautions to prevent such viruses or other harmful devices;
 - (d) We monitor e-mails to investigate or detect unauthorised use of our e-mail system, or for any other purpose permitted by law.

9. DATA PROTECTION

- 9.1 To enable us to carry out our obligations to you and for other related purposes, including updating and enhancing client records, client checking, analysis for management purposes, client prevention, and legal and regulatory compliance, we may obtain, use, process and disclose personal data about you. We will comply with the Data Protection Act 1998 and other relevant data protection legislation.
- 9.2 By instructing us you consent and agree to us obtaining, processing and using personal data concerning you and further consent to our disclosure of personal information about you to third parties.
- 9.3 You have right of access under data protection legislation to the personal data we hold about you. You may contact our data controller if you require further information in this respect.

10. CONFIDENTIALITY AND CONFLICTS OF INTEREST

- 10.1 We will keep confidential all information regarding your business and affairs unless you instruct us to disclose it or we are compelled to disclose it by law.
- 10.2 An actual or potential conflict to your interests and the interests of another of our clients might arise during the course of an engagement. If this situation arises, we will discuss the position with you and determine the appropriate course of action. In such circumstances, we reserve the right to act further, at least in relation to the area of conflict, for one of the clients in question. Because of obligations of confidentiality it will not generally be possible for us to identify the other client or the subject matters involved, when we advise the client that we can no longer act for them.
- 10.3 Before taking on a new client we will try to identify conflicts of interest that may preclude us from acting for them. We recommend that potential new clients identify to us any firms or companies for whom they believe we will be unable to act without a conflict of interest arising.
- 10.4 We will not be precluded from acting for a client in relation to a matter in which we have acted for another party when our services for the other party have not extended beyond translation, renewal, and providing an address for correspondence.

11. MONEY LAUNDERING

To the extent required by law, we will ask for evidence of identity, and will report to the National Criminal Intelligence Service our suspicion that you or some other party to a transaction is engaged in handling the proceeds of crime. We will not inform you of any such report if we are prevented from doing so by law.

12. CLIENT CARE AND COMPLAINTS

- 12.1 We value our good relationships with our clients. However, we accept that from time to time, difficulties and misunderstandings may arise. If you have any problems, you

should feel free to discuss your concerns with the member of our professional staff dealing with your work. If, after such discussions, you feel that the matter has not been adequately dealt with, please speak to another Director of Harrison IP Limited.

- 12.2 We undertake to look into suggestions and other comments carefully and promptly and to do all we can to explain the position to you. We will endeavour to complete our response within 8 weeks. If after our investigation and response you are still not satisfied with the quality of service offered, The Legal Services Act has set up the Legal Ombudsman to deal with complaints of poor service. Ordinarily, a complainant must also refer a complaint to the Legal Ombudsman within one year of the complaint to the firm and generally within six months of the firm's response. We will confirm the relevant deadline in our response to a complaint made to us. Please note that the Legal Ombudsman generally handles complaints only by individuals, very small businesses, charities, trusts and clubs and associations. You can contact the Legal Ombudsman at PO Box 15870, Birmingham B30 9EB; or by telephone on 0300 555 0333; via the website www.legalombudsman.org.uk or by email at enquiries@legalombudsman.org.uk.
- 12.3 Alternatively, if the complaint concerns a matter of professional misconduct rather than poor service, and you remain dissatisfied after our investigation and response, you can contact the Intellectual Property Regulation Board (IPREG) at 5th Floor, The Outer Temple, 222-225 Strand London WC2R 1BA about your complaint or in some cases (mainly complaints between professionals) the European Patent Institute (EPI). Any complaint to the IPREG must usually be made within twelve months of the date of the professional misconduct alleged or your discovery of it but for further information, you should contact the IPREG on 020 7353 4373 or via their Website www.ipreg.org.uk or by email to ipreg@ipreg.org.uk.

13. TERMINATION OF RELATIONSHIP

- 13.1 You may withdraw your instructions at any time by written notice to us.
- 13.2 We may decline to act further by giving you written notice where we have good reasons to do so (including failure by you to settle invoices in full on the due date or to make payments in advance when so requested).
- 13.3 If our engagement is terminated, whether by you or by us, we shall be entitled to payment of our fees, including expenses and applicable VAT, incurred up to the date of termination.

The Directors
Harrison IP Ltd