## Standard Terms Of Business

## 1 March 2020

We are Hindles Limited, registered in Scotland no. SC 398144. We trade from Clarence House, 131-135 George Street, Edinburgh, EH2 4JS, UK under the trading name Hindles. Our registered address is 131-135 George Street, Edinburgh, EH2 4JS.

These are our standard terms of business upon which we will carry out professional work on your behalf. These provisions are designed to assist us in providing you with an efficient and effective service and will form the basis of our ongoing relationship.

## 1. Documents forming our agreement

This document forms the full agreement between us and constitutes our letter of engagement for ongoing patent and trade mark attorney work. Please note that no change to the terms of our agreement will be valid unless agreed in writing by a Director of Hindles Limited.

## 2. Obligations of Hindles Limited

The Directors and qualified staff are UK Registered Patent Attorneys and/or UK Registered Trade Mark Attorneys. They and the firm are regulated by the Intellectual Property Regulation Board and must comply with the Rules of Conduct for Patent and Trade Mark Attorneys and Other Regulated Persons. Our Patent Attorneys are also bound by the Code of Conduct for the Institute of Professional Representatives before the European Patent Office.

Hindles Limited will perform the engagement with reasonable skill, care and diligence, and will practice competently, conscientiously, courteously, honestly and objectively, avoiding unnecessary expense to the client and putting the interests of clients foremost while observing the law and the duty of Hindles Limited to any Court or Tribunal, or regulatory requirement.

## 3. Instructions

We shall be entitled to assume, unless otherwise instructed in writing, that the person (including an individual, firm or company) providing us with instructions in relation to a matter is responsible for settlement of all our invoices and for reimbursement of all our costs and expenses incurred in carrying out their instructions). E.g. if we accept instructions from lawyers, other patent attorneys or agents (whether in the UK or abroad) they, and not the persons for whom they act, are responsible for settlement of all our invoices and for reimbursement of all our costs and expenses incurred in carrying out their instructions.

If the client wishes us to render invoices to and accept payment from another entity (for example, another company in the same group) then we shall be pleased to do this; however, responsibility for making such payments remains with the party who provides us with instructions.

## 4. New clients and start-up companies

We welcome instructions from new clients and start-up companies. Nevertheless, for clients without an established trading history we would generally request adequate funds on account in advance of carrying out any work.

## 5. Timing and form of instructions

We rely on you to give us timely, complete and accurate information and instructions. Misunderstandings can occur with oral instructions; although we will normally act on such instructions in an emergency, we recommend that oral instructions be confirmed in writing.

Patent Offices impose time limits and failure to meet these time limits can be fatal to the rights concerned. We accept no liability if you do not provide instructions that are clear, complete and early enough to allow us to act within official time limits. We will inform you of time limits and of actions or instructions that are required.

If we receive late instructions, we may not be able to implement them in time. In the event of late instructions or late payments to us, urgency charges may be incurred which we shall have to pass on to you.

When instructing us in respect of a time sensitive matter, especially when making late instructions, do not assume that we have received the instructions unless and until you have received a confirmation of receipt from us.

When instructing us for matters where we have requested advance payment, for example for the payment of renewal fees, we require you to both send us written instructions and make the requested payment.

We provide a renewal fee reminder and payment service for clients. If you make alternative arrangements to pay a renewal fee we will not send you reminders of renewal deadlines.

## 6. Instruction of third parties to act on your behalf

As part of carrying out your instructions, it may be necessary for us to instruct third parties (e.g. foreign lawyers or patent agents) to act on your behalf. We may either instruct such third parties directly on your behalf, or require you to sign a power of attorney or similar appointment to engage such third party directly.

Such third parties are not part of Hindles Limited. While we will endeavour to select third parties whose performance and expertise we regard to be of good quality, we will not be liable for any losses, liabilities, costs or expenses arising as a result of any default or negligence on the part of any such third parties.

## 7. If we are unable to reach you and/or if urgent matters arise

If you wish your rights to lapse then we request your specific instructions in this regard. Nevertheless, if we receive no response from you, we may, where appropriate, allow your rights to lapse. There may be occasions when a third party instructed by us on your behalf has to take urgent actions thought to be in your best interests without recourse to our firm or to you.

## 8. Updating information

It is important that you inform us promptly of any change of address, telephone and fax numbers and of any change of ownership of your patent, trade mark or other relevant intellectual property rights. Many such changes have to be officially registered. Please remember that the obtaining of patents, registered trade marks and design rights can take many years. No responsibility can be accepted for any loss of rights in any case where you have failed to inform us of such changes.

## 9. Electronic communications

We will normally communicate with you by mail or e-mail. Given that e-mails sent over the Internet may lack security and jeopardise confidentiality, we can accept no liability for non-receipt or late receipt by you of such communications or for any corruption in the information communicated to you or its disclosure to third parties as a result of the interception of such communication.

Although we regularly carry out virus checks, we advise you to carry out your own virus checks on any communications (whether in the form of computer disc, email, Internet or otherwise). We accept no liability (including in negligence) for any viruses that may enter your system or data by these or any other means.

#### 10. Professional fees

Our professional charges are based on a combination of time charges and set fees which are set out in our fee schedule. Our hourly rates and set fees are reviewed periodically. Our charges are calculated at the rates which are current when the work is carried out. Full details of our charges are available on request.

## 11. Payment of expenses

You will be responsible for any expenses incurred by us on your behalf. These expenses may include Patent Office fees, Counsel's fees, Court fees, the costs of any experts or other agents (including any foreign lawyers), couriers, travel and meeting expenses.

## 12. VAT

VAT is payable on our fees and on most of the expenses which we are likely to incur on your behalf.

## 13. Payment on account

We may require payment on account, particularly in respect of large items and from new clients. We may require at least partial payment in advance when carrying out foreign filings and actions due to the relatively large outlays we face in these circumstances. When we make such a request, in general we will not carry out any instructed work until the requested payment has cleared into our bank account.

We maintain a client account and where appropriate we will request that certain advance payments or other monies to be held on account are paid into our client account until a corresponding value of relevant work is completed. In the event that money is held in our client account it is anticipated this will be for a limited period of time while work is carried out and accordingly no interest will be payable on said money.

## 14. Estimates

Where possible, we will give an estimate of future charges. They will be given in good faith based on knowledge existing at the time, but they are not binding unless we expressly agree otherwise, as charges may be affected by matters beyond our control and the amount of work involved often cannot be accurately forecast.

If during the course of carrying out the work it becomes apparent to us that our actual charges are likely to significantly exceed our estimate, we will endeavour to seek your permission before exceeding our estimated charges.

If you would like to set an upper limit on charges which may be incurred without prior reference to you then please let us know.

#### **15. Ongoing Instructions**

When you instruct us to carry out work, you are instructing us, and in some cases third parties, to act on an ongoing basis unless you advise us to the contrary. This means that when there are developments, we or third parties, for example foreign attorneys, will typically need to carry out some work, for example in reporting these to you with advice. As a result there will be some charges which you are not able to pre-approve. We are however happy to provide information as to likely future charges on request. If you would like us to do the minimum possible without pre-approval and/or to ask third parties to do the same please let us know.

#### 16. Invoices

We shall invoice, normally monthly during, or at the completion of our work for you. Our invoices are payable within 30 days of delivery, unless otherwise specified.

#### 17. Interest

We reserve the right to charge interest on any amount not settled within 30 days at the rate of statutory interest (8%). We also reserve the right to recover costs and fees (including legal fees on an indemnity basis) incurred through seeking to recover same.

## 18. Right to suspend work on your behalf

If a requested payment on account is not made or if an invoice remains unpaid for more than the 30 day period allowed, we reserve the right to suspend all work on your behalf. This is without prejudice to our right to invoice for work undertaken before such suspension. You will be responsible for the consequences of the suspension of work, which may include the loss of, or the failure to obtain, rights.

#### 19. Ownership of files

Our files are in electronic form and remain our property at all times. However, if you want to transfer your work to other professional advisors, we will on request provide copies of relevant electronic files once all outstanding charges have been paid. A charge is made on a time basis to prepare the electronic files and to carry out a data protection check.

## 20. Original papers and other materials

If you send us papers or other materials, please tell us at the same time if you require them to be returned. Otherwise, we will typically scan and destroy them.

#### 21. Destruction of files

In line with good practice, we operate a document destruction policy, details of which are available on request.

## 22. Confidential information

While acting for you, we shall gather information and documents which relate to your company. We shall keep such information and documentation confidential, except where disclosure is required by law or regulation, or in other exceptional circumstances.

In general, we recommend that you restrict the release of, and maintain strict control over, any information not already in the public domain connected with the instructions we receive. We would be happy to advise on the desirability of releasing confidential information to the public in specific cases.

## 23. Data Protection

We recognise the importance of data protection, including the protection and handling of personal data. We comply with the UK Data Protection Act and EU General Data Privacy Regulation. We draw your attention to our privacy policy published at <u>www.hindles.co.uk/privacy</u>. Please aware that some bibliographic information, including the identity and the addresses given for inventors, applicants and owners, become published as a normal and unavoidable part of the patent, trade mark and registered design application process.

## 24. Privilege

In general, communications between a UK Patent Attorney or UK Trade Mark Attorney and their client are privileged under Section 280 of the Copyright, Designs and Patents Act 1988, and Section 87 of the Trade Marks Act 1994 respectively. This means that others, including the courts, are not entitled to discover the content of such communications where they concern professional advice. Please note that the privileged status of a letter or other document can be lost if it, or its contents, are disseminated to persons other than the addressee of the document.

In rare circumstances the courts may rule that such privilege is lost or does not apply. In that event we accept no liability in respect of any loss whatsoever incurred by you or any other party as a direct or indirect consequence of the loss or absence of privilege.

## 25. Limitation of liability

For your protection, we maintain a professional indemnity insurance policy providing worldwide cover. Our primary professional indemnity insurer is PAMIA Limited, the Mutual Insurer for Patent and Trade Mark Attorneys.

In instructing us, you accept that our liability to you in contract, tort, or otherwise shall be limited to the direct loss you suffer, or £5 million, whichever is lower, except that nothing in these terms of business shall limit our liability for death or personal injury caused by our negligence, or for fraud, or in respect of any other liability which cannot be excluded or limited by law.

## 26. Conflicts of interest

We cannot act simultaneously for two clients whose interests in the matter on which we are advising conflict, unless (exceptionally) both clients consent to such an arrangement. When potentially taking on a new client, we try to identify such conflicts of interest that may preclude us from acting. It is helpful if 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.

Sometimes, conflicts arise later because, for example, our clients acquire new companies or diversify into new areas of business. In such circumstances, we reserve the right to decline to act further, at least in relation to the area of conflict, for one of the clients in question, generally the client with the shorter relationship with us. Because of obligations of confidentiality it is often not possible for us to identify the other client or the subject matter involved when we advise a client we can no longer act for them.

## 27. Client Care and Complaint Procedure

We value our good relationships with our clients and aim to provide a high-quality service. If, however, you are unhappy with any aspect of our service, please let us know as soon as possible by contacting the person in charge of your work. If they are not able to resolve your concerns, please ask them to refer the matter to the senior member of our firm appointed to handle any such complaints. The senior member of the firm will then investigate the complaint promptly and advise you in writing of what action, if any, we will take to remedy the complaint. If you remain dissatisfied with our response, you should write with details of your complaint to Intellectual Property Regulation Board (www,ipreg.org.uk) who will seek to assist in the resolution of the complaint.

## 28. Termination of appointment

You may terminate our appointment to act on your behalf at any time by giving us notice in writing. If there is good reason which prevents us from continuing to act for you, we may terminate the appointment ourselves by giving you reasonable notice. In either case, if the appointment is terminated we will require you to pay our charges and expenses up to and including the date of such termination.

# 29. Third party rights

It is not intended that any terms of our engagement with you shall be enforceable by a third party, whether under the Contracts (Rights of Third Parties) Act 1999 or otherwise.

# 30. Governing Law and Jurisdiction

This Agreement shall be governed and construed in accordance with the laws of Scotland. You and we agree that the courts of Scotland shall have exclusive jurisdiction over any claim, dispute or matter arising out of or in connection with this Agreement and its implementation and effect.