

Philippe Rixhon Associates Ltd – Terms of Engagement

1. INTRODUCTION

The following terms form the basis on which we provide professional services. They create a binding contract between the client for whom we agree to work ('you') and Philippe Rixhon Associates Ltd ('we', 'us' or 'the company').

2. SCOPE OF WORK

We will discuss the scope of work to be carried out by the company and the main issues involved in this work. We will keep you informed as the work progresses and let you know of any changes in the scope of work or any unforeseen difficulties.

Unless otherwise agreed, our professional services will be limited to management consultancy, research & development or project management and will not cover accounting, legal or taxation aspects. However, we would like to stress the importance of taking specialist advice on your accounting, legal and tax situation, as this may have a significant impact on the work.

If you have any specific concerns or timescales, or if there are specific areas on which you do not wish us to work, it is your responsibility to let us know.

3. CLIENT CARE

We allocate to each client a principal or an associate of the company ('Client Partner') who will have an overview of, and final responsibility for, your dealings with us. Please feel free to discuss with your Client Partner any professional service which the company is providing you.

4. RESPONSIBILITY FOR WORK

We will tell you at the outset of the work the name and status of the principal or associate of the company who will be responsible for the work ('Project Manager') and of any other fee earner who will be handling the day to day aspects of the work for you. We try to avoid changing the people who are handling the work, but if this cannot be avoided, we will notify you promptly of any change and why it was necessary. We will also tell you if it is necessary to involve any other person within or outside the company in areas in which they specialise. We will ensure that an appropriate level of supervision and control is maintained at all times.

5. OUR CHARGES

Unless otherwise agreed in writing, our charges are generally based on the time we spend on the work and the standard hourly rate for the person in question. We may adjust the resulting time value to take account of factors such as the complexity or difficulty of the work, specialist skills and knowledge involved, the value or urgency of the work, or its importance to you.

Time spent includes considering, preparing and working on papers; attending meetings with you or third parties; travel; correspondence including emails; preparing cost calculations; and making and receiving telephone calls. We record our time in units of 6 minutes. We will let you have on request details of the time spent on each work to date and our standard charge for that time.

Our standard hourly rates from 1st July 2010 are as follows:

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|------------|------|
| Principals | £250 |
| Associates | £150 |

These rates are reviewed with effect from 1st July each year. We will let you know the standard hourly rate for each fee earner involved applicable at the date on which we start any piece of work for you.

Wherever possible we give an estimate of the time or charges which will be incurred. However, in some cases it is difficult to predict with certainty the level of our total charges, as we cannot know in advance how much work may be required. We can only indicate the rate at which our charges will be incurred. If we do give an estimate, please note that this is not a fixed fee unless specifically agreed.

6. DISBURSEMENTS AND VAT

Specific expenses not normally forming part of our general overheads (called 'disbursements') that we incur will be charged to you and itemised on the bill. These include courier charges, travel expenses, fees for experts' contributions, search costs and other costs. We may ask you for payment in advance of certain disbursements such as experts' contributions. We will make an extra charge for expenses such as postage, telecommunications and photocopies of up to 3% of the basic charge or as otherwise agreed with you.

If applicable we will add VAT to our charges. The current rate of VAT is 17.5%.

7. PAYMENT ON ACCOUNT

We will ask our clients for a sum on account of anticipated fees and disbursements before we begin work, as a condition of accepting instructions. Please note that our total charges will exceed this amount. We may also require you to pay additional sums on account of fees and disbursements as the work proceeds.

8. BILLS

We will normally send you a bill for our charges and disbursements at monthly or other regular intervals while the work continues and on its completion.

9. PAYMENT

All accounts are payable in full on your receipt of our invoice, but in any event we require payment within 30 days from the date of the invoice. We will automatically send out reminders and statements.

Our charges are expressed in sterling and we expect to receive the full amount in sterling, net after any currency conversion and bank charges. We expect all payments to be made by bank transfer. Our bank details are shown on our invoices.

If we hold funds on your behalf and a bill which we have rendered to you is outstanding, then unless you have instructed us to hold the funds for some specific purpose, we reserve the right to transfer the appropriate sum to discharge the outstanding bill.

If payment of any bill is not made promptly, we may decline to work further. If you do not pay the full amount of the bill within 30 days, we reserve the right at the end of that time to charge interest on the amount then outstanding at a rate which is 5% above the Bank of England base rate, currently 0.5%, to give a current rate payable of 5.5%, and to charge you in addition for our costs relating to the recovery of that amount.

10. RESPONSIBILITY FOR PAYMENT

You are responsible for paying any bill rendered by us.

In some cases, there may be an agreement for another party to pay all or some of your charges and expenses. This again does not affect your responsibility for paying our charges on the due date, and the costs of enforcing such an agreement.

11. LIMITATION OF LIABILITY

In common with other professional firms, our liability arising out of or in connection with our retainer will be limited as follows.

We do not seek to exclude or limit any liability to you or any third party for fraud, or for death or personal injury caused by our negligence, or for reckless disregard of our professional obligations.

Subject to the above exceptions:

- We will not be liable to you for any indirect, special or consequential loss, and our total liability to you for any direct loss in respect of any one work in connection with our retainer will be limited to such amount as we may agree with you.
- Any claim may only be made against the company as a whole and may not be made against any individual principal or associate of the company.
- We will have no liability to any person other than you arising out of or in connection with our retainer.

12. TERMINATION OF RETAINER

You are entitled to terminate your instructions to us on a month notice. We reserve the right to cease working for you on reasonable notice if we have good reason to do so, for example if you do not give clear or proper instructions, or if you do not pay our bill within 30 days or make a payment on account which we have asked you for. If you or we decide that we will no longer work for you, you will be liable to pay our charges on an hourly basis and expenses as set out above until the date of termination of our retainer (including where we agreed a fixed fee for the work), and for transferring any files to you or another company at your request.

13. COMMUNICATION BY E-MAIL

We will take it that you consent to the company using external e-mail to send information and documents both to you and third parties unless you state otherwise.

14. OTHER SERVICES AND DATA PROTECTION

We would like to keep your details on our database in order to inform you of new developments and the different services we provide. We will take it that you consent to our doing so unless you tell us otherwise. If at any time you no longer wish to be included on our circulation list, please tell us.

15. CONFLICTS OF INTEREST

Sometimes situations arise where the interests of two or more of our clients are in conflict or where our obligations of confidentiality create a conflict. If this happens, we will inform all clients concerned and then, depending on the circumstances, we may have to stop working for some or all of them. We will always try to find reasonable and fair solutions to such problems.

16. COMPLAINTS PROCEDURE

We hope that you will never have cause to complain about our services, but if you are dissatisfied with your relationship with the company, or the way in which any aspect of your work is being handled, please let your Client Partner or Project Manager know immediately. Alternatively you may wish to speak to Philippe Rixhon, our Managing Director. We will try to resolve the problem as quickly as possible.

17. LAW AND JURISDICTION

These terms and the contract between you and the company will be subject to English law, and the English courts will have non-exclusive jurisdiction over any matter arising out of them.