#### **TECHNICAL CONTRACTING**

**CONTRACTING MADE SIMPLE** 

**ADL LEGAL SOLICITORS** 

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#### Terms of Representation

These are the terms of our instructions for representation You should already have received or will receive, from the Conduct Partner responsible for the case, the various engagement letters setting out the scope of work and a note of likely fees or agreed fixed fee and the Client Care documentation.

Our letter should set out details of how the solicitor intends to deal with the problem;

- What the solicitor's next steps are:
- Information about costs in writing;
- The expected timescale of the case;

We confirm before sending out the Engagement Letter that there are no representations with other clients that could affect the steps taken in relation to your case.

(You can get these again by mailing distribution@adllegal.com)

This letter supplements the Engagement letter and Client Care code.

There are a number if matters that we must advise you about in relation to our representation as these are covered by our regulatory rules:

**ADL Legal Fee requests** are based on assessed work required forward fee time purchase basis. This means that once paid even if the matter settles prior to the full work being completed, so there are no entitlements to refunds of fees in any event. Charges are based on an hourly rate although this is assessed in 6 minute units.

What this means in practice is that you are forward buying lawyers time in 6 minute units, rather like a Pay as you go phone and that these units are then used against the work done.

You authorise us to deduct the units from your account immediately we do the work as long as it is within the broad parameters of the work instructed.

Once the units are used up, you will get a top-up fee request. You cannot get refunds for unused units but you can use unused units against future legal work. Unused units expire after 6 months. Unlike Pay as you Go phones however, you may still incur costs even though you have run out of units and we're entitled to recover these from you and if you don't pay our bill, we may take you to Court.

Although this means that there are numerous payments to be made throughout representation, it avoids the shock of large bills which is a feature of representation by other firms that bill less regularly.

We do not operate fixed fee arrangements (although exceptionally we may agree contingency fees - in most cases our assessment of the contingency fee share exceeds the share permitted by our regulator and therefore we cannot sign the

### Communications, Technology & Intellectual Property Law Made Simple

embers of ADL LEGAL LLP (dll) are members of the Law Society and admitted to practice in England & Wales. Charges for using dll and statutory Data Protection and E-Commerce Directive information are available via cullegal.com.. We use latest state of art anti-virus, anti-spyware and anti-malware programs. No liability for embedded malware—use your own anti-malware products. E-mail Communications should only be deemed rec. No service by fax unless otherwise agreed (see above). Communications to us may be read at any time by any member of ADLLEGAL. Partner list available on request. ADL LEGAL LLP. Solicitors are regulated by the d out is subject to terms and conditions set out in our engagement letter. We carry out work only to the extent set out on lawyers' business cards and on the internet - please check your scope of engagement form is olicitor members of ADL LEGAL LLP (dll) are m

Engagement: All work carried out is subject to terms and conditions set out in our engagement letter

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LIMITATION OF LIABILITY: Work carried out by ADL Legal LLP (including ADL Legal LLP partners and other solicitors) is subject to liability claims limit calculated on an aggregated basis of £3M per aggregated claim being our insurance limit. Liability is limited to a maximum of our insurance cover and the physical assets held by the Partnership only, a character of £3M and any physical assets) and it is a condition of doing work that you aggree that partners, solicitors, lawyers and staff shall not, in any event whatsoever (except fraud by that lawyer or where statute expressly precludes exclusion of £3M and any physical assets) and it is a condition of doing work that you agree that partners, solicitors, lawyers and staff shall not, in any event whatsoever (except fraud by that lawyer or where statute expressly precludes exclusion of the liability), be liable. Claims must be made within 12 months of the end of the engagement of the firm, subject to contrary regulation precluding this where applicable. Higher Claims limits are available by arrangement and subject to additional charges and higher hourly rates. The aforementioned liability caps do not limit liability for death or physical injury caused by negligence of ADL Legal LLP or its partners or staff or for fraudulent actions and nothing herein affects your statutory rights. Claims are limited to the amount paid to the firm to the extent permitted under SRA regulation. ADL Legal provides only those legal services set out on the back of lawyer's business cards or expressly set out in our scope letter, in broad terms, the services we provide are ICT services only (IPR, Commercial contracting and Technology, PR and commercial advice) and if you need services such as Company Secretarial vork, Regulatory Clearangement, commercial contracting and reclination to Mergers and Acquisitions is limited to the chinology, PR and commercial advice) and if you need servic

MANAGEMENT EXCLUSION where client provides intelligence of a divised upon.

The provided of the provided from time to time.

Learances: Clients may be required to undergo military clearance, searches or other security measures before being able to attend offices.

ADDITIONAL TERMS: Subject to terms and conditions set out in the Engagement Letters and provided from time to time.

London Client Offices: 131-133 Cannon Street, London EC2R. N13 Administrative Office: 59 Broomfield Avenue London N13 4JR.

PARTINERS: The term "Partners" means a person typically carrying out the function of partner as is understood within the legal industry.

Service by faces otherwise agreed in writing: Service by excepted and Service is accepted by a) postal mail on receipt, b) courier on delivery to Central London Office and N13 Administrative Office or c) fax to 02079908900 save that service by fax is only effective if agreed in writing in advance and if followed by paper service on Central London and N13 Administrative Offices within 24 hours of the fax.

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contingency arrangement).

We will charge at our standard rates for our disbursements, including photocopying, printing and binding, facsimile transmissions, all overseas telephone calls and courier services. Our standard disbursement charges for such administrative services may be obtained from your Partner upon request.

Fee quotes do not include overseas service and representation fees and the responsibility for service is that of the overseas service agent and not ourselves and all liability is disclaimed for overseas service and hearing issues. You will need to sign an appointment agency letter for the overseas service agent.

All our bills are payable on receipt, unless otherwise specifically agreed in writing and exclude VAT.

#### b) External Costs

You agree to reimburse us for all and any disbursements which we reasonably incur on your matter and before incurring liability for substantial payments to third parties we reserve the right to be placed in funds by you. These disbursements may include by way of example:

- a) fees of law firms in other jurisdictions (it is usually your responsibility, unless we agree otherwise in writing, to engage them);
- b) fees of law firms in this jurisdiction to the extent they are engaged by us to cover other areas of law outside the Scope letter (it is usually your responsibility, unless we agree otherwise in writing, to engage them);
- c) Counsel's (barrister's) fees;
- d) experts fees;
- e) agents fees;
- f) government and local authority fees, duties and registration charges;
- f) travelling and accommodation expenses. Travelling expenses may also incur hourly fees even where lawyers travel between our own offices in order to see you although we don't charge travelling fees for a lawyer travelling from home to see you in their nearest office even if they are only travelling to see you; and
- g) international postage and courier charges.

#### c) Authorisations:

We have full authority to act on your behalf in relation to all matters necessary or incidental to our engagement. This includes authority, insofar as reasonably necessary;

- i. to incur expenses for the proper conduct of the work which are for your account;
- ii. to engage other professionals and agents as appropriate

We may require you to enter into agreements directly with such agents and be directly responsible for payment of their charges.

- d) All our bills are payable on receipt, unless otherwise specifically agreed in writing and exclude VAT.
- e) <u>Automatic Cancellation of Representation.</u> In the event that requested funding (a Fee Request) is not made within 7 days of first request, the firm will automatically file a notice before the Court withdrawing its representation of your company and will cancel Counsel.
- f) Checking our Fees: If you think fees are too high, you can:
  - a. Complain to our complaints partner
    - The bill will be reviewed within 14 days
  - b. Ask a court to examine the bill (Litigation).

This procedure can be used for any work done by a solicitor, including court work, and is known as assessment. The court can examine the whole bill, and can either approve it or reduce it. If the reduction is more than one-fifth, you will not pay the costs of assessment.

- c. If you ask for assessment within one month of getting the bill, the court must assess it, but will normally require a good explanation why you were not able to ask within the first month.
  - Between one month and a year, the court decides whether to agree to assessment of the bill. After a year it is very unusual for the court to agree to assess a bill.
  - The court cannot agree to assess the bill if it has been paid and more than one year has gone by. You can ask the court to examine the bill even if you have signed a conditional fee agreement.\
- d. there may also be a right to object to the bill by making a complaint to the Legal Complaints Service or the Office of Legal Complaints, and/or by applying to the court for an assessment of the bill under Part III of the Solicitors Act 1974
- e. Discounts:
  - Automatically lost if a fee is not paid within 1 month of fee bill being issued.
- f. A request for Payment. A request for Payment is deemed to be a fee bill.

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#### g) Our Authority

We have full authority to act on your behalf in relation to all matters necessary or incidental to our engagement. This includes authority, insofar as reasonably necessary;

- i) to incur expenses for the proper conduct of the work which are for your account;
- ii) to engage other professionals and agents as appropriate.

We may (and usually will) require you to enter into agreements directly with such agents and be directly responsible for payment of their charges.

#### h) Responsibility for your matter

The partner who signed or is identified in the letter of engagement or who has otherwise been notified to you will be the partner primarily responsible for the work for your matter ('the Partner'). The Partner will also ensure that the varied skills and expertise in the firm are allocated effectively and appropriately to the matter. We shall notify you on any change to the Partner.

### i) Conflicts

We will consult you if your Partner becomes aware of any new instructions we receive which may conflict with a matter on which we are engaged by you.

If we become aware of a conflict of interest which prevents us from continuing to act for you, we will notify you of this and use all reasonable endeavours to provide an effective transfer to such new legal advisers as you may appoint. Unless we have a conflict of interest we are free to act for any other client.

#### i) Document Conflicts

in the event that we have conflicts between documents relating to our engagement and scope of work and instructions, the order of priority is as follows and the document with priority shall override the other documents to extent, but only to that extent, necessary to give effect to the priority document.

#### k) Benefit of Advice

Unless otherwise specifically agreed by us in writing by amendment to Scope letters, any advice given by us in the course of our engagement;

- i) is only for your benefit and no other person may rely upon the advice;
- ii) may not, without our prior written consent, be disclosed to or relied upon by another person or quoted or referred to in a public document or published in any publication;
- iii) is strictly limited to the matters stated in the Scope letter (In other words, if we choose to make comment on areas not covered by the Scope letter or excluded by the Scope letter, we are not liable for those comments and it remains your responsibility to have that advice checked by other lawyers in accordance with the Scope and Engagement Letters and our terms and conditions. Also, we exclude any implication to other matters, so you cannot claim that there was an implied term that a particular matter would be covered or that, due to discussions on a particular area of law or representation, there was an implied alteration to the scope letter or an agreement to cover areas outside the expertise stated in the Scope letter.
- iv) is limited to the laws of England and Wales as applied by the courts of England and is given on the basis that it will be governed by and construed in accordance with the laws of England and Wales; &
- v) is given as at the date of delivery of the electronic communication giving that advice, or the fax, letter or oral communication giving the same .
- l) Unless we have specifically agreed otherwise in writing, we will not be bound to notify you of any changes in the law following the date on which the advice was given.
- m) No third party has the right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of the Terms. You will remain responsible for paying our bills even though there may be an agreement that bills are funded via or through a third party and whether or not you receive any contribution from a third party and the third party gets no rights to rely upon our advice even though they are paying a bill.

#### n) Confidential Information

We will not disclose to any other person any confidential information which we obtain as a result of acting for you, except as may be required in order to carry out your instructions, or to comply with any overriding legal or professional obligations we may have to the Court or otherwise.

We will not disclose to you any confidential information which we have obtained as a result of acting for any other client but if you acquire any such information as a result of our engagement you agree not to disclose it to any third party or use it for your own purposes except with our prior written consent.

### o) Reliance on other Professionals & Consortium or Multiple Representation

i) We will be reliant upon you for the accuracy and completeness of the information and / or documentation you

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provide as well as the fact that such information and / or documentation will be provided in good time. We will also rely upon any other professionals whom we come into contact with whilst we are representing you and will rely upon them to highlight any issues that could affect our legal advice or lead us to alter our views. This will apply to all professionals whether engaged by you or engaged by other parties but whom are involved in the matters that we are engaged in relation to or whom are placed in contact with us as part of that representation. For example, this could because you have had a meeting with us and your accountant and we have been told things by him or where he should have highlighted issued and failed to do so directly to us or it could include in a consortium or project setting where numerous professional advisers are engaged in the consortium or project and we are party to various discussions as a result of this.

- ii) Where we accept Project Co-Ordinator role and are paid a separate management fee (usually 30% of the overall budget) under our written ADL Legal Specific Management Contract, then it is our job to ensure co-ordination of all legal issues; however this is not included unless we enter into the ADL Legal Specific Management Contract in writing. The ADL Legal Specific Management Contract will require additional insurance cover and therefore this appointment will only be valid once you countersign and return to us the ADL Legal Specific Management Contract and the additional insurance certificate.
- iii) In the event that you are being advised by one of several professionals and a limitation of liability has been agreed in relation to one or more of them, you agree that our liability to you will not be increased due to the limitation of liability agreed by you with other advisers. Out liability to you under or in connection with our engagement shall be limited to that proportion of the total Losses (after taking into account your contributory negligence, if any) determined to be just and equitable having regard to the extent of our responsibility for the Losses in question.
- iv) Our liability to you under or in connection with our engagement shall be limited to that proportion of the total Losses (after taking into account your contributory negligence and that of all other advisers, if any) determined to be just and equitable having regard to the extent of our responsibility for the Losses in question and the other steps we could have been expected to take if the other advisers had specifically advised on the matter in question.
- v) Where we act as pure nominee (i.e. where we operate a company or a role in that company for you) and act on your instructions in relation to this, you indemnify us entirely for those actions and therefore, for example where we act as nominee Company Secretary but the role of company secretary is being provided by another person and we just sign documents as the placeholder nominee Company Secretary, then you indemnify us entirely and without reservation for all action taken in that role. We may also step down at any time from that role and any claim in relation to that role must be made within 1 year of step-down.
- vi) We will not be liable to you for any Losses caused wholly or in part by the provision by you of false, misleading or incomplete information or documentation or due to the acts or omissions of any person(s) other than ourselves. Where you have concerns which are particular to you and not of general application it is your responsibility to advise us.
- vii) Where our advice involves an assessment of legal risk we will use reasonable efforts to provide you with as accurate an assessment of risk as possible, but you agree to accept any such assessment as an expression of our opinion only and not a statement of fact. You agree to have risk analysis in relation to any matter other than the law expressly covered in the Scope letter confirmed by a third party and that we will not be liable in any manner for that risk analysis.

This means that we are not liable for any issues arising in relation to commercial risk, taxation, programming, actuarial calculation, or loss of opportunity or additional costs, even if we should or could have been aware that there as such a risk and that we are only liable for legal analysis. It also means that if a matter should have been covered by another regulator, such as for example the Financial Services Authority, unless we advise you on this.

You agree to have risk analysis in relation to any matter other than the law expressly covered in the Scope letter confirmed by a third party and that we will not be liable in any manner for that risk analysis.

- viii) Any assessment of legal risk made by us is solely you responsibility and that unless our assessment is shown to have been made negligently, you agree that we will not be liable to you for any Losses which you may incur as a result of any reliance placed by you on such opinions.
- ix) You agree to have non-legal risk analysis (whether in relation to commercial risk, taxation, programming, actuarial calculation, or loss of opportunity or additional costs) confirmed by a third party and that we will not be liable in any manner for that risk analysis or comments or lack of comments made in relation thereto and that we will only have liability for legal risk expressly covered in our Scope letter. (Where scope is altered, more than once Scope letter may be provided although subsequent Scope letters are only valid when manuscript signed by the Conduct Partner and by one of your Directors).

#### p) Termination

You may terminate our engagement at any time on written notice, subject to any period of notice the law may require. Unused time units cannot be refunded although they can be transferred to another party if you request at our discretion. In

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addition, we may terminate our engagement on written notice to you:

- i) if you fail to give us timely and adequate instructions, so that we are unable to conduct any of your matters properly and expeditiously:
- ii) if any of our fee notes are paid late or threatened to be paid late; or
- iii) if you insist on a course of action which requires us to act contrary to our responsibilities as solicitors or which would lead to a breakdown of the relationship of trust and confidence which is essential for the proper handling of legal matters.
- q) If either of us terminates our engagement then Engagement Letter terms, Scope terms and the terms of this letter shall survive to the extent necessary and in any event limitation and payment obligation terms shall survive and you agree, subject to these terms of engagement, to pay us for all work we have done, all support services we have provided and all disbursements we have incurred prior to termination.

#### r) Retention of your documents.

The general correspondence and draft documents on the files we prepare for you are your property, but all memoranda and attendance notes will remain our property.

Subject to payment of our fees and disbursements you will be entitled to receive such correspondence and documents but agree that we may bill you at our standard rates for retrieving these from storage and for preparing files for delivery to you and for taking copies for our own use and retention.

You consent to the destruction of the files and / or any microfiche or electronic copies six years after a matter is completed and to us retaining microfiche or electronic copies although we will have no obligation to do so.

You consent to the destruction of the files and / or any microfiche or electronic copies six years after a matter is completed and to us retaining microfiche or electronic copies although we will have no obligation to do so. You consent to the destruction of the files and / or any microfiche or electronic copies one year after your company is dissolved or struck off unless you have notified us that rights have been assigned. Any assignment of rights can only be made with our express written consent) and will not be implied by law.

#### s) Regulators

We are not authorised by the Financial Services Authority or any other regulatory body except the current legal regulators for the time being (see lawsociety.org.uk). Except for advice in relation to the UK office of the Data Protection commissioner for the time being, all other advice in relation to regulated business is excluded and entirely your responsibility.

Although we may make suggestions in relation to corporate structure for efficient risk management, all liability for the tax consequences or other regulator consequences (other than those functions carried out by the Data Protection commissioner) are expressly excluded and no liability accepted in relation thereto and such exclusion applies also to shareholders, agents and similar persons. You are solely responsible for any decision you take to discuss, negotiate or enter into a proposed transaction or arrangement and should do so based on your own assessment of its commercial, strategic investment and financial merits and the risks involved. If you are in any doubt over any of these matters you should seek advice from an appropriately qualified adviser.

Data Protection Act

You consent to us using all information we maintain about you in order to send to you details of other services offered by us that we consider may be of interest to you.

### t) Money Laundering Regulations

You agree to provide such evidence of your identity and that of directors, partners, trustees an controllers of your company or firm and all of connected shareholders and parties as we may reasonable require in order to comply with our obligations under the legislation and regulations against money laundering and drug trafficking.

We may cease to act for you if you fail to comply and may at any time make such disclosures to the competent authorities as are reasonable as a result of such failure or otherwise upon suspecting that you or any such connected party is involved in money laundering. (See our money laundering letter (attached).

#### u) Governing Law and Jurisdiction

These terms of engagement, the letter of engagement and all aspects of our retainer and our performance of work for you are governed by the laws of England and Wales and both you and we irrevocably submit to the exclusive jurisdiction of the courts of England and Wales situate in London.

### **DISCOUNTS**

We may provide a discount to our fees. If we do so, this is conditional upon payment within 30 days of us providing the bill to you (which we do electronically by email or via the drop-box we set up for you). If you don't pay in that time, you will lose the discount.

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#### Referrals

- Where the solicitor or firm refers you on to another adviser, you should be able to rely on them only referring you to someone who is right for the job, and you'll be told if either party gets any benefit (financial or otherwise) from that referral where we refer to a barrister, obviously they will charge a fee and we will normally notify you in advance of their hourly rate or rate as a fixed fee;
- Sometimes you may be referred to another and we may be paid a referral fee if this happens, this will not affect the rate you are paying as the hourly or fixed fee will be the same whether or not the fee is being paid. The referred solicitor must always tell you of referral fee arrangements as well.

#### IMPORTANT INFORMATION:

- You should now have all the information you need to make a well-informed choice about the service you need, and who should provide it to you;
- You should know how much it will cost or how the cost will be calculated, and be given a clear explanation at the end of the transaction, and at any time on request, of the charges; receive a good level of service from appropriately trained and qualified people who comply with the law and our requirements;
- receive advice and services from advisers who put your best interests first and respect the confidentiality of your situation;
- the complaints address (<a href="mailto:complaints@adllegal.com">complaints@adllegal.com</a>) via which you can make a complaint if things go wrong to the firm itself (You can also go to the Legal Ombudsman (http://www.legalombudsman.org.uk) and our promise to deal with the complaint fairly and quickly;
- Unlike mere law firms, rather than solicitors regulated by the Solicitors Regulatory Authority, you are fully insured up to £3M for the work we do for you and may received compensation it is found that things went wrong and we were negligent and that you were entitled to make a claim—this may be from the firm's own resources or from its insurer;

Unless you are a consumer, claims must be made within 12 months of the provision of the services to you (subject to contrary regulation precluding this where applicable) and our fees are calculated on that basis.

Nothing herein excludes any consumer rights that cannot legally be excluded. Nothing herein limits any liability in respect of fraud by ADL staff or any liability for personal injury or death.

#### **Litigation Rider**

- a) Where we have been engaged for non-litigation purposes, we may advise on the early stage of contemplated litigation, if within the field of scope covered by our Scope letter, without entering into a new Scope letter; however you will be expected to enter into a Scope letter covering the litigation once it is intended to issue proceedings.
- b) <u>Court Cost fee requests</u> will be issued under separate payment request once you have decided to issue proceedings. The request will usually be to pay the funds by way of a cheque made payable to the Court as set out in the request letter, although in exceptional cases we may request payment to our office fees account. (Court Fees paid to our office fees account are non-refundable even if the case settles and the Court Fee is not paid. At our discretion, we may give credit against such fees against our other work conducted or being conducted (although where Court Fees are requested and the case settles prior to issue, there are usually additional costs which exceed the amount of the Court Fees.).
- c) Recovery of Costs: Normally at the end of a case, if you are successful, the other side's costs will be subject to court assessment (known as Court taxation) and if you are unsuccessful you will pay the other sides costs. You should be aware that you will normally only recover between 60% and 85% of fees incurred in litigation. You are entitled to ask for our bill to be assessed by our current regulator (See http://lawsociety.org.uk) although in doing so, we are entitled to charge any time costs incurred. As a rough rule of thumb, the costs of a claim, per solicitor, are roughly the costs of the sum claimed.
- **d)** <u>Use of Counsel:</u> There will be use of Counsel for hearings and advice from time to time. We will require all fees for Counsel in advance prior to booking Counsel. Counsel Fees are not refundable once booked. The same applies for agents, experts, overseas lawyers and the like.
- e) Counsel hearing fees are payable in advance. All Court hearings are attended by Counsel.
- f) Counsel first day fee (Brief Fee) is incurred at the time of delivery of papers to Counsel as it includes the preparation of the case)

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- g) Counsel Refresher fees are payable for appearance in court at main trial but excluding the first day, first day fee (Brief Fee) is incurred at the time of delivery of papers to Counsel as it includes the preparation of the case).
- Late payment and representation: If funds are paid late then chosen Counsel may not be available and there may be additional costs in applying for an adjournment or getting another Counsel up to speed.
- If there is an adjournment request caused by late or failed payment is not granted, the firm may not go back on the record until the adjournment is granted and may make its future representation contingent upon the adjournment being granted. In the case of an adjournment request where we are not currently appointed, you may be required to sign the adjournment request as a litigant in person.

Yours Faithfully

ADL Legal ADL Legal LLP