

Sterling IP Ltd - Standard Terms of Engagement

The following are intended to provide clarity with respect to the obligations that we have to our clients and *vice versa*.

1. Legal Status

Sterling IP Ltd is a limited liability company incorporated in England and Wales with Registration No. 06398974 with a registered address at Mercury House, 16-19 Chapel Street, Marlow, Bucks, SL7 3HN. All references to Sterling IP Ltd and to the terms “we”, “us”, “our”, “the Firm” and “the company” etc refer to the limited company and not any individual, director, employee or agent of Sterling IP Ltd.

2. Client Identification

The legal entity (firm, person etc) that instructs us will be regarded as the client and will be responsible for the settlement of our invoices. In the case of joint applicants we will require that a single party is identified as the instructing party responsible for the payment of invoices.

For the purposes of the Contracts (Rights of Third Parties) Act 1999 it is confirmed that our services are only provided for our named clients and our terms of engagement are only enforceable by you or us and not by any third party.

We cannot act simultaneously for two clients whose interests in the matter on which we are advising conflict. When potentially taking on a new client, we try to identify conflicts of interest that may preclude us from acting. It is helpful if clients and potential clients identify to us any areas where they believe we will be unable to act due to a conflict of interest arising.

3. Instructions

Unless otherwise agreed, we will assume that any person within our clients organisation who appears to be duly authorised may instruct us and that we may rely on any information and instructions provided by such persons.

All clients are required to provide us with clear and complete instructions in good time before any due date. We cannot be held responsible for any loss of rights resulting from failure to provide us with appropriate and timely instructions required to meet a time limit. We will endeavour to inform clients of time limits and of actions or instructions that are required, but we do not undertake to give further reminders, incur costs on clients behalf, or take other action in the absence of specific instructions to do so. In this situation, IP rights may be lost irrevocably.

We may accept oral instructions which should normally be confirmed in writing. We cannot be held responsible for any misunderstanding of oral instructions that are not confirmed in writing.

For such period as we are instructed to carry out work on a clients behalf, the client grants us express authority to complete and sign in the clients name such forms and other documents as are necessary or desirable to carry out those instructions. In agreeing to these terms and conditions clients agree to indemnify us in respect of all costs, claims, demands and expenses that may result from the exercise of that authority.

We are happy to accept written instructions by post, fax or e-mail. However clients choose to instruct us, it is the clients responsibility to ensure we have received instructions. When requested we will acknowledge receipt of instructions sent to us.

We will normally communicate using e-mail unless instructed that this is unacceptable. We cannot be held responsible for any transmission errors such as non-receipt, late receipt or corruption of the contents of e-mails. Furthermore we accept no liability for any loss or disclosure of information resulting from lack of e-mail security including interception of e-mail correspondence by third parties. We advise all clients to carry out appropriate virus checks on any electronic communications. We cannot accept responsibility (including in negligence) for any viruses (or their consequences) that may enter clients IT systems or data by electronic communications or any other means.

Our clients are responsible for promptly notifying us of any change of contact details. During our work for clients we may need to engage and instruct third parties (e.g. foreign patent attorneys and consultants) to act on a client's behalf. We will assume that our clients agree to our selection unless instructed otherwise. We may instruct such third parties directly on your behalf, or alternatively clients may need to sign a power of attorney or similar appointment to engage such third party. Such third parties are not part of this Firm and we cannot be liable for any default or negligence by such third parties.

4. Searches

Any patent searches requested may be carried out by us, by Patent Offices or by an independent specialist searching firm. Due to the limitations and occasional errors in classifications, indices, computer databases and official records, no search can be guaranteed for comprehensiveness or accuracy. We will endeavour to point out any particular limitations when reporting search results and may recommend extending the search.

5. Fees and Charges

Our charges are principally based on the amount of our professional time spent on a specific task. We may adjust our standard charges if highly specialised knowledge is required, or if the matter is particularly complex and/or urgent. Costs can increase when instructions from clients are received only shortly before a deadline or are incomplete.

We charge in units of 0.1 hours and all work is chargeable unless agreed otherwise, including significant telephone advice, reporting to clients and sending reminders.

Unless notified otherwise, we shall act on a continuing basis. Patent applications can give rise to events triggered by the relevant Patent Office. It is important, therefore, that if clients have lost interest in an application or patent and do not wish to incur any further expenses, we are notified as soon as possible to avoid accumulating charges.

6. Estimates

If requested, we will, where possible, give non-binding estimates of expected charges for a specific task in good faith based on our knowledge at the time. Unless indicated otherwise such estimates be viewed as fixed price quotations 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 charges are likely to significantly exceed our estimate, we will always try to obtain your permission before undertaking additional work and exceeding our estimate.

If clients would like to set an upper limit on the charges that may be incurred without additional reference, then please let us know.

7. Payment of expenses

Our clients are responsible for expenses and disbursements as we consider reasonably necessary in carrying out our work. These expenses may include Patent Office fees, and the costs of any experts or other agents including any translators or foreign lawyers. They may also include such items as photocopying costs, couriers, reasonable travel costs, meeting expenses, and telephone and fax charges.

Costs incurred outside the UK will usually be non-sterling costs and will be converted to sterling using the appropriate exchange rate. Any costs associated with adverse currency fluctuations at all times remain the responsibility of the client will be duly recovered.

8. Invoicing

We reserve the right to submit invoices either on completion of a piece of work or on a regular basis (usually monthly).

Unless otherwise agreed, our invoices are payable within 30 days.

If an invoice remains unpaid after the 30 day payment period on the invoice, we reserve the right to charge interest at the HSBC Bank base rate plus 4% on any overdue account. We reserve the right to suspend all work on your behalf and we are entitled to take legal action for the payment of our costs. You will be responsible for the consequences of the suspension of work, which may include the irrevocable loss of, or failure to obtain, rights. We may require payment on account, particularly in respect of large items such as charges and expenses to be incurred in foreign filings and actions. When we make such a request, we will not usually carry out any instructed work until the requested payment has cleared into our bank account.

9. Ownership of files

Our files remain our property at all times. In the event that a client would like to transfer work to other professional advisors, we will copy the files as requested at clients expense and release the copy file(s) when all our charges have been paid.

10. Confidential Information

While acting for clients, we are likely to receive commercially sensitive information. We will keep such information confidential, except where disclosure is required by law or regulation, or in other exceptional circumstances, by our professional indemnity insurers or by our auditors or any other professional advisers appointed by us from time to time.

In general, we recommend that clients restrict the release of, and maintain strict control over, any information not already in the public domain connected with instructions we receive.

11. Complaints

Sterling IP is regulated by IP Reg. If clients have any problems with the service provided by Sterling IP Ltd, they should feel free to discuss this as soon as possible with the member of our professional staff dealing with the work.

If we cannot resolve the matter, clients have the option of contacting the Chartered Institute of Patent Attorneys who will consider the complaint and seek to resolve the issue. If the matter remains unresolved, clients should contact the Legal Services Ombudsman directly.

12. Termination

Clients may terminate our relationship at any time by writing to us. We may terminate our relationship with any client where we have good reason to do so (including non- or late payment by you of our invoices or failing to provide payment in advance where so requested) by giving reasonable notice. In either case, if the relationship is terminated we will require all clients to pay our charges and expenses up to and including the date of such termination. Clients agree that we may retain all files and not supply copies of them until such time as all sums outstanding are settled in full.

13. Governing law

English law shall apply to the construction and interpretation of these terms and that the English Courts shall have exclusive jurisdiction to resolve any disputes arising in relation to it.