

State of Bahia, Brazil
3a Avenida, no 390
Plataforma IV, 1o andar, CAB
CEP 41.745-005
Salvador
Bahia
Brazil

Attention: Paul Moreno Carvalho

11 August 2020

Privileged and Confidential

Dear Paul

Engagement Letter

Thank you for your instructions in this matter. This letter and our enclosed Terms of Business set out the terms upon which Simmons & Simmons LLP ("**Simmons & Simmons**") proposes to act.

1. Introduction

We are to act on behalf of the State of Bahia, Brazil, represented by the Attorney General (the "**AG Bahia**") in relation to its potential claim against Pulsar Development International Ltd ("**Pulsar**"). In particular, we are to provide initial advice to AG Bahia as regards its purchase order with Pulsar for critical care ventilators (the "**Purchase Order**").

Any damages or award received or paid as a result of any claim may be subject to taxation in the hands of the receiving party. Whether damages are taxable depends on the nature of the underlying loss and the potential level of damages. We do not advise on this as a matter of course. The question of taxation, and its implications, should be considered by you. You may need to seek specialist tax advice. We can refer this to our Tax department on request.

2. Our team

I will be responsible for the conduct of this matter on behalf of AG Bahia. The principal members of the Simmons & Simmons team, and their contact details, are as follows:-

<u>Name</u>	<u>Level of Seniority</u>	<u>Direct Phone</u>	<u>Email</u>
Jayne Bentham	Partner	020 7825 4380	Jayne.Bentham@simmons-simmons.com

For details of our international offices please visit www.simmons-simmons.com

Faxes addressed to our general number (020 7628 2070) are routed directly to the addressee. It will be helpful if you can include our reference number, as at the top of this letter, on any correspondence.

Day-to-day conduct of the matter may in appropriate cases be delegated to more junior fee-earners who will act under the supervision of the relevant member of the Simmons & Simmons team, and/or more junior fee earners may assist in case work if the case/circumstances demand. Similarly, it may be necessary to involve fee-earners with particular specialisms should that assist efficient conduct of the case.

We try hard to avoid changing lawyers involved in the conduct of a matter, but will notify you promptly if this cannot be avoided or if we believe it is appropriate to make a change to the team.

3. Charges

3.1 **Our fees**

Our fees are based principally on the time we spend on the matter. I set out below our agreed hourly rates (excluding VAT and disbursements):-

<u>Level of Seniority</u>	<u>Rate</u>
Partner	£833.18
Senior Associate	£636.53
Mid-level Associate	£533.03 - £626.18
Associate	£372.60 - £496.80
Trainee	£217.35

Our charge rates are reviewed annually on 01 May, but I will notify you of any proposed changes.

3.2 **Costs of Litigation**

Notwithstanding what I have said about our charges, various factors can affect the cost to you if the matter progresses to litigation.

The Court always has a discretion to order one party to pay all or part of another party's costs of litigation. Generally, this discretion is exercised so that the loser contributes towards the winner's costs, but this is not always the case.

The Courts may encourage the parties to settle their differences by negotiation or mediation, and can impose costs sanctions on parties who are perceived to be taking an unreasonable approach. All decisions of the Court are subject to the "overriding objective" of dealing with the case justly and at a proportionate cost. To this end, the Court will monitor the costs that are being incurred by both parties during the litigation.

The Court may require the parties to produce detailed budgets for litigation and may make a costs management order based upon those budgets. If a costs management order is made the budget will need to be monitored and any changes required by developments in the case will need to be agreed with the other side or approved by the Court. The Court is likely to cap the costs recoverable by the winning party to those in their last approved budget. If the costs of the case are likely to exceed the budget and the Court will not approve any increase, the costs in excess of the budget may not be recoverable from the paying party.

The following points should also be noted:

- Even if costs are awarded in your favour, this may not give a full indemnity against our costs because:
 - (i) our hourly rates may exceed those which are recoverable from the paying party;
 - (ii) the Court may limit the recoverable costs to what it considers to be reasonable and proportionate;
 - (iii) where costs management applies, the Court may limit the budget (and thus the recoverable costs) for the matter to an amount lower than the actual costs incurred;
 - (iv) the paying party may be in financial difficulty.
- If the other side is legally aided, you may not recover any costs, even if successful.
- Costs may be awarded against you, either in relation to preliminary applications or in relation to the case as a whole. Your liability to the receiving party is likely to be limited to the receiving party's reasonable and proportionate costs, and in cases where costs management orders apply to the amounts in the last approved budget, but the Court does have the power to order a party to pay costs on an indemnity basis. If the receiving party entered into a conditional fee agreement and/or a legal costs insurance policy prior to 01 April 2013, its costs may include a success fee pursuant to the conditional fee agreement or the insurance premium.
- If you win the case, a costs order may be made in your favour for any work we have carried out on a chargeable basis. In respect of any work we have carried out on a pro bono basis, an award of costs may be made to the Access to Justice Foundation, in accordance with s. 194 of the Legal Services Act 2007. In either case the amount awarded will be limited to what the court assesses to be a reasonable amount for work it deems necessary. It will also assess whether that amount is disproportionate to what was at stake in the litigation and may reduce the value of the order if it finds that the amount is disproportionate. Where the Court has made a costs management order, the amount recoverable is likely to be limited to the amounts set out in the last approved budget.
- You will be liable for the full amount of our costs, irrespective of the amount (if any) payable to you by the other side.

3.3 Insurance and Third Party Funding

Please let me know as soon as possible if you have an existing insurance policy which may cover your and/or Pulsar's costs, as you will need to ensure that the notice and other provisions necessary to trigger coverage are complied with at the earliest opportunity. Alternatively (or in addition) you may wish to consider taking out so-called "after the event" insurance to cover your and/or Pulsar's potential costs liabilities. I attach a note that explains how litigation funding and "After the Event" insurance works and gives an idea of the costs of these options. Please call me if you wish to discuss any aspect of it in further detail. In the context of liability for costs, may I remind you that it is the Court which will decide how liability for the costs of litigation is to be borne between the parties to any litigation.

4. Reporting arrangements

Our principal contact at AG Bahia on this matter will be Bárbara Camardelli.

5. Billing arrangements

We will render our bills to the State of Bahia, Brazil, marked for your attention. We will render bills monthly.

Since 01 January 2010, enhanced reporting requirements have applied to the sales of services (including the provision of legal services) within the EU. To facilitate compliance with the requirements, we need to obtain from every client details of its registered address and VAT number (if applicable). Please can you provide this information within seven days of receiving this letter.

Please note that any VAT we charge will be the input VAT of AG Bahia and, therefore, may only be recovered, in appropriate circumstances, by AG Bahia. If you have any concerns about your VAT recovery, our Tax Department would be pleased to advise you on this issue. It may be possible to improve your recovery rate by appropriate advance planning.

6. Use of External Platforms

From time to time, you and we may agree to the use of web-based e-signature platforms for the signing of documents (such as DocuSign and Adobe Sign) and the use of certain web-based platforms for our communications. Please note that these platforms are provided by third parties and we make no express or implied representations or warranties about them, including without limitation:

- (A) the security, confidentiality, accuracy, reliability, timeliness or completeness of information communicated via them; and
- (B) any harm or damage that may be caused to your computer systems through their use.

When using these platforms, you agree to take responsibility for implementing security and virus checks to protect your computer systems and satisfy yourselves of the integrity and security of information passing through these platforms. You acknowledge that we are not responsible for any confidentiality breaches in relation to information transmitted and processed through and by the platforms which arise from inherent security risks associated with them, except where such confidentiality breaches result from our fault.

7. Documents

You will need to ensure that any hard copy or electronic files (including shared files, personal files and archived files), which might contain relevant material are preserved, particularly those which would ordinarily be deleted or destroyed under a document retention policy. You will also need to ensure that potentially relevant documents are not marked in any way; and that new documents commenting on the case are not generated. If it is of assistance we can send you by e-mail a draft Notice to Preserve Documents which can be distributed to all employees who may have relevant material. If the action progresses, it is likely that AG Bahia will be ordered to disclose all documents on which it relies, and any which support or adversely affect either party's case.

Please note, if the action progresses, we will need to discuss at an early stage the scope of documents to be gathered in connection with any litigation.

Although, on our current understanding, we do not consider that the volume of documents likely to be involved in this dispute warrants the use of specialist litigation support software, we will keep this under review and will discuss the option further with you if it becomes relevant. Depending on the volume of documents being handled, we may consider it to be more efficient or effective for us to use the services of agency paralegals within the team, but we would discuss any such arrangements with you before implementing them.

8. Information shared with professional indemnity insurers

We will keep all details of the matter strictly confidential. However, it may be necessary in the course of our business to share information with our professional indemnity insurers to enable them to properly assess their underwriting decisions and our policy premiums or to enable us to comply with our notification obligations under policy terms. Our insurers agree to keep any information disclosed for these purposes confidential, that no privilege is waived by you and that the information remains privileged against all other parties. We will not share such information where it appears that our insurer is or may become a party to the dispute or have an involvement as insurer to any other party to the dispute. You irrevocably authorise us to share information relating to this matter with our insurers on these terms, to the extent we consider necessary.

9. Insurance panel

As it is likely that your insurers will have an involvement in the conduct of this matter, you will need to ensure that this firm is included on any law firm panel which your insurers maintain.

Limitation of liability

We refer to section 13 of the Terms of Business relating to limitation of our liability. Many professionals set limits on their liability to reflect, among other things, the balance between keeping fees competitive whilst meeting the costs of an appropriate level of insurance cover. Having considered this engagement, we propose £3 million as an appropriate overall limit of our liability. If you consider that this figure is unreasonable, I am happy to discuss whether there might be an alternative arrangement by which we could accept a larger limit of liability.

1. Disputes

Any dispute arising out of or in connection with this agreement or the Engagement (whether contractual or non-contractual obligations), shall be referred to and finally resolved by Arbitration under the Rules of the London Court of International Arbitration (the “LCIA”), which Rules are deemed to be incorporated by reference into this section. The number of arbitrators shall be 3. The place of the arbitration shall be London, England and this arbitration agreement shall be governed by and shall be construed in accordance with English law. The language of the arbitration shall be English. The Emergency Arbitrator provisions shall not apply

The parties agree that information concerning any arbitration, including, without limitation, information concerning any arbitration award, shall be treated as confidential and not disclosed to any third party without the consent in writing of all of the parties unless:

the information has come into the public domain other than through the fault of the party disclosing it;

such disclosure is required by law or by any securities exchange or regulatory or governmental body having jurisdiction over the party disclosing the information, whether or not the requirement has the force of law;

such disclosure is necessary in order to establish or protect any legal right of the party disclosing the information; or

the disclosure is limited to the directors and officers, professional advisers, auditors, bankers or insurers of the person disclosing the information, acting as such, or to a person intended to be called as a witness in the arbitration by the person disclosing the information, for the purpose of preparing his witness statement, but provided that in any such case a written confidentiality undertaking in a form equivalent to this section has first been obtained from such person.

The provisions of this section shall prevail over the provisions in our Terms of Business. The restrictions contained in this section shall survive the termination of this Agreement.

1. Our service

For each of our clients, our policy is to nominate a partner who has overall responsibility for ensuring we deliver a high standard of service, and with whom any problems should be raised. I am the client partner for AG Bahia.

If you have concerns at any stage about any aspect of our conduct in this matter, including the level of our fees, please contact me or, if you would prefer, our Senior Partner Colin Passmore. We will try to resolve any problem quickly and operate an internal complaints handling system to help us to resolve the problem between ourselves. A copy of our written complaints procedure is available on request. If for any reason we are unable to resolve the problem between us, then it may be possible for you to make a complaint to the SRA or to the Legal Ombudsman of England and Wales (further information can be found at www.legalombudsman.org.uk). Any complaint to the Legal Ombudsman must be made within 6 months of receiving a final response from us, and within six years from the date of the act/omission about which you are concerned or three years from when you should have reasonably known there was cause for complaint. If your complaint is in respect of our fees, you may also be able to apply to court for an assessment under Part III of the Solicitors Act 1974. If your complaint relates to service provided by any barrister instructed by us on your behalf, you may complain direct to the Bar Standards Board.

We are not authorised by the Financial Conduct Authority. However, we are included on the register maintained by the Financial Conduct Authority so that we can carry on insurance distribution activity, which is broadly the advising on, selling and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by the Solicitors Regulation Authority. The register can be accessed via the Financial Conduct Authority website at www.fca.org.uk/firms/financial-services-register.

If you wish to discuss anything arising from this letter or the Terms of Business, please contact me. In the absence of contact we will assume that you are happy for us to work on the basis set out above. However, for good order, I should be grateful if you would confirm your agreement to these terms and our Terms of Business by counter-signing the enclosed copy of this letter.

Yours sincerely

A handwritten signature in cursive script, appearing to read "JBentham".

Jayne Bentham
Partner
Simmons & Simmons LLP

Accepted and agreed.

Paulo Moreno Carvalho
Procurador Geral do Estado da Bahia
for and on behalf of the State of Bahia, Brazil

Terms of Business

1. Simmons & Simmons LLP

Our principal partnership is Simmons & Simmons LLP, a limited liability partnership incorporated in England and Wales.

In most countries where we practice, we do so through Simmons & Simmons LLP. In some countries we practise as Simmons & Simmons through separate but affiliated entities and we also have companies in some countries that are non-operational or carry out unregulated activities under the Simmons & Simmons name. In addition, we may practise with or sub-contract some of our services to other affiliated regulated entities. A list of these entities (collectively "the Firm") is available on request.

It is Simmons & Simmons LLP which accepts your instructions to provide the legal services as set out in our engagement letter ("Engagement Letter") accompanying these Terms of Business and with which you are contracting for the purposes of the provision of those legal services ("the Engagement"). References to 'we', 'us' and 'our' are to Simmons & Simmons LLP. References to 'you' and 'your' are to the client or clients referred to in the Engagement Letter. We use the word "partner" to refer to a member of the LLP, or an employee or consultant of the LLP or one of its affiliated entities with equivalent standing and qualifications.

2. These terms

These Terms of Business should be read together with our Engagement Letter. Together they form the contract between you and us for the purposes of the Engagement. If and to the extent that these Terms of Business conflict with the Engagement Letter, the Engagement Letter shall prevail.

From time to time it may be necessary for us to amend or supersede these Terms of Business. In such circumstances we shall notify you of the proposed changes and, unless we hear from you within 14 days of such notification, the new Terms of Business will come into effect from the end of that period.

3. Conflicts of Interest and Confidentiality

Before accepting any Engagement, we will determine whether we are able to advise you having regard to any legal or professional regulations relating to conflicts of interest. Similarly, we will not act for another client in relation to the subject matter of the Engagement, or a related matter, if this would constitute a conflict of interests, unless we are permitted by legal or professional regulations to do so.

You agree that we may otherwise act for any other client, including commercial competitors and this may include acting on any particular matter in which you may have an interest, even if the interests of the other client are or may become adverse to your own, unless we conclude that it would be inappropriate for us to do so having regard to any legal or professional restrictions.

Subject to us putting in place any arrangements which we consider necessary to protect your documents or information acquired by us and which are or may be relevant to an Engagement for another client, you agree that we may act for that other client without further confirmation from you.

Should an actual or anticipated conflict of interest arise during the Engagement, we may be obliged to terminate the Engagement with you but reserve the right to continue to advise one of the clients involved subject to any legal or professional restrictions. We will not be liable to you for any losses arising from a termination of the Engagement in such circumstances.

We are under a professional duty to keep your documents and information acquired during an Engagement confidential and will not disclose them to any third party outside the Firm without your consent. You agree that we may disclose your information to other entities within the Firm (including to our unregulated affiliated entities), to third parties where we are subject to a legal or professional obligation to do so, and to our insurers, brokers and auditors where necessary, provided that any such disclosures to third parties are made on a confidential basis. You agree that we are not under any obligation to disclose to you or use for your benefit any documents or information in respect of which we owe a duty of confidentiality to any other party.

4. Money Laundering and Terrorist Financing

We are subject to money laundering and terrorist financing legislation.

Consequently, we are required to obtain evidence to verify your identity before accepting new instructions from you. We reserve the right to charge you for any time or costs we incur and which we deem necessary to verify your identity or otherwise comply with such legislation. If we do not receive evidence of your identity satisfactory to us, we will not be able to act or continue to act on your behalf and will be obliged to terminate the Engagement.

Our professional duty to keep your affairs confidential is subject to the statutory exception which obliges us, in certain circumstances (and with criminal penalties for any failure), to report to the relevant authorities any knowledge or suspicion of criminal activity, or involvement in money laundering or criminal property or terrorist financing by a client or third party arising during the course of our professional work.

We may also be obliged to make such reports without reference to you, or without your consent, as it is also an offence to "tip-off" any party or any other third party suspected of money laundering. In certain cases we may also be obliged to cease acting for you temporarily or to terminate the Engagement, without being able to explain why.

Finally, under the money laundering legislation, we are obliged to keep our records, including financial records, on each Engagement, and we will keep these records for a period of at least seven years from cessation of any instructions.

5. **Our Services**

We will perform the Engagement with reasonable skill and care. Our services will not include advice on tax related issues arising out of the Engagement unless requested by you and agreed with you in writing.

Where the Engagement requires legal services in countries other than the one in which we accept your instructions, we shall, where possible and unless you instruct us otherwise in writing, use the services of our own offices in those countries, or affiliated entities of Simmons & Simmons LLP, as subcontractors.

We may also use the services of our separate but affiliated regulated Simmons & Simmons entities to provide the legal services set out in our Engagement Letter or to perform the Engagement, by way of subcontract or, with your agreement, transfer of all or part of the Engagement. Where all or part of the Engagement is transferred, the legal services provided by the relevant Simmons & Simmons entity will be governed by these Terms of Business, which will apply as between you and such Simmons & Simmons entity as well as by any additional terms of engagement relevant to the Simmons & Simmons entity.

During the course of the Engagement it may be necessary for us to instruct one or more expert service providers from outside the Firm on issues beyond our expertise or skill.

We may outsource certain functions such as printing, document production, IT and certain legal processes to third party organisations locally or overseas. Where this occurs, we will take all reasonable steps to ensure that those organisations recognise their obligations of confidentiality. By accepting these Terms of Business, you consent to such outsourcing arrangements including the transfer of any personal data to such organisations.

6. **Our Advice**

Our advice is prepared solely:

- for use by you; and
- for the intended purposes associated with the Engagement and any subsequent variation thereof.

Our advice should not be disclosed to any third party without our prior written agreement.

7. **Instructions and Information**

Unless instructed otherwise in writing, we will act on the basis that all of your employees, directors and officers who give us instructions are authorised to do so and that we may act on oral instructions. Where information that is or may be relevant to the Engagement is provided to someone in the Firm other than those individuals involved in the Engagement, you accept that knowledge of that information will not automatically be imputed to those individuals involved in the Engagement.

In order to carry out the Engagement effectively we require your full co-operation. You will provide us on a timely basis with any documents and information that we may need to complete the Engagement and ensure that, to the best of your knowledge, those documents and information are complete and accurate. Unless you instruct us otherwise in writing, you agree that we may rely on them where we consider it is reasonable to do so.

Where necessary, you will ensure that we have timely and reasonable access to your employees and you will procure that they will provide us with such assistance as we require to complete the Engagement.

Where we draft, review or advise on agreements or other documentation, we do so as legal advisers, not as specialist advisers or experts in other technical disciplines or professions, and it remains your responsibility to ensure that appropriate expertise from other specialists is obtained where appropriate.

8. **Electronic communications and information storage**

Unless instructed otherwise in writing, we may correspond with you and third parties by internet e-mail or other electronic means, and store information in electronic form. We will use an industry standard firewall containing virus protection if applicable, and take other reasonable precautions to prevent unauthorised access by third parties outside the Firm to your electronic information. We cannot, however, guarantee that information will be free from unauthorised access by third parties or that transmissions will be delivered or received in a timely manner or at all, reliably, securely, error free, virus free or free from interception. You accept these risks and hazards and agree that we will have no liability for any loss or damage caused by the use of electronic communications and information storage. If you have a requirement for a greater level of security, please discuss this with us.

You consent to our intercepting and monitoring communications between you and individuals within the Firm, in order to ensure compliance with our internal rules or with applicable legal requirements and to investigate matters brought to our attention.

9. **Fees**

You agree to pay our fees and disbursements as set out in our bills.

We will charge fees for all of our time spent on the Engagement, including but not limited to, time spent attending meetings, travelling, reviewing and preparing papers, carrying out legal research, corresponding with you and with third

parties, supervising and managing the team deployed on your Engagement and making and receiving telephone calls. Unless otherwise agreed, our time is recorded and charged in six minute units.

Disbursements and expenses are recharged to you at a rate appropriate to cover their cost and administration and in addition to our fees, except where separate agreement has been reached. These include but are not limited to third party expenses incurred by us on your behalf such as Court fees, fees of experts, barristers and external advocates, courier costs, search fees, stamp duty and overseas lawyers' fees. No separate charge is made for secretarial time, other than overtime. We will recharge travel costs, accommodation, communications and subsistence costs when travelling away from our offices in connection with the Engagement.

Where disbursements will be substantial, we may request that money is paid to us on account of those costs before we incur them, or arrange for the costs to be paid directly by you.

Any estimate, quote, fee, disbursement or other cost is stated exclusive of VAT or other taxes or duties which we might be obliged to charge. Where we are obliged to charge VAT, goods and services tax, sales tax or other such taxes or duties to you, we will add the relevant tax to our fees and disbursements, at the rate from time to time in force in the jurisdiction concerned. In certain circumstances, EU tax legislation may require us to issue our bills from our office in the country in which you are domiciled, rather than the country from where the matter is being managed. We will advise you at the time of billing if this is required. However, in all other respects, these Terms of Business will continue to apply to the fees and billing arrangements.

We will render our bills to you on the basis set out in the Engagement Letter. These will constitute final bills for work done during the relevant period, and are payable within 30 days of issue of the bill. If you wish to query any element of the bill you must do so immediately with the matter partner. That part of our bill which is not subject to query should be paid within 30 days of issue of the bill.

Our bills are to be paid free of any withholding or deduction in respect of taxes or duties. If you are required by law to withhold or deduct tax, the amount of the bill is to be treated as increased to the extent necessary to ensure that we receive and retain a net sum equivalent to the amount of the bill. If in our opinion we subsequently receive any value for the amount withheld or deducted (for example, by way of a credit for tax treated as withheld or deducted) we will account for such value to you provided our overall net of tax position is not thereby affected. This section does not apply in Italy in relation to any withholding required under Article 25 of DPR 600/1973.

If payment of our bills or our receipt of such payment is subject to exchange or other similar controls, you will use your best endeavours to obtain (or to help us to obtain) any required authorisations or consents as soon as possible after each bill is rendered or on our request you will ensure we receive prompt payment in accordance with such authorisations or consents. If exchange control approval has not been obtained within 6 months from the date of our bill then, if lawfully requested by us, you will pay into a local account designated by us the amount in local currency equivalent to the amount outstanding on our bill (converted at the date of payment).

If you pay our bills in a currency other than the one in which our bill was rendered and as a result of exchange rate fluctuations the amount actually received by us net of bank charges differs from the amount invoiced by less than £300 or 0.05% of the bill, whichever is the greater, we shall treat the bill as paid (if the amount received was less than the invoiced amount) and you agree that we shall be entitled to keep the excess (if the amount received was more than the invoiced amount).

It is our policy not to accept cash from clients. If you seek to circumvent this policy by depositing cash directly with one of our banks, we reserve the right to charge you for any checks we deem necessary regarding the source of funds and any additional actions undertaken by us or cost incurred in dealing with such cash.

If our bill remains unpaid after 30 days you agree that we shall be entitled:

- to charge interest on overdue amounts at the legal rate for late payments where there is one, or 2% above the base rate from time to time of Barclays Bank PLC where there is no legal rate;
- to apply any of your funds in our client accounts (which are not held by us for a specific purpose) towards the payment of any unpaid bills in respect of this Engagement or any other Engagement between you and us at our discretion;
- to instruct third parties to take appropriate steps to recover any outstanding amounts (including sharing information with them where required for this purpose); and
- to terminate the Engagement.

If we or you terminate the Engagement for whatever reason, you will pay our outstanding fees and incurred disbursements, including those not yet billed as at the date of termination, together with any additional fees and disbursements reasonably incurred arising from the termination of the Engagement.

In the event that there is a credit balance of less than £50 (or its equivalent) due for repayment to you from a client account and we are unable to return the funds because we cannot contact you (after making reasonable efforts to do so), you agree that we shall be entitled to pay the funds to a charity of our choice, where permitted by our regulatory authority, instead of making further efforts to find you.

10. Interest on Client Monies

As part of carrying out your instructions to us, we may need to hold your money in our client account on your behalf. In holding client's money, we have an obligation to pay amounts in lieu of interest ("Client Interest") on that money, at a

fair and reasonable rate, and are required to put in place an interest policy setting out the circumstances for when Client Interest will be paid and how Client Interest is calculated.

We aim to account to you for interest at a reasonable rate of interest, however as the holding of your funds is incidental to the carrying out of your legal instructions, the rate is unlikely to be as high as the rate you might have been able to obtain when depositing the money we hold on your behalf yourself. In most cases we must ensure that money held on client account is immediately available and so the need for instant access is taken into account when setting the Client Interest rate payable by us.

Client monies held in a general client account will have Client Interest calculated at the rate of interest that would apply to a normal current account balance maintained at the relevant bank, subject to a de minimis limit of £25. Rates can be provided on request and any movement in rates will be advised as part of the interest calculation.

Where client monies are held in a separate designated deposit account, Client Interest is payable at the rate applied by the bank. This will vary depending on the specific account being used and the specific circumstances of the arrangement.

Where amounts are held outside the general client account, or a separate designated deposit account, the rate of Client Interest, and date that interest is credited, will depend on the relevant institution where the funds are held and, as such fall, outside the requirements of this policy. The relevant interest information can be obtained at your request.

Where your money is held on our general client account, any Client Interest paid to you is paid without any deduction for income tax (this applies to businesses as well as individuals unless you are resident overseas – see below). As such it is your responsibility to inform HMRC of amounts of interest received from us and the implications of this will depend upon your own financial circumstances. Where interest accrues on a separate designated deposit account such interest is usually paid net of tax (unless you have signed a declaration confirming your entitlement to receive bank interest gross).

Clients who are individuals should note that under the European Savings Directive regulations 2003/48/EC we are required to inform HMRC of payments of interest to relevant payees in prescribed territories. Where you reside outside the UK and EC, we are required to deduct income tax at the current basic rate and account for this interest to HMRC directly and pay you the net amount.

Client Interest will be calculated on cleared funds only and is compounded six monthly. Client Interest will not be paid on funds held to pay counsel fees or other professional disbursements. Client Interest will usually be calculated at the end of the matter and will be credited to the client ledger at that date.

Client Interest will not be paid if the total amount calculated for the period that cleared funds are held on a general client account is less than £25.

11. File Destruction Policy

We keep files (which term includes anything in which information is recorded whether on paper or electronically or otherwise) and property relevant to the Engagement for not less than seven years from the date of our final bill, having removed and destroyed any documents which in our professional opinion are superfluous to the records of the Engagement. We reserve the right to store files and property related to your Engagement with a third party whose security arrangements are in our view appropriate. If you would like the files or property relevant to the Engagement to be delivered to you or kept by us for a longer period, please let us know.

If we receive a request from you within seven years from the date of our final bill, we shall return to you any retained documents or property to which you are entitled, subject to any legal obligations which require us to retain those documents. You agree that we will be entitled to charge you for retrieving from storage and identifying and selecting any documents and property from your files as requested by you together with the cost and administration of delivering your documents and property to you or a third party.

If we do not receive a request from you for the return of your documents and property within seven years from conclusion of the Engagement, we reserve the right to destroy your documents and property without further reference to you.

12. Rights of action

You acknowledge and agree that in relation to the Engagement, your relationship in contract and tort is solely and exclusively with Simmons & Simmons LLP. Where any individual acts for you in any proceedings, they do so as a representative of Simmons & Simmons LLP.

No member of Simmons & Simmons LLP assumes, or will assume, personal liability for the conduct of the Engagement or will have any personal liability for any matter arising out of or in connection with, the Engagement whether in contract, tort, negligence, breach of statutory duty or otherwise and you waive any such claim as may arise unless the law imposes a personal liability. Further, you agree not to bring any claim of any nature against any partner, member, employee, consultant or contractor of the Firm or any of its affiliated entities in respect of legal services provided by them in connection with the Engagement. It is agreed that partners, members, employees, consultants and contractors of the Firm, and its affiliated entities shall have the right to enforce this section.

13. Limitation of liability

The total liability of the Firm to you (or any other party who the Firm has agreed may have the benefit of, and rely on, our work) for Loss shall be limited to the lower of any amount referred to in the Engagement Letter or £50 million, save

with respect to any Loss arising from death or personal injury, fraud, wilful misconduct or dishonesty or (where the Engagement Letter is issued by an office in Germany, the Netherlands, Italy or Qatar) gross negligence of the Firm. For the purposes of this section, the Firm means Simmons & Simmons LLP and its affiliated entities, partners, employees and, to the extent that we have liability for their acts, self-employed lawyers, subcontractors and agents, and Loss means the total of all losses, damages or costs suffered or incurred, directly or indirectly, in connection with the Engagement, including as a result of breach of contract, negligence, fault or other act or omission by the Firm.

14. Joint and several liability

Where you suffer any Loss (as defined in section 13 above) for which we are jointly and severally liable with any third party or third parties, the extent to which such loss shall be recoverable by you from us, as opposed to the third party, shall be limited so as to be in proportion to our contribution to the overall fault for such loss, as agreed between all of the parties, or in the absence of agreement as finally determined by the court having jurisdiction pursuant to section 29 below. You agree that our position will not be adversely affected by any limitation of liability you may agree with any other party and that we will not be liable to you for any amount in excess of our proper share of a joint or several liability which we are not entitled to recover from any other party by reason of your agreement to limit their liability.

15. Liability for information relied on by us

We will not be liable if any Loss (as defined in section 13 above) is due to the provision of false, misleading or incomplete information or documents (save where we should reasonably have discovered the false, misleading or incomplete information or documents) or due to the acts or omissions of any person other than Simmons & Simmons LLP or any affiliated entity involved in the Engagement.

16. Other parties

We do not accept any liability for the advice or other services provided by experts, foreign lawyers, or other service providers engaged by us on your behalf, other than our affiliated entities. Unless otherwise agreed in writing, you will be directly responsible for their fees and expenses.

We neither owe nor accept any duty to any person other than you and we do not accept any liability or responsibility for any consequences arising from reliance upon our advice by any person other than you. You agree to indemnify us against any liabilities, losses, damages, costs or expenses we incur arising out of any claims brought against us by third parties arising out of or in connection with the Engagement.

No person other than the parties to the Engagement Letter and their respective successors and assignees, shall have any right to enforce any of the provisions of these Terms of Business or the Engagement Letter, except to the extent expressly provided in these Terms of Business or the Engagement Letter

17. Intellectual Property Rights

We will own copyright in any document prepared by us during the course of carrying out the Engagement. We grant you a non-exclusive royalty-free licence to use any document within your organisation for the purpose for which it is provided, subject to any confidentiality restrictions indicated.

We expect to apply the benefit of our past experience in acting for our clients. Therefore, subject always to our obligations of confidentiality to you and to any express requirement to the contrary, we may refer to, use or develop documents or parts of documents, ideas, techniques, concepts, methodologies or processes prepared by us or by other advisers in the context of the Engagement, when advising, preparing documents for, or giving advice to another client, or marketing or know-how. We may keep such documents in a confidential database.

18. Data Protection Laws

Unless the context otherwise requires, words and phrases in this section shall have the meaning given to them by applicable data protection and privacy laws, including the General Data Protection Regulation 2016/679 ("GDPR") and applicable national legislation that implements or supplements the GDPR or otherwise applies to data protection and privacy, and any statutory instrument, order, rule or regulation made thereunder, as from time to time amended, extended, re-enacted or consolidated ("Data Protection Legislation") and the terms "controller", "processor", "process" and "personal data" shall have the meanings given to those terms in such Data Protection Legislation. During and after the Engagement, you agree that we will be processing personal data for our own purposes and as such will be a controller under the Data Protection Legislation and this includes (but is not limited to) the following purposes:

- (A) we provide legal services in fulfilment of this Engagement;
- (B) we and/or our independent contractors and third party suppliers may use the contact details you and your representatives have provided to us to send invitations, marketing materials, legal updates or other publications that we feel may be of interest and to organise associated events as well as business meetings. Such contact details may include any information you or your representatives have made available to us to assist us in such purposes, including for example dietary preferences. Should any individuals not wish to receive marketing communications, please notify your contact at Simmons & Simmons;
- (C) we may process personal data concerning our clients and contacts in other ways for our own business purposes (for example, but not limited to, billing, client management, archives, conflict checks and know-how);

- (D) we may process and transfer personal data as necessary to effect a re-organisation of our business; and
- (E) we may share personal data with other legal or professional advisers used by us to provide you with legal services.

During and after the Engagement there may be limited occasions where we may process on your behalf as a processor any personal data you have provided to us. We will advise you in writing where we believe we act as a processor and any such processing shall be in accordance with, and subject to, your instructions. Before performing the processing, we shall document within the instructions the subject matter and duration of the processing, the nature and purpose of the processing, the types of personal data and categories of data subjects and the other terms prescribed by the Data Protection Legislation. We will ensure that all appropriate technical and organisational measures are taken to protect any personal data supplied by you to us against unauthorised or unlawful processing, accidental loss, destruction or damage, including when we sub-contract any processing (for example, in the case of external storage of data). Your instructions are taken to include the use by us, where appropriate, of independent contractors and third party suppliers appointed by us for functions such as data and file storage, back-up, destruction, billing, debt collection, legal processing and the like, in accordance with the foregoing.

In connection with any of the purposes described above, and any other legitimate processing of personal data, information may be shared with our offices and/or independent contractors and third party suppliers both inside and outside the EEA. The Firm warrants that it has appropriate safeguards in place to protect data transfers to the Firm's offices, independent contractors and third party suppliers outside of the EEA.

By accepting these Terms of Business you give positive consent for us to obtain, store and process information about you as described in the preceding paragraphs. You agree that where necessary you will have satisfied relevant statutory ground under the Data Protection Legislation in connection with the above-described categories of processing, before providing us with personal data.

It is also a term of the Engagement that any personal data supplied by us to you about employees/independent contractors of the Firm and/or any third parties may only be used for the express purposes for which that information is provided to you.

Each party shall comply with the terms of the Data Protection Legislation.

If you require any further information or have any questions regarding the processing of your personal data by the Firm, please refer to the Firm's Privacy Policy which can be found at <http://www.simmons-simmons.com/en/legal-and-regulatory-information/data-privacy>.

19. **Bribery and Corruption**

The policy of Simmons & Simmons is to conduct all of its business in an honest and ethical manner, and to comply with all applicable anti-corruption legislation, including the UK Bribery Act 2010. Simmons & Simmons has a zero-tolerance approach to bribery and corruption and is committed to acting professionally and with integrity in all its business dealings and relationships wherever it operates.

Where we instruct any third party for or on behalf of you to perform services in relation to any Engagement, we will implement procedures designed to restrict, on a risk-based and proportionate basis, applicable third parties from offering, promising or giving any bribes or being corrupt in relation to those services.

20. **Merger**

If we transfer all or substantially all of our business to another firm ("Successor Entity"), our Engagement with you shall not automatically terminate by reason of such transfer. You agree that the Successor Entity is automatically appointed by you so that continuity of service can be provided to you. Both the Successor Entity and you may rely on the Engagement Letter and these Terms of Business as setting out the continuing terms of the Engagement. If such transfer requires some formal action by you then you will take such steps as are necessary to enable continuity of our services.

Subject to the above section, you will not have the right to assign or transfer the benefit or burden of the Engagement without our written consent.

21. **Termination**

You may terminate the Engagement by giving us notice in writing at any time.

In addition to the circumstances set out above, we may cease acting for you and terminate the Engagement, but only when entitled to do so under our professional rules and after reasonable notice has been given to you in writing.

Whether the termination of the Engagement is by you or by us, we shall be entitled to retain any property of yours which we are holding, provided that it is not held for a specific purpose, until all our fees and disbursements relating to the Engagement have been paid.

22. **Regulation**

Simmons & Simmons maintains professional indemnity insurance cover in accordance with applicable regulatory requirements. Where required by relevant regulation, contact details of the insurers and the territorial coverage can be obtained by emailing: risk.management@simmons-simmons.com or by visiting www.simmons-simmons.com/legalresp.

We are not authorised by the Financial Conduct Authority. However, we are included on the register maintained by the Financial Conduct Authority so that we can carry on insurance distribution activity, which is broadly the advising on, selling and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by the Solicitors Regulation Authority. The register can be accessed via the Financial Conduct Authority website at www.fca.org.uk/firms/financial-services-register.

23. **Inside information**

To the extent that you are required to maintain an "insider list" under the EU Market Abuse Regulation 596/2014 and you notify us to do so in relation to the Engagement we will establish procedures designed to enable us to:

- identify and maintain an insider list of partners and staff in the Firm who have access to such inside information;
- notify the relevant people of their legal and regulatory obligations in relation to, and of the sanctions attaching to misuse or improper circulation of, that information;
- make this insider list available to your regulator on request; and

keep that insider list for at least five years from the date on which it is drawn up or updated, whichever is the later.

24. **Force Majeure**

We shall not be liable to you if we are unable to perform our services in relation to the Engagement as a result of any cause beyond our reasonable control. In the event of any such occurrence affecting us we shall notify you as soon as possible.

25. **Severability**

Each section and sub-section of these Terms of Business shall be independently interpreted and enforceable. If any section or sub-section of these Terms of Business or provision in the Engagement Letter is declared void, illegal or otherwise unenforceable, the remainder shall survive unaffected.

26. **Waiver**

No delay by you or us in enforcing any terms of this agreement will affect or limit your or our rights under this agreement. Any waiver by you or us of any breach of this agreement shall not be deemed a waiver of any other prior or subsequent breach of this agreement. Any waiver of any contractual claim or right must be made in writing to be effective.

27. **Governing Law**

Any contractual or non-contractual obligations arising from or connected with the Engagement shall be governed by, and this agreement shall be construed in accordance with, the law of England and Wales.

28. **Resolving problems**

We are confident that we will provide you with a high quality service but should you have any queries or concerns regarding our service please contact the partner identified in the Engagement Letter immediately. In some countries we operate an internal complaints handling process and / or local professional bodies provide a complaints and redress system, reference to which will be in your Engagement Letter, if applicable.

29. **Disputes**

Subject to any contrary provision in the Engagement Letter, in relation to any dispute arising out of or in connection with this agreement or the Engagement (whether contractual or non-contractual obligations), each of the parties irrevocably submits to the exclusive jurisdiction of the courts of England and Wales and waives any objection to proceedings in such courts on the grounds of venue or on the grounds that proceedings have been brought in an inappropriate forum.

30. **Publicity**

Save for those jurisdictions where specific consent is required, unless you expressly tell us otherwise, you agree that we may make general reference to our representation of you from time to time in marketing and related materials.

You agree that we may also disclose to third parties that we are acting or have acted for you on a matter if information about that matter is in the public domain or if you specifically consent to such disclosure. This may include providing information to legal directories, who may wish to contact you for your opinion on our services and, in the absence of objections, we assume this is acceptable.