

TERMS AND CONDITIONS**1 PURPOSE OF THIS DOCUMENT AND OTHER TERMS OF OUR RELATIONSHIP**

- 1.1 This document contains the terms on which each constituent law firm within the Harneys group except for Harneys (Jersey) (each individually referred to in these terms as **Harneys**, or as **we** or **us**), whether through offices in Bermuda, the British Virgin Islands, the Cayman Islands, Cyprus, Dubai, Hong Kong, London, Luxembourg, Shanghai, Singapore or any other location (other than Jersey), provide advice and services to you as a client. It applies only to your relationship with us as a law firm and not to any relationship you may have with Harneys Fiduciary Limited or any of its direct or indirect subsidiaries (collectively, **Harneys Fiduciary**). It also does not apply to your relationship with our Jersey office, which is regulated by separate terms and conditions (<https://www.harneys.com/legal-notices/terms-of-engagement-jersey/>).
- 1.2 Although we use a single standard set of terms and conditions for all of our constituent law firms (except our Jersey office), certain provisions relate more to specific geographic regions and these are set out together in paragraph 25 (Geographic specific provisions).
- 1.3 This document does not seek to deal with all issues which may arise during the course of your dealings with Harneys and we would also refer you to our service level agreement and individual engagement correspondence. If there is a conflict between this document and an individual engagement letter or engagement email, the latter will prevail.
- 1.4 By engaging Harneys you agree to be bound by these terms and conditions as amended from time to time. These terms and conditions supersede any prior agreements between you and us. These terms and conditions are subject to any specific variations which may be agreed in writing with us in any signed engagement letter.

2 NATURE OF ADVICE

- 2.1 We advise only on the laws of Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands, Cyprus and Luxembourg (the **Relevant Countries**). While we will always seek to give advice which is commercially useful in the cross-border environment in which we inevitably operate, we do not accept responsibility for any failure to advise on matters which fall outside the scope of your instructions or our stated areas of competency.
- 2.2 Unless otherwise instructed, we will only advise on the laws of the Relevant Countries which we are specifically requested to and agree to advise upon. It is your responsibility to obtain proper professional advice on legal and regulatory requirements imposed on you outside of those Relevant Countries. We shall assume you have or will obtain all such professional advice and will comply with it.
- 2.3 Unless we explicitly state otherwise in that advice, or we otherwise agree in writing, our advice is provided solely for the purposes of the instructions to which it relates and for the benefit only of the person to whom it is addressed (or to an identified underlying client of a professional who is instructing us on their behalf). We accept no responsibility to any third party who seeks to rely upon such advice without our prior written consent being given.

2.4 If our advice is to be communicated to other parties we ask to be informed at the earliest possible opportunity.

3 AUTHORISED REPRESENTATIVE

3.1 In our provision of legal services you authorise us to deal with and take instructions on your behalf from any designated representative notified to us in writing (including by email) or by telephone from time to time. That notification may come from you or other professional advisers or agents or other third parties providing services for you in relation to this engagement. If there is any change to the persons who we are authorised to deal with and take instructions you must notify us at the earliest opportunity.

3.2 Where we act for two or more clients jointly in respect of an instruction, unless we are instructed otherwise we will assume that:

- (a) each client or authorised representative can give instructions for all joint clients unless we are instructed otherwise;
- (b) any information conveyed by us to one joint client will be relayed to the others;
- (c) any information provided to us by a joint client should be treated as having been provided by each joint client; and
- (d) we may share all material information, correspondence, and advice with each joint client. We cannot accept instructions or information from any one joint client on a confidential or “without the knowledge of the other(s)” basis.

3.3 Where (a) you are a company, partnership or other entity (other than an individual person), and (b) during the course of our engagement there is a change of control or alleged change of control (each, a **Change of Control**) in relation to you which results in a dispute as to which persons are legally entitled to give instructions to us on your behalf as our clients, then this paragraph will apply. In such an event we shall be entitled to take independent professional advice as to the effectiveness of that Change of Control. If we do so then (i) we shall be entitled to rely upon that advice in determining who can give instructions on your behalf, and (ii) any charges associated with obtaining such advice shall be recoverable from you as disbursement properly incurred as part of our engagement.

4 STANDARD OF CARE

4.1 We shall procure that the standard of care which shall be provided by us in the provision of our professional services shall be that of a reasonably competent lawyer practising at the relevant time in the Relevant Countries which we are instructed in relation to.

4.2 In certain circumstances we may be asked to advise on an urgent basis, or where for other reasons we are not given complete instructions or sufficient time to properly consider the matter before providing advice. In such cases you acknowledge and agree that the standard of care which we are obliged to exercise to you shall be limited to what is reasonable and appropriate in all the circumstances.

- 4.3 During the course of our engagement we may provide you with a draft or drafts of advice for review. Such drafts are not final advice, and our definitive advice will be solely contained in our final written documentation.
- 4.4 It is not possible for us to provide any promise or guarantee about the outcome of any matters. No statement by any of our lawyers or staff about the future outcome of a matter should be considered a promise or guarantee.
- 4.5 Our role is to provide you with professional, competent and timely legal advice. The determination of your course of action and the consequences of any commercial decision relating to our legal advice are matters solely to be determined by you.

5 ARTIFICIAL INTELLIGENCE

- 5.1 Like many law firms, we use AI tools (including GenAI tools) to improve the service that we are able to provide to our clients. However
- (a) we will never use client data to train AI or GenAI models;
 - (b) we only use enterprise-grade AI tools which have been designed for the legal profession in relation to client work;
 - (c) AI outputs are always reviewed and validated by appropriately qualified lawyers or staff; and
 - (d) we will not use AI tools in relation to any client matter where the client has instructed us that we may not do so.
- 5.2 If you do not wish us to use AI tools in relation to any client matter, we ask that you advise us at the earliest opportunity.
- 5.3 Further particulars of our Acceptable use of AI Policy (<https://www.harneys.com/ai-acceptable-use-policy/>) are available online.

6 COMMUNICATION

- 6.1 At the outset we will notify you of the lawyer who will have principal conduct of the matter, and the partner who will have overall responsibility for the file.
- 6.2 We will keep you informed from time to time of the progress of any instructions and will usually do so by email or telephone. We will communicate orally or in writing with any person who is, or appears to be, from the office or institution by which we were initially contacted, and take instructions from any such person, unless you specifically request otherwise. Such requests should be made to the relevant partner and will apply only in respect of the matter in which they were made.
- 6.3 We will use various forms of electronic communication in the course of taking and acting on instructions from you. Unless you advise us otherwise we will assume communication by email is

acceptable to you. With electronic communication there is a risk of non-receipt, delayed receipt, inadvertent misdirection or interception by third parties.

- 6.4 We use scanning software to reduce the risk of viruses, malware and similar damaging items being transmitted through emails or electronic storage devices. We also expect you to operate such software. However, electronic communication is not totally secure and we cannot be held responsible for damage or loss caused by non-receipt, delayed receipt, inadvertent misdirection, interception by third parties, viruses nor for communications which are corrupted or altered after despatch. Nor do we accept any liability for problems or accidental errors relating to this means of communication especially in relation to commercially sensitive material.
- 6.5 Any email communications to or from us may be monitored by us for operational or business reasons.
- 6.6 When you seek and receive legal advice from us on your rights and obligations, legal advice or attorney-client privilege is likely to attach to our communications related to that advice. If we act for you in contemplated or actual legal proceedings, litigation or lawyer-client privilege is likely to attach to our communications related to those proceedings. You should be aware however that legal privilege may be lost by communicating with third parties or with people in your own organisation who are not involved in the giving of instructions to, or in the seeking, obtaining or receipt of advice from, us.
- 6.7 Whilst making every reasonable attempt to secure personal data, we cannot accept responsibility for any unauthorised access or loss of private information that is beyond our control. If you choose to communicate with us by any messaging application, such as WhatsApp, WeChat, Telegram or any other form of messaging system or service, we accept no liability for any loss or damage and assume no risk which may occur as a result of any virus or security breach.
- 6.8 Please refer to the provisions of our Privacy Statement (<https://www.harneys.com/privacy-statement/>) for further information on how we collect personal data, how we use it, what rights and choices you have in relation to the personal data we hold and process and how you may contact us.

7 TERMINATION

- 7.1 You may terminate your instructions to us and we may cease to act for you at any time, in each case by written notice but we are entitled to and will retain all your papers, documents and other property in our possession while there is money owing to us for our fees and expenses in relation to any matter.
- 7.2 In the event that our engagement is terminated, you will be responsible for the cost of all work completed up to the date of termination and any costs incurred by us in concluding or transferring the matter. No discount will be offered on the basis of a premature closing of a transaction or other matter.

8 DUE DILIGENCE REQUIREMENTS

- 8.1 As with other professional service firms, we are required to identify our clients (and, in a number of cases, beneficial owners) for anti-money laundering and combatting terrorist financing

compliance (**AML KYC**) purposes when accepting instructions in relation to a number of areas of our business. You must properly and promptly disclose to us all persons and entities who may have an interest in any matter in respect of which we are to be engaged, both for the purposes of complying with legal requirements to provide AML KYC, and also so that we may avoid any conflicts of interest. The precise laws and the relevant guidelines which regulate client identification requirements will vary depending upon which office of Harneys you are dealing with.

- 8.2 Whichever Harneys office you deal with, we will always seek client identification and due diligence documents that comply with best practice under the relevant laws and regulations applicable to that office.
- 8.3 If you subsequently instruct another Harneys office or Harneys Fiduciary in relation to any matter, unless you indicate otherwise we will assume we may share any AML KYC provided by you to them unless you instruct us otherwise. You should be aware that because of different requirements in different jurisdictions, you may still be required to provide additional AML KYC to comply with applicable local laws and regulations.
- 8.4 If you are a law firm or other professional intermediary, please also see paragraph 10 (If you are lawyers) below in relation to your underlying clients.
- 8.5 Notwithstanding the scope of any regulatory requirements and without limiting our rights under paragraph 7 (Termination), we reserve the right to terminate our relationship at any point where we have concerns about either the nature of the transaction(s) on which we are advising or persons involved with them or if any request for further information is not met promptly (whether we have an obligation or right to request such information or not).
- 8.6 We reserve the right to conduct credit checks (or to engage third parties to conduct credit checks) on any client, and by engaging Harneys you consent to such checks. We also reserve the right to seek guarantees of payment of our fees in relation to new clients or clients who do not have an established credit history.

9 LIABILITY CAP AND SCOPE OF LIABILITY

- 9.1 Our maximum aggregate liability to you in respect of any engagement is limited to **US\$10 million** or the equivalent value in any other currency. If we act for multiple clients under the same engagement, this limit will apply to our aggregate liabilities to all of those clients, and the liability limitation of each client shall be their pro rata share of that amount. We shall maintain professional indemnity insurance cover for such liability in an amount not less than US\$10 million.
- 9.2 Further:
 - (a) we will not be liable for the acts or defaults of any third party, including Harneys Fiduciary or any agents or sub-contractors, and will only accept liability for direct loss suffered by the person instructing us or a disclosed underlying client alone and, in any event, only to the extent that such loss was reasonably foreseeable as arising from our act or default giving rise to the loss;
 - (b) we will not be liable for any punitive, exemplary or multiplicatory damages or similar claims beyond the actual amount of your loss;

- (c) we will not be liable for any consequential loss or loss of profit however arising, whether or not such loss was foreseeable and whether it was suffered by the person by whom we are instructed or any third party;
- (d) we will not be liable if you act on advice given by us on an earlier occasion without first confirming with us that the advice remains valid in the light of any changes in the law or your circumstances and will accept no liability for losses arising from changes in the law or in the interpretation of the law which are first published after the date on which our advice is given;
- (e) we will not be liable for any losses where those losses are due to inaccurate, incomplete or misleading information provided to us; and
- (f) we shall not be liable for any inability on our part to perform our services for any cause beyond our reasonable control, including adverse weather conditions affecting the relevant Harneys office,

and you agree not to bring such claims against us.

- 9.3 Our advice will depend on the particular circumstances specific to the matter in respect of which we have been engaged. We are not responsible or liable for its use for a different purpose or in a different context.
- 9.4 If we are jointly, or jointly and severally, liable to you with any other party we shall only be liable to pay you the proportion of your losses which is found to be fair and reasonably due to our fault. We shall not be liable to pay you the proportion which is fairly and reasonably due to the fault of another party.
- 9.5 The constituent Harneys law firm whom you have engaged is solely, fully and exclusively responsible for providing legal services to you in relation to any matter. It is a fundamental provision of these terms and conditions that you agree no individual has or will have any personal responsibility to you for the legal services provided by them on behalf of Harneys. Your recourse in respect of any claim is strictly limited to the assets of the constituent Harneys law firm whom you have engaged, and you agree that you shall have no recourse to the personal assets of any partner, employee or consultant, their respective personal representatives or any related person. This does not limit or exclude any liability of Harneys for the acts or omissions of any of its employees acting under the supervision of the firm or within the scope of their employment with the firm.

10 IF YOU ARE LAWYERS

- 10.1 The nature of our business is such that we are often instructed by other lawyers or other professional intermediaries. Our practice is also truly global so that many very different codes of behaviour apply to other professionals instructing us and their obligations in relation to us. It is impossible for us to monitor or enforce those so we choose to set out our own terms which we believe to be both reasonable and commercially viable.
- 10.2 We expect to be informed of the identity of your underlying client or clients at the outset and to be given telephone and email contact details regardless of who undertakes responsibility for our

fees. We will assume that you will pass on our advice in a timely and accurate manner but reserve the right to communicate directly with the person you have identified as the underlying client at any stage.

- 10.3 If you carry out business in a recognised or equivalent foreign jurisdiction for compliance with AML KYC legislation and you are subject to equivalent application of the FATF Recommendations with respect to AML KYC then for due diligence purposes we may be able to rely on customer due diligence carried out by you on the underlying client. In such cases if you consent to such reliance then you must hold the relevant records for a minimum period of five years after the completion of the matter and allow us to inspect those records upon request or if required by the laws of the Relevant Country, provide us with copies of the AML KYC documents collected by you from your client.
- 10.4 If your firm does not accept responsibility for our fees we expect to be told either in your initial instructions to us or immediately on receipt of any estimate or communication from us in relation to fees. All estimates are given on the basis that the person requesting them is paying and are subject to change if this is not the case. Whilst we often waive requirements for money on account when dealing with law firms who are long established intermediaries, we may require payment on account if such firms do not confirm that they will be responsible for our fees.
- 10.5 Where your firm does not accept responsibility for our fees we expect you to use all reasonable commercial endeavours to assist us in obtaining payment of our fees from the party responsible.
- 10.6 Our position on conflicts of interest is set out in paragraph 11 (Conflicts of interest) of this document but if we are instructed by your firm in relation to an entity and have previously been instructed by your firm in relation to that entity we will assume that no conflict of interest issues arise unless you explicitly tell us otherwise.

11 CONFLICTS OF INTEREST

- 11.1 The nature of our business and the limited number of law firms able to advise on complex transactions involving the law of the Relevant Countries means that what are commonly referred to as conflicts of interest or potential conflicts of interest often arise. We set out below our policies in such circumstances. It is not possible to avoid all potential conflicts of interest and we therefore seek to manage them. In addition to the steps we take, in order to minimise the likelihood of a conflict arising, you must notify us as soon as you become aware of any potential conflict, or situation that may give rise to a conflict.
- 11.2 What we mean by conflicts of interest and potential conflicts of interest is:
 - (a) **No exclusivity.** We act for a very large number of financial institutions and multinational groups. None of those clients have agreed to use Harneys exclusively and we do not expect you to. However, this means that we would not consider a conflict to arise merely by virtue of providing advice to a competitor. Similarly, the fact that we act for you in relation to one matter does not mean we will decline to act for another client against you in relation to an unrelated matter in future.
 - (b) **Confidential information.** In the course of advising on a transaction we will almost always receive information in confidence; the possibility that we have received such information

in relation to an entity incorporated in or operating from a Relevant Country in respect of which you instruct us is high. It is a term of our relationship that you agree that we shall not be under any obligation to communicate that information to you where it has been obtained from another source in confidence.

- (c) **Harneys Fiduciary.** Please see paragraph 13 (Harneys Fiduciary) below explaining our relationship with Harneys Fiduciary but note that we do not consider a conflict of interest arises only by virtue of the registered office or registered agent services that Harneys Fiduciary provides to relevant entities. However, Harneys may decline to accept instructions to wind up a company for which Harneys Fiduciary provides registered agent or registered office services.
- (d) **Previous advice.** We do not usually consider the fact that we have previously advised another third party in relation to a relevant entity to represent a conflict of interest. Acting for you does not preclude us from acting for another client in any matters that are not substantially related to our work for you. We may represent other clients' interests in other matters even if they are directly adverse to you or your affiliates. We may ask that you permit us to disclose the fact of accepting your instructions to our previous client.
- (e) **Nature of our role.** We are also frequently asked to advise in a situation where, despite differing commercial interests, what each client requires from us is similar (e.g. ensuring and confirming that the transaction documents are valid and binding insofar as the law on which we are qualified to advise is concerned). We would seek client consent to such a role except in situations where a lawyer in another jurisdiction instructs us on behalf of multiple parties.
- (f) **Searches and registration.** We do not consider that a request to obtain publicly available information, to request information from a registered agent or registered office provider, to register documents, to create and file registers, or to effect service of documents gives rise to a conflict of interest and will undertake such instructions without carrying out any conflict check procedures.
- (g) **Online tools.** Similarly, where a third party uses an online tool or automated advisory solution or similar service provided by Harneys, such as Harneys economic substance classification solution, we do not consider that as creating a conflict of interest if any client wishes to instruct us with respect to acting against the user of such service or relevant entity in respect of which such service is completed. However, Harneys may still owe a duty of confidentiality to such user or relevant entity in respect of information held by it.

11.3 As soon as you have identified the entities or assets in the Relevant Country to which your instructions relate, we will carry out an internal database search to see whether we have previously advised in relation to that entity or asset. We will utilise other methods only if specifically instructed to do so.

11.4 You should note a number of limitations inherent in this. First we are only able effectively to search against names of entities incorporated or organised in a Relevant Country. Unless all relevant parties are made available to us at the point at which we are instructed, a potential conflict may only come to light once we have commenced work. Secondly, details of shareholders/directors etc.

and changes of names are often only made available to us at a very late stage in a transaction and we will only conduct fresh conflicts searches if asked to do so.

- 11.5 If, at whatever stage and for whatever reason, it transpires that we are not able to complete the instructions, you agree to pay for work done and expenses incurred up until the point at which it is determined that it is not possible for us to continue to act.
- 11.6 In the event that we identify a conflict, our first step will be to contact you to alert you to a potential conflict and ask you for permission to disclose your identity to the law firm or client for whom we have previously acted. Once we have received this we would contact the other client giving them such details about you and the proposed transaction as we are authorised to disclose, and seeking their permission to disclose to you details of the previous transaction and client. At this point we would be able to put before you the details of the nature of our previous involvement with the relevant entity so that you can decide whether you believe it is in your best interests that we act. If such communications are with your lawyers we do not consider that we have an obligation to ensure that every nuance of the possible ramifications of such a conflict has been explained to them.
- 11.7 If you are unable or unwilling to give permission for us to disclose your name or any transaction details it is unlikely that we will be able to obtain permission to disclose information from the other party.
- 11.8 Subsequent issues such as the implementation of an information barrier and taking such safeguards as you consider necessary should you wish us to accept your instructions will be agreed on a case by case basis.
- 11.9 In the event that a conflict of interest arises between two or more clients after we have accepted instructions to act for one or more of them, we reserve the right to cease acting for any or all parties irrespective of the order in which we were instructed.
- 11.10 Under no circumstances will we act for any client adverse to you in a specific legal matter if we have obtained confidential information from you which is material to that matter unless you give us express written permission to do so. However, in circumstances where we do not have such material confidential information, we may represent other clients in legal matters, even those potentially or actually adverse to you or any of your affiliates, without the need to obtain your consent.

12 HARNEYS GROUP

- 12.1 The Harneys group is made up of a number of constituent law firms in various locations which practise the laws of the Relevant Countries. When you engage one or more of those constituent firms of Harneys your engagement is with those individual constituent firms. Engaging or communicating with one constituent firm does not mean (a) any other constituent firm is under any duty towards you, or (b) that any information or documents will automatically be communicated between constituent firms.
- 12.2 A number of our constituent firms are formed as limited liability companies. When we use the term “partner” we mean a person of partner-level responsibility, who may be a principal, director,

shareholder or other employee. That person is not being held out in law as a partner of the limited liability company.

- 12.3 Where Harneys is engaged by another law firm then, unless otherwise indicated, we will act on the basis that law firm is engaging us as agent for their underlying clients. Where we are engaged by an agent on behalf of a principal these terms will be binding upon both the principal and agent. In all other cases Harneys acts for the instructing client as principal and not as agent for any other party unless otherwise agreed. Any advice given will be solely for the benefit of our instructing client. You agree not to share such advice with any other person except as may be expressly agreed by us, and we will not be liable to any other person with respect to that advice.

13 HARNEYS FIDUCIARY

- 13.1 Harneys Fiduciary is a group of companies which enjoy a close commercial relationship with Harneys. Harneys Fiduciary provides registered agent/office and other services to a large number of companies. Harneys Fiduciary and Harneys are separate groups with separate ownership and perform very different roles. There is no automatic access to information between them. Three consequences of this of which you should be aware are:

- (a) Except where clients of Harneys Fiduciary have explicitly authorised disclosure, lawyers at Harneys have no more access to information on entities for which Harneys Fiduciary provide registered agent/office or other services than any other persons and will proceed in exactly the same way as if the corporate service provider were an entirely unrelated entity.
- (b) As noted above, the fact that Harneys Fiduciary provides registered agent and other corporate services to an entity does not represent a conflict of interest. However, Harneys may decline to accept instructions to wind-up compulsorily a company for which Harneys Fiduciary provides registered agent or registered office services.
- (c) Where appropriate, Harneys Fiduciary may issue a separate invoice for professional services which it provides separate from any invoice issued by Harneys for legal services.

- 13.2 Clients of Harneys have different relationships with Harneys Fiduciary. However, in the normal course of events the majority of our clients expect due diligence collected for anti-money laundering purposes and other information about the client obtained by us to be made available to Harneys Fiduciary if the client has already or intends to instruct Harneys Fiduciary or wishes Harneys Fiduciary to act on its behalf. Client information and due diligence collected by us will be shared with Harneys Fiduciary in those circumstances or on request from the client unless the client specifically notifies us in writing that we shall not do so.

14 BASIS OF CHARGING

- 14.1 We generally charge fees based either on a time and expertise basis or on a fixed fee basis.
- 14.2 When our fees are based on the amount of our time and expertise a matter requires, our professional fees are normally calculated by reference to the current hourly rate of the lawyer concerned, applicable to the type of work done at the time the work is done. We reserve the right

to charge higher rates or apply an uplift if either the nature of the work or the applicable deadlines justify this.

- 14.3 Hourly rates vary both between departments, offices and lawyers and the hourly rates of the lawyers working on your instruction are available on request. These rates are reviewed periodically and are adjusted and applied automatically from the time they are reviewed.
- 14.4 **Estimates.** For many transactions we are able to give estimates of the cost of completing the work. Estimates are not fixed fees or caps on our fees and are provided solely for the purpose of indicating to you the likely overall cost of our services. In the event that the actual fees that are chargeable on a time and expertise basis exceed the estimate, we shall be entitled to recover from you our fees in full.
- 14.5 **Fixed fees.** On occasion we are able to provide fixed fee quotations for particular instructions or elements of work within a larger instruction. We expect to be paid the entire amount of the fixed fee regardless of the time or expertise required to complete the work once the work has commenced. If you terminate our instructions once the work has commenced for any reason we reserve the right to charge you for the full amount of the fixed fee. However, we will not seek to charge more than the fixed fee quotation if our time and expertise costs exceed the fixed fee provided that all the assumptions upon which the fixed fee was agreed have been met. If any assumptions have been broken we reserve the right to charge on a time incurred basis, absent a further agreement in writing with you. For work which is not specifically included in the scope of any fixed fee arrangement we reserve the right to charge for this work in addition to any fixed fee on a time spent basis on our prevailing standard hourly rates which can be obtained from the partner handling your file, unless otherwise agreed in writing with us.
- 14.6 **Fee caps.** In certain limited circumstances, we may agree to cap our fees at a particular level. In this event we will charge fees for time incurred up to, but not in excess of, the amount of the fee cap, provided all the assumptions upon which the fee cap was agreed have been met. If any assumptions have been broken we reserve the right to charge on a time incurred basis, absent a further agreement in writing with you. For work which is not specifically included in the scope of any fee cap we reserve the right to charge for this work in addition to any fee cap on a time spent basis on our prevailing standard hourly rates which can be obtained from the partner handling your file, unless otherwise agreed in writing with us. No fee cap will be implied into any estimate unless expressly provided for and agreed in writing.
- 14.7 **Aborted or delayed transactions.** Transactions may be aborted or delayed for a variety of reasons beyond our control. Our fees are not conditional upon a transaction or other matter happening or not happening. In these circumstances we will charge for work done up to the time the transaction aborts or is delayed for more than 3 months (at the sole determination of the partner handling your file), save for with respect to fixed fee work where the full amount of the fixed fee will be liable to be charged on receipt of an instruction to commence the work.
- 14.8 **Disbursements.** In instructing us you are authorising us to incur such external expenses as we consider necessary or reasonable and agreeing to reimburse us for such expenses. These expenses fall into three broad groups:
- (a) *Outlay & expenses.* In the absence of agreement to the contrary will also add a charge calculated at 6% of our professional fees in respect of general office expenses in lieu of

charging those directly. This covers matters such as such as printing and copying, telephone and data charges, couriers, and similar incidental expenses which are not separately itemised.

- (b) *Disbursements.* In relation to external hard costs with a supplier invoice, these are recharged at face value. This covers matters such as external counsel's fees, or expert reports.
- (c) *Rechargeable expenses.* Separately there are various types of governing filing fee or registration fees, or registry search costs. These are also recharged separately, but in some cases may represent an estimate of the actual cost (in cases such as registry copying fees), or include an internal markup.

14.9 However, we are not obliged to incur any fee, cost or expense on your behalf and we will have no liability to you in the event that we fail to pay for any fee, cost or expense unless we have agreed explicitly to pay such disbursement on your behalf and you have put us in cleared funds sufficient to cover the cost of such disbursement in full prior to it falling due.

14.10 Although we will ordinarily pay such disbursements directly and seek reimbursement in our invoice to you, for any significant third party disbursements (such as expert reports, external counsel's fees or significant payments of stamp duty) we reserve the right to pass such disbursements directly to you for payment.

14.11 **Grossing-up.** Our charges are net of any bank charges and withholding taxes and you should not assume that we are registered for tax in any country or state from which you may choose to make payment. If you are compelled to make any deductions from payments on account of such charges or taxes, you must gross up the payment so that we receive the amount stated on the face of any invoice which we issue.

14.12 **Orders for costs.** You agree to pay the full amount of our fees and disbursements in litigious matters irrespective of the outcome of any proceedings or any order for costs or any order on assessment which may be made. We should point out that even if you are successful in your litigation and you are entitled to the payment of your costs by another party (i) it is unlikely that you will recover the full amount which you have been billed by us, (ii) in some cases it is not possible to recover the amount awarded from a party against whom a costs order is made, and (iii) certain costs which form part of our fees and disbursements will not be recoverable including fees relating to work done by foreign qualified lawyers and paralegals. This does not limit or reduce your obligation to pay the full amount of our fees and disbursements.

14.13 **VAT and GST.** All estimates and quotations are given exclusive of VAT and GST in applicable jurisdictions. Where VAT or GST is chargeable, it will be invoiced to you.

- (a) No VAT, GST or similar charge is currently payable for legal services rendered from Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands or Hong Kong.
- (b) Services provided from our London office are subject to the United Kingdom Value Added Tax Act 1994 and the Value Added Tax (Place of Supply of Services) Order 1992.

- (c) Services provided from our Luxembourg office are subject to the Luxembourg VAT Law of 12 February 1979 as currently in force and subsidiary legislation. In order to enable the VAT status of our services to be classified correctly, in particular in relation to a client based in a European Union country, you must provide to us such evidence as we may reasonably require for this purpose.
- (d) Services provided from our Cyprus office are subject to the Cyprus VAT Law 2000 and related subsidiary legislation.
- (e) Services provided from our Singapore office are subject to the Goods and Services Tax Act (Cap 115A) and subsidiary legislation. GST will be assessable where the services are provided to clients in Singapore.
- (f) Services provided from our Shanghai office are subject to the Provisional Regulation of the People's Republic of China on Value Added Tax and related subsidiary legislation and guidance. VAT will be charged at the prevailing rate due at the time of payment of any invoice and if additional VAT is chargeable at the time of payment then you will gross up the payment so that we receive the amount stated on the face of any invoice which we issue together with any additional VAT due. If you require a Fapiao you must tell us prior to making payment.
- (g) Services provided from our Dubai office may be subject to UAE Value Added Tax.

14.14 **Joint instructions.** Where our client or other person responsible for payment of our fees in relation to a particular matter constitutes two or more persons, then each person shall be jointly and severally liable for the full amount of payment of our fees and disbursements.

15 PAYMENT ON ACCOUNT

- 15.1 We often require some or all of the fees we estimate as likely to be incurred on an instruction to be paid at the commencement of the instruction and held on account of our fees and any disbursements incurred for you in relation to that instruction.
- 15.2 Where we receive such payment on account, we will hold the money in a non-interest bearing account which is segregated from the firm's money. As and when invoices are rendered for professional fees and disbursements, you authorise us to apply the sums held in such account on your behalf to immediately settle such invoice.
- 15.3 In the event that the fees and disbursements incurred for you in relation to that instruction exceed the sums paid on account, you will settle the balance immediately in cash in the ordinary course.
- 15.4 Where there are any sums left on account following the conclusion of an instruction, we will either repay the balance to the account from which it was transmitted or we will seek your permission to apply it to another instruction if appropriate.

16 SUMS RECEIVED AS PART OF A TRANSACTION

- 16.1 Other than in conveyancing matters relating to land situate in a jurisdiction whose law we practice, we generally do not provide our client account for the purposes of holding sums payable to third

parties, whether as part of a transaction on which we are advising, to facilitate an escrow account arrangement, a trust arrangement or otherwise. In the event that such services are required, specific arrangements and additional due diligence will be required to comply with our regulatory obligations.

17 BANK FAILURES

- 17.1 We accept no liability for any sums held in a client account which are not readily available to us as a consequence of failure of any financial institution which is regulated and doing business in any jurisdiction where you have instructed Harneys (a Bank), or any restriction by that Bank of access to deposits.
- 17.2 In the event of the failure of a Bank or similar event relating to insolvency or illiquidity of the Bank, our liability for sums held by us (whether money on account for fees or sums received by us as part of a transaction) which have been deposited with a Bank is limited to such sums as we can reasonably recover in the bankruptcy or reorganisation of the Bank.

18 INVOICES

- 18.1 Although often for non-contentious matters we will usually submit an invoice at the completion of a transaction, unless we explicitly state otherwise, we reserve the right to submit invoices periodically. Contentious matters will usually be billed monthly.
- 18.2 Invoices will be submitted by email only.
- 18.3 You agree to pay the full amount of our fees and disbursements due under our invoices following receipt. For the avoidance of doubt, this includes the fees relating to the work of lawyers, paralegals and support staff.
- 18.4 Payment is due upon receipt of the invoice.
- 18.5 If you wish to dispute any part of an invoice then you must do so within 14 days of receipt of the invoice after which time the invoice shall be treated for all purposes as agreed. Any notice of dispute must be in writing and must clearly set out the basis of your objection.
- 18.6 Where any invoice is not paid when due:
- (a) **14 days.** Where any sums are not paid within 14 days of the date of an invoice, interest shall become payable on the invoice from the date on the face of the invoice at an annual rate of 8.5%.
 - (b) **45 days.** For any sums not paid within 45 days of the date of the invoice we reserve the right to rescind and forfeit any discounts or preferential fee arrangements which otherwise applied to the relevant invoice unless otherwise agreed in writing and invoice you for the balance or reinvoice at the full amount which otherwise would have been payable, and you agree to pay such amounts in full.
 - (c) **90 days.** Where any sums are not paid within 90 days of the date of an invoice we reserve the right to impose a late payment charge of US\$500 in relation to administration of the

outstanding fees. In the event that it becomes necessary to engage collection agents, tracing agents, lawyers or other third parties to secure payment of any invoice which has been outstanding for over 90 days, you will be responsible for the payment of all such charges on an indemnity basis, which shall be added to the relevant invoice or separately invoiced to you. This includes time spent by any of our lawyers in relation to recovery of such amounts outstanding, on a time spent basis at our prevailing hourly rates. You agree we may provide any documents relating to you (including documents provided for compliance purposes) to such collection agents, lawyers or third parties to assist with recovery of outstanding amounts.

- (d) **120 days.** You agree we may factor or assign debts which relate to invoices which are unpaid after 120 days.
- (e) We reserve the right to stop or suspend working in relation to any matter where the relevant client has not paid any outstanding invoice(s). In the event that we do stop or suspend working on any matter on the basis of unpaid fees, we shall not be liable for any loss or damage which this may cause.

19 PRACTICES

19.1 Harneys will always seek to act in what we reasonably believe to be your best interests throughout the terms of our engagement. However we will not act in any way which is either illegal or unethical. In particular:

- (a) we have strict anti-bribery and anti-corruption policies and procedures which apply to all of our offices and staff worldwide;
- (b) we will not engage in or facilitate any form of tax evasion, or unlawful avoidance of tax reporting requirements – please refer to our Global Tax Code of Conduct (https://www.harneys.com/media/vstmy0e2/global-tax-code-of-conduct_july2022.pdf);
- (c) under no circumstances will we assist or facilitate any transaction or matter which either constitutes transferring, converting or concealing the proceeds of any crime or the financing of terrorism, or gives rise to a reasonable suspicion that it may do so;
- (d) we will not engage in or facilitate any actions which are intended to directly or indirectly pervert the course of justice in any jurisdiction; and
- (e) we will always treat any personal data we are provided with in a manner which respects the privacy of the underlying data subjects, using appropriate security systems to store and use your data, in the manner described in paragraph 22 (Data protection) below.

20 CONFIDENTIALITY

20.1 All information that you provide to us will be treated as confidential unless you advise us otherwise or the information is already in the public domain. Much of the information you provide to us will also be covered by legal professional privilege, although the rules relating to privilege vary by jurisdiction, and are determined by law.

- 20.2 We will take all commercially reasonable steps to maintain adequate safeguards to protect the confidentiality of any information relayed to us. We will not be liable for any loss of confidentiality caused by the actions of a third party which could not have been prevented by the operation of commercially reasonable safeguards.
- 20.3 Under the laws of various jurisdictions in which we operate we may in certain circumstances be permitted or compelled to disclose confidential information to regulatory or law enforcement authorities. In such cases we will not be liable for any disclosure which we reasonably believe to be in compliance with our legal obligations in such jurisdiction.
- 20.4 At the completion of a matter we will retain relevant documents for at least the minimum periods prescribed required under applicable law. After the end of those periods we may dispose of the files without further reference to you.
- 20.5 Periodically we are asked to provide examples and brief details of important transactions and matters that we have been involved with to legal directories and other media. Where a transaction and the parties have already been publicly reported in the mainstream financial press or a court judgment has been issued in open court, we will assume that we are permitted to indicate that we were involved in the transaction or case unless we have been instructed that we may not do so.

21 INTELLECTUAL PROPERTY RIGHTS

- 21.1 We will retain all copyright in any document prepared by us during the course of our instructions unless specifically agreed otherwise.

22 DATA PROTECTION

- 22.1 We may obtain, use, process and disclose personal data about you in order to carry out our instructions and for other related purposes including updating and enhancing our client records, analysis for management purposes and statutory returns, crime prevention and legal and regulatory compliance, and in any case as further set out and explained in our Privacy Statement (<https://www.harneys.com/privacy-statement/>). This means, amongst others things, that we may transfer your personal data abroad if required to do so for the Permitted Purposes (as defined in the Privacy Statement).
- 22.2 We will comply with all relevant law and in particular, where applicable, with the provisions of the EU General Data Protection Regulation (Regulation 2016/679). Please refer to the provisions of our Privacy Statement for further information on how we collect personal data, how we use it, what rights and choices you have in relation to the personal data we hold and process and how you may contact us.

23 MISCELLANEOUS

- 23.1 These terms and conditions shall govern the terms of our relationship from the time when we receive formal instructions from you to proceed with any matter. The obligations created hereunder shall continue after the completion of the matter or the termination of the relationship.
- 23.2 These terms and conditions may not be amended or varied orally or by course of conduct.

- 23.3 Any delay in enforcing any of these terms and conditions will not affect or restrict any of the rights and powers arising thereunder. We will only be taken to have released or waived any of our rights under these terms and conditions if we have done so in writing.
- 23.4 The scope of our engagement will be limited to a specific matter. It is our policy not to accept a general retainer to act for any party and we reserve the right not to accept instructions in respect of any matter, or to decline to continue to act further on any specific matter for any reason or for no reason. We shall not be obligated to provide reasons for declining instructions or declining to act further on any matter.
- 23.5 These terms and conditions are Harneys standard terms and conditions of engagement, and as such may be amended from time to time by Harneys.
- 23.6 If Harneys merges or amalgamates with another firm any engagement which we have with you shall not terminate as a result and the successor firm shall continue the engagement.
- 23.7 You may not assign any rights which you may have against Harneys or any of its partners to any other person without our prior written consent.
- 23.8 If any of the provisions of these terms and conditions are found to be unenforceable for any reason in any jurisdiction, the remaining provisions shall not be affected.
- 23.9 Headings are for convenience only and shall not affect the interpretation or construction of these terms and conditions.
- 23.10 We cannot advise you with respect to these terms and conditions or with respect to any letter of engagement you have with us. It would constitute a professional conflict of interest if we were to do so. If you wish to receive such advice, you should consult independent legal advisors.

24 APPLICABLE LAW AND DISPUTE RESOLUTION

- 24.1 These terms and conditions and service contract with you are made under the law specified in the engagement letter entered into between you and Harneys, or, in default of any other specified governing law, British Virgin Islands law.
- 24.2 Subject to any other express provisions set out in any engagement letter entered into between you and Harneys, the following provisions shall apply:
- (a) Any dispute or disagreement between you and Harneys shall be resolved exclusively by arbitration. These provisions shall apply to any dispute or difference arising out of, under or in connection with our engagement (whether in contract, tort, restitution, bailment, breach of statutory rights, in equity or otherwise), including any dispute as to the existence of, validity or applicability of any provision of any agreement between us (including these provisions) or the consequences of any termination, invalidity or nullity of such agreement or any provision of it (a **Dispute**). If you have engaged Harneys through its offices in Hong Kong, Shanghai or Singapore then paragraph (b) shall apply to the arbitration; if you have engaged Harneys through any other office then paragraph (c) shall apply.

- (b) Where you have engaged Harneys through its offices in Dubai, Hong Kong, Shanghai or Singapore:
- (i) Any Dispute shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (**HKIAC**) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.
 - (ii) The law of this arbitration clause shall be Hong Kong law.
 - (iii) The seat of arbitration shall be Hong Kong.
 - (iv) The number of arbitrators shall be one.
 - (v) The arbitration proceedings shall be conducted in English.
 - (vi) The arbitration proceedings shall be conducted in private and all documents relating to the conduct of the arbitration shall be treated as confidential between the parties.
- (c) Where you have engaged Harneys through any of its other offices:
- (i) Any Dispute between the parties which cannot be resolved amicably shall be referred to a sole arbitrator (the **Arbitrator**) and resolved by arbitration.
 - (ii) Either party may serve a written notice on the other party that a Dispute must be resolved by arbitration. The parties shall then seek to agree the identity of and jointly appoint the Arbitrator. If the parties are unable to agree upon the identity of an arbitrator within 21 days, the Arbitrator shall be appointed by the BVI International Arbitration Centre under the BVI IAC Arbitration Rules (the **Rules**). No person may act as Arbitrator (including as a replacement for an Arbitrator who ceases to act) where they have a conflict of interest in relation to the Dispute.
 - (iii) The following provisions shall apply to the conduct of the arbitration:
 - (1) The arbitration shall be held in Road Town, Tortola, British Virgin Islands and shall be conducted in English.
 - (2) The arbitration shall be conducted in accordance with the Rules, the provisions of which shall be deemed to be incorporated into these provisions, save that where there is a conflict these express provisions shall prevail.
 - (3) If any party fails to comply with any procedural order made by the Arbitrator, the Arbitrator shall have power to proceed in the absence of that party and deliver the award.

- (4) The arbitration shall be conducted in private and all documents relating to the conduct of the arbitration shall be treated as confidential between the parties.
- (iv) All of the provisions of Schedule 2 to the Arbitration Act, Revised Edition 2020 shall apply.
- (v) The exclusive seat of the arbitration shall be the British Virgin Islands irrespective of where the Arbitrator signs the award, and the proper law of the arbitration shall be British Virgin Islands law.
- (d) Nothing in paragraphs (a)-(c) above shall limit Harneys' ability to claim or take any proceedings against you in any jurisdiction for unpaid fees or disbursements. In the event that Harneys commences proceedings for unpaid fees or disbursements you will not be entitled to a stay of such proceedings in favour of arbitration under paragraphs (a)-(c) above.
- (e) You agree to indemnify Harneys for all legal costs and expenses that we may incur in connection with any arbitral and/or court proceedings (including appellate proceedings) against you to recover payment of any unpaid fees and disbursements, including all costs and expenses incurred representing ourselves (including, for the avoidance of doubt, any costs of work done by foreign qualified lawyers, paralegals and support staff).

25 GEOGRAPHIC SPECIFIC PROVISIONS

25.1 The terms in this paragraph apply to all clients and all engagements, and sub-headings in this paragraph are provided for convenience only.

People's Republic of China

25.2 If you provide us with documents then there is a possibility that, as part of our instruction, such documents will be required to be transferred cross border and into another jurisdiction. By engaging us you represent and undertake that any documents provided to us by you or on your behalf do not contain any State Secret (as defined in s29, Part 4 of the Safeguarding National Security Ordinance of the Hong Kong SAR and/or Article 9 of the Law of the People's Republic of China on Guarding State Secrets (2020 Revision) (together, the **National Security Laws**) as each is amended from time to time), and you undertake responsibility to ensure that the cross border transfer by us of any documents provided by you to us shall not breach the National Security Laws or the Data Security Law or CyberSecurity Law of the People's Republic of China or any such like laws as amended or enacted from time to time (together, the **Security Laws**). If you subsequently become aware that any documents which have been provided to us by you or on your behalf may be subject to the Security Laws, you undertake to advise us immediately.

Hong Kong SAR

25.3 In the event of any conflict between these terms and conditions and the Hong Kong Solicitors' Guide to Professional Conduct Vol.1, Principle 6.01 (the **HKPC Rules**) with respect to the conduct of any matter, the HKPC Rules shall prevail.

SERVICE LEVEL AGREEMENT

Approach

We will add value. We will do this by:

- Providing options and solutions rather than merely stating theoretical problems
- Keeping you informed as to the progress of a transaction
- Explaining to you what we are going to do, why and when
- Meeting deadlines to which we commit
- Understanding our role and its significance or limitations

Accessibility

All email addresses and direct lines of our lawyers are on our website. Voicemail messages will contain useful information as to our whereabouts and duration of possible absences.

Teams and contact partners

The nature of our work tends to militate against large teams of lawyers. We will provide you with a contact partner and associate of sufficient experience to have day to day conduct of the transaction, as well as contact details for both in our initial response to you.

Service standards

Confirmation of receipt of instructions, and if sufficient information has been made available, estimates and confirmations as to conflicts will be given within 24 hours.

Calls will be returned and emails acknowledged on the same day.

Value

We have never been and never wish to be the least expensive law firm. We do however constantly strive to deliver the best value for money. Our fee estimates contain no hidden costs and we will always tell you as soon as possible if we believe a fee estimate is no longer realistic.

We believe that our resources, the way our overseas offices operate and our staff's commitment to their clients give us an unparalleled ability to add value in the areas in which we operate.

In return we expect

- Prompt payment of invoices
- Honest assessments of urgency
- Accurate assessments of the scope of work at the outset

Feedback

If we fall below the standards set out in this service level agreement we want to hear from you. If we otherwise disappoint you we also want to hear. Your primary point of contact should be the partner responsible for your matter but in their absence please contact the Global Managing Partner, William Peake at william.peake@harneys.com.

Members of our client care team may contact you after completion of a transaction. They do so to obtain an honest assessment of our performance and any time which you spare them is appreciated