

MANNBENHAM FIDUCIARIES LIMITED TERMS AND CONDITIONS OF BUSINESS

In appointing us to act for you we will provide our corporate and trustee provider services in accordance with these terms and conditions of business.

1. MannBenham Fiduciaries Limited

MannBenham Fiduciaries Limited is a wholly owned subsidiary of MannBenham Limited an incorporated legal practice of Isle of Man advocates. MannBenham Fiduciaries Limited has a number of subsidiary companies which may be used to provide services to you where appropriate. On occasion it may be necessary for officers and employees of MannBenham Fiduciaries Limited and its subsidiary companies including the officers and employees of such subsidiary companies to act as directors, secretary, trustee, protector, enforcer or in some other position in relation to any company, trust, or other entity which we have formed or administer or for which we provide services on your instructions. For convenience we have used the term MannBenham Fiduciaries Limited throughout these terms and conditions but it is taken to include all its subsidiary companies and its and their officers and employees.

2. People responsible for your work

Each time you instruct us we will advise you who has the day to day responsibility for the matter and any other persons it is envisaged will assist them at the commencement of the matter together with their contact details including direct telephone number and e-mail address.

At MannBenham Fiduciaries Limited we frequently operate a team system and if appropriate specific tasks relating to an individual matter may be allocated to other members of the team. In such cases we will advise you of the names of all those who become involved with your case, their status and charge out rate.

If, the person with day to day responsibility for your matter is unavailable, please ask for their secretary or for any other member of the team. Messages can be left on the persons' individual voice mail.

3. Fixed Fees

MannBenham Fiduciaries Limited are prepared to negotiate fixed fees for the provision of specified services such as the formation of Isle of Man Companies and the provision of registered office facilities for Isle of Man Companies with clients. Where a fixed fee has been negotiated, it will apply until such time as you are advised in writing by MannBenham Fiduciaries Limited that a new fee or fee structure is applicable.

The fixed fee structure shall only take effect if it has been agreed in writing by MannBenham Fiduciaries Limited in advance and will only cover the services specified in that agreement.

Fixed fees will be payable in advance and in the case of formation of a company the beneficial ownership of that company will not be transferred until the fees are paid and with regard to the provision of registered office facilities if payment is not made within 30 days of invoice MannBenham Fiduciaries Limited reserves the right to rescind the authority for the client company to maintain its registered office at the address provided.

Unless there has been a fixed fee agreed in writing in advance all fees will be charged on hourly basis in accordance with the scale of charges set out in the following paragraph.

4. **Hourly Charges**

In the absence of a specific fixed fee agreement and in respect of any work not specifically covered by a fixed fee the charges of MannBenham Fiduciaries Limited shall be based on the following time charges depending upon who carries out the work :-

Mr T A Mann, Advocate	£395.00 per hour plus VAT
Mr M A Benham, Advocate	£295.00 per hour plus VAT
Accountant	£250.00 per hour plus VAT
Junior Advocate	£200.00 per hour plus VAT
Trainee Advocate	£150.00 per hour plus VAT
Administrator	£80.00 per hour plus VAT

Time charges are charged in units of ten minutes.

Before commencing any work for which we have not received our fees in advance, we will require a deposit on account of costs in advance which will be held in the MannBenham Fiduciaries Limited client account.

MannBenham Fiduciaries Limited will raise invoices from time to time and it is a condition of MannBenham Fiduciaries Limited undertaking work on behalf of you that MannBenham Fiduciaries Limited is authorised to deduct from the monies we hold on behalf you or the your company for payment of such invoices. MannBenham Fiduciaries Limited will immediately advise you of such deductions.

MannBenham Fiduciaries Limited will require you from time to time to top up the security held by MannBenham Fiduciaries Limited for payment of the fees of MannBenham Fiduciaries Limited and will advise you of the amounts required from time to time.

5. **Billing Arrangements**

In respect of services provided by MannBenham Fiduciaries Limited on an annual basis, such as the provision of registered office accommodation, directors and secretarial services, fees will be payable annually in advance on the incorporation of the company and annually thereafter.

Government fees payable during the forthcoming year will be invoiced in advance on the incorporation of the company and annually in advance of the payment date each year, to the extent that they are foreseeable, for example the fee for filing the annual return and the exempt company fee, and these sums will be kept on client account, subject to these terms and conditions, until such time as they become payable to the Government.

When there is an element of time charging we feel that it is important that our clients are kept aware of the costs that are being incurred in dealing with their matter. We will normally unless otherwise agreed raise invoices on a monthly or bi-monthly basis while the matter is in progress (unless the amount involved is less than £100) with a final invoice once the matter has completed. We find that this enables our clients to budget for the matter as it proceeds.

Payment is due in respect of all invoices forthwith from when we send the invoice to you. If our bill is not paid within 28 days interest will be charged on the invoice at the rate of 8% per year, compounded annually from the date of the bill. Interest will be charged on a daily basis.

If you have any query about your invoice you should promptly contact one of the Directors.

We accept payment by cheque drawn on a major clearing bank or bankers draft.

We accept payment by most forms of credit card. You may give us instructions to pay accounts by credit card over the telephone. Please note that to avoid misunderstandings with you while dealing with a junior member of staff over such a matter those instructions may be recorded.

We accept payment by bank transfer. If any deduction or commission is taken by any bank from the payment we will charge this amount onto you. This also applies in cases where payment is made in another currency (which in most cases we will accept) subject to the costs of any conversion into sterling being charged to your account.

We will not normally accept payment of invoices, unless of relatively small amounts, in cash.

You agree that we may retain all of your papers and documents irrespective of

which matter they relate to until all of our invoices and disbursements owed by you to us have been paid.

6. Notification of Changes in our Fees

Should MannBenham Fiduciaries Limited consider any change to its fee structure to be desirable, it will notify you in writing in advance of any fee increase.

7. Provision of Directors

Where a fee has been quoted for the provision of Directors, that is regarded as a responsibility fee and will only include minor items of work such as dealing with the odd enquiry on the telephone. Any substantive amount of work will be charged on top at the hourly rate of the person concerned. The office of Director unless otherwise agreed will be treated as the office of a Non-Executive Director of the Company. This means that the Director must be fully informed of all matters pertaining to the Company and will expect to attend and be given notice of all Company meetings. Some meetings may take place on the telephone, but depending on the activity of the Company, any Director provided by MannBenham Fiduciaries Limited will expect to attend Board Meetings from time to time and have their fees and travel and accommodation costs paid as required

In the event that full information concerning the Company's affairs is not forthcoming MannBenham Fiduciaries Limited reserves the right to arrange for any Director to immediately resign and the annual fee paid in advance will not be refundable.

8. Provision of Trustees

In the event that MannBenham Fiduciaries Limited provides trustees the duties of the trustees are governed by the relevant trust documentation and not by these terms and conditions.

Notwithstanding the terms of the relevant trust documentation if we provide trustee services as a result of your original instructions then irrespective of whether or not you are a beneficiary in or have any interest in such trust you agree:-

- (a) To indemnify us for any fees and charges due to us for acting as trustees in the event that we cannot obtain re-imburement from the trust assets. You authorise us to withdraw those fees from any monies we hold on your behalf including any other company and trust in which you have an interest. You undertake to authorise MannBenham Fiduciaries Limited in the event that MannBenham Fiduciaries Limited has control of such company or trust to show the withdrawal of our fees as a loan due from you to the company or trust concerned, and if the company or trust is not

in control of MannBenham Fiduciaries Limited that you will use your best endeavours to have the transaction properly recorded as a loan due from you to the company or trust concerned; and

- (b) That you will indemnify us in respect of any obligations or liabilities including fiscal liabilities MannBenham Fiduciaries Limited may have incurred as a result of acting as trustee other than in respect of obligations or liabilities arising out of the negligence, breach of trust, or fraud of MannBenham Fiduciaries Limited
- (c) that you will use your best endeavours to procure that in the event that MannBenham Fiduciaries Limited in its capacity of trustee makes any capital distribution from any such trust that the recipient gives to MannBenham Fiduciaries Limited an indemnity in respect of any obligations or liabilities including fiscal liabilities it may have incurred as a result of acting as trustee other than in respect of any obligation or liability arising out of the negligence breach of trust or fraud of MannBenham Fiduciaries Limited.

9. Interest on Monies

MannBenham Fiduciaries Limited will not give credit to you for interest on monies held in any MannBenham Fiduciaries Limited client account. MannBenham Fiduciaries Limited will consider coming to an agreement with you for the crediting of interest on relatively large sums of money held on your behalf for a significant period of time where it is administratively economic to account for such interest. We reserve the right to make an administrative charge for carrying out any interest calculations and arranging payment of interest. In the absence of a written agreement for payment of interest no interest will be paid.

10. Storage of Papers and Documents

After completing a matter, we are entitled to keep all of your papers and documents while there is money owing to us for our invoices and disbursements. We will keep our file of papers, apart from any papers that you ask us to return to you, for up to 6 years on the understanding that we have your authority to destroy it six years after the final invoice without notice to you. In lieu of retaining our file of papers you authorise us that in the event that the papers are scanned into an electronic storage system to destroy our file of papers once such papers have been scanned. The electronic storage system will not necessarily be maintained after a period of six years from the time the matter was completed.

If you request us to keep documents for you in safe custody in our fire proof cabinet then we will not destroy those documents but we reserve the right to impose a reasonable storage charge.

We will not normally charge you if we retrieve papers or documents from storage

in relation to continuing or new instructions to act in connection with your affairs. If, however you request us to produce stored papers or documents relating to a closed matter, we may charge you for the time spent.

11. **Prevention of Money Laundering**

As a result of legislation by the government to combat money laundering we are required to obtain from you proof of your identity and source of funds. This requirement extends to any other person who has any substantive interest in the company trust or other vehicle in respect of which MannBenham Fiduciaries Limited may provide services. We attach a sheet entitled "anti money laundering identification" which sets out the documents we require. For example, if you are an individual you can prove your identity and address with your passport and a recent utility bill (a mobile phone bill is not acceptable for this purpose). We will require certified copies of these identity papers for our records. We will explain to you how this obligation can be satisfied.

MannBenham Fiduciaries Limited is obligated by the terms of the relevant anti money laundering codes to complete the anti money laundering procedures before carrying out any substantive work on your behalf.

12. **General Terms**

- 12.1 You agree to promptly provide MannBenham Fiduciaries Limited with any information it may require for the purposes of carrying out the services it provides and/or to comply with any regulatory or other requirements of any competent authority.
- 12.2 It is a condition of MannBenham Fiduciaries Limited carrying out services on your behalf that MannBenham Fiduciaries Limited is authorised to open, read, and take copies of anything belonging to or in anyway connected with your business and affairs.
- 12.3 MannBenham Fiduciaries Limited undertakes that it will consider your reasonable instructions in connection with the provision of its services. However, MannBenham Fiduciaries Limited in providing its services and in providing the services of individual directors will be free to act in accordance with all applicable laws including Isle of Man company law and will be under no liability to the Company or you in so doing.
- 12.4 When MannBenham Fiduciaries Limited accepts the position of trustee it will take into consideration all reasonable representations made by you in relation to such trust. However MannBenham Fiduciaries Limited will be expected to act as an independent trustee subject to the terms of the trust all applicable laws and their professional duties.

- 12.5 MannBenham Fiduciaries Limited undertakes and agrees to keep your affairs confidential and all papers documents and information relating to your business confidential unless it is required by law to disclose the same to any regulatory or other public authority or pursuant to the order of any court of competent jurisdiction.
- 12.6 In the event that any company trust or other structure or the position of MannBenham Fiduciaries Limited comes under threat of litigation, inspection or any other adverse threat it is a condition of accepting instructions that MannBenham Fiduciaries Limited may apply any money in any company, trust or other entity in taking advice or defending any proceedings or such other steps as it deems sensible or desirable without the requirement of any specific instructions from you, to protect the position of MannBenham Fiduciaries Limited and any company trust or other entity which may be involved.
- 12.7 It is understood and agreed that MannBenham Fiduciaries Limited may and in relation to any structure which it regards as tax sensitive will most likely apply any money in any trust company or other entity which may be involved in obtaining a review from reputable tax advisors of the tax situation of the trust company or other entity concerned on a periodic basis. This will usually be carried out in conjunction with your tax advisors but where MannBenham Fiduciaries Limited considers it appropriate to protect its own position MannBenham Fiduciaries Limited reserves the right to arrange for an independent review from tax advisors of its own choice.

13. **Termination**

You may terminate the services provided by MannBenham Fiduciaries Limited at any time by giving MannBenham Fiduciaries Limited notice in writing. Upon receipt of such notice MannBenham Fiduciaries Limited will arrange, as soon as reasonably practicable to take copies of such documents that MannBenham Fiduciaries Limited are obliged to keep pursuant to any statutory or regulatory provisions and will put the files in order to arrange a smooth and orderly transfer to any other Corporate Service Provider at your direction provided that:

- (a) where directors are provided by MannBenham Fiduciaries Limited, the directors are satisfied that the transfer is a proper exercise of their fiduciary duties to the client company; and
- (b) where trustees are provided by MannBenham Fiduciaries Limited suitable indemnities have been provided to meet any actual, contingent or potential liabilities that MannBenham Fiduciaries Limited may face as a result of having acted as such trustee and that MannBenham Fiduciaries Limited is satisfied that the transfer is a proper exercise of the fiduciary duties to any beneficiary or potential beneficiary of such trust;

MannBenham Fiduciaries Limited will then issue you with a fee note for any outstanding fees to date including the work required to arrange for the transfer and as soon as that is paid the papers will be transferred.

In the event that MannBenham Fiduciaries Limited have charged you an annual fixed fee MannBenham Fiduciaries Limited in their discretion may, (but shall not be obliged to) refund a proportionate part of the fee down to the time of notice of transfer but will charge at an hourly rate for any work involved in the transfer.

MannBenham Fiduciaries Limited may terminate their services by notice in writing (which shall include facsimile or "e" mail if that is one of the usual ways of communicating with the you) in any of the following circumstances:-

- (a) If you are in default of any arrangements for providing security for or the payment of fees due to MannBenham Fiduciaries Limited irrespective of whether any indulgence has previously been given in that regard.
- (b) If MannBenham Fiduciaries Limited is not promptly provided with any information MannBenham Fiduciaries Limited requires to comply with any legal or regulatory requirement.
- (c) In the event that you become involved in any litigation or investigation.
- (d) If MannBenham Fiduciaries Limited believe a conflict of interest situation has arisen.
- (e) In the event that you are put into receivership, liquidation, bankruptcy or any analogous proceedings are taken in respect of you.
- (f) If MannBenham Fiduciaries Limited believes in its absolute discretion that the proper business relationship between MannBenham Fiduciaries Limited and you has broken down.

In any other set of circumstances MannBenham Fiduciaries Limited reserves the right to cease acting on giving reasonable notice.

14. **Communication**

We are confident of providing you with a high quality service. If, however you have any queries or concerns about our work please in the first instance either raise them with the person dealing with your case or one of the directors. If that does not resolve the problem to your satisfaction please contact Timothy Mann. We value your business and would ask that you promptly raise any concerns you may have with us so that we can deal with them immediately.

Our 'e' mail communications are unencrypted. While we take all reasonable security measures there is always a risk of our communications being intercepted

by third parties. MannBenham Fiduciaries Limited will not be liable for any loss to you arising out of a third party gaining access to email communications between us.

The use of 'e' mail communication carries with it the risk of infection from viruses. While we use anti virus software to protect our computer system we cannot guarantee that all email communication will be free from infection by viruses. MannBenham Fiduciaries Limited will not be liable for any loss to you arising out of an infection of your computer system from a virus emanating from our office or computer systems.

We do accept instructions by 'e' mail and are happy to use 'e' mail as the prime method of communication. Please note however that we do not guarantee that 'e' mails are read immediately on receipt into our computer system, the addressee may be engaged in a meeting or engaged on other client business. Further more 'e' mail communication is so commonplace that the fact that a message is sent by 'e' mail does not imply particular urgency and we attempt to limit the extent to which non urgent 'e' mail communication impedes other more urgent client work.

MannBenham Fiduciaries Limited is under no liability to you and you hereby undertake and agree to fully indemnify MannBenham Fiduciaries Limited when acting on instructions or advice purporting to have been received from you by facsimile, "e-mail" or any other electronic form.

15. **Intellectual Property**

You will have the full right and licence to distribute copies of materials we create for you within your own organisation in relation to the particular matter for which they were drawn up. However, all copyright and other intellectual property rights in all documents, reports, written advice or other materials provided by us to you remains with us. If you wish to distribute copies of these materials outside your own organisation this will require our permission.

16. **Quality Standards**

We operate a internal office procedures quality control system to ensure appropriate levels of service are maintained. As part of this system you file may be inspected by an independent agency. The agency will not examine the detailed contents of your file but will check to ensure our internal management and quality procedures have been followed. We are of course bound as providers of professional services by strict rules of confidentiality. If you do not wish for your file to be inspected please advise us. In addition files are checked on a random basis by senior staff and the typically small time involved will be charged to your account.

17. Exclusions

For the purposes of the Contracts (Rights of Third Parties) Act 2001 unless specifically agreed between us in writing or in this contract you and MannBenham Fiduciaries Limited do not intend this contract to be enforceable by any third party.

18. Limitation of Liability

The potential extent of any loss or damage to you and your associate arising out of our negligence is likely to be disproportionate to the amount than can reasonably be charged by us for work carried out for you.

We are not able to obtain insurance giving unlimited cover for our full potential liability to our clients for negligence and in any case even insurance giving limited cover for such liability is becoming increasingly difficult and expensive to obtain.

In the circumstances we intend to limit our liability for any damage caused to you or your associate or any companies, trusts or other legal entities which we form or administer as a result of your instructions arising from our negligence to an amount that is not out of proportion to our charges for carrying out work on your behalf.

By accepting these terms and conditions of business you and your associate agree that in the event of our negligence the amount of your claim is limited to the higher of £1,000,000 or £10,000,000 in the event that any claim is notified to us whilst our parent company MannBenham Limited retains it's status as a recognised body within the meaning of section 26(5) the Advocates Act 1995.

Insurance costs have in recent years escalated and we are not in a position to know whether those cost increases will continue. As a result we do not know whether it will be possible to maintain current levels of insurance into the indefinite future.

In the circumstances we intend to limit the length of time in which in the event of our negligence you or your associate may bring a claim against us to a period in which at this time it appears likely that we can be indemnified by a policy of insurance.

By accepting these terms and conditions of business you agree that in the event of our negligence you will not bring a claim against us after the expiry of a period of six years from the event which gave rise to your cause of action. This period is without prejudice to any other period of limitation to which we may be able to avail ourselves by statute or otherwise.

19. Associates

These terms of business apply to you and your associates, which for these purposes includes all companies trusts or equivalent entities or persons which you control or which control you or which are in common ownership or control with you. Ownership and control includes both direct and indirect control and the ability (whether legally binding or not) to significantly influence the decisions of any person company trust or equivalent entity or person.

20. Isle of Man Financial Supervision Commission

MannBenham Fiduciaries Limited is permitted to carry out the business of Corporate Service Provider and Trustee Service Provider and is the holder of a Fiduciary Providers Licence, subject to periodic visitation and inspection by staff of the Isle of Man Financial Supervision Commission. Included in the inspection procedures is inspection on a random basis of our client files. The inspection by the Isle of Man Financial Supervision Commission is carried out under statutory authority but you should be aware that your files may be subject to such inspection.

21. Agreement

We reserve the right to amend these terms and conditions of business from time to time and on reasonable notice to you. Unless otherwise agreed these terms and conditions of business as may be amended from time to time will apply to any future instructions you give us.

Your continuing instructions in this matter will amount to your acceptance of these terms and conditions of business. We would still ask you to sign and return to us the client engagement letter we sent you confirming your acceptance of these terms and conditions.

22. Severability

If any provision of these terms and conditions of business shall be prohibited by law or adjudged by a court to be unlawful, void or unenforceable such provision shall to the extent required be severed from this agreement and rendered ineffective as far as possible without modifying the remaining provisions of these terms and conditions of business and shall not in any way affect any other circumstances of or the validity or enforcement of these terms and conditions of business.

23. Law

These terms and conditions of business between you and MannBenham Fiduciaries Limited are governed by the laws of the Isle of Man. We both agree to submit to the exclusive jurisdiction of the Courts of the Isle of Man in relation to any matter arising out of the work you instruct us to do.

