

# FRANKS & CO

European Patent & Trade Mark Attorneys

**Chartered Patent Attorneys, European Patent Attorneys, European Trade Mark Attorneys,  
Registered Trade Mark Attorneys**

## TERMS OF ENGAGEMENT

These terms govern our contract with you. We reserve the right to amend these Terms of Engagement in the future, in particular to reflect changes in the law or commercial practice.

### 1. Franks & Co Limited

Our services are provided to you by Franks & Co Limited UK company 04955211 (trading as Franks & Co), having its principal address at 15 Jessops Riverside, Brightside Lane, Sheffield, S9 2RX and the contract for those services is with Franks & Co Limited and not with any individual director, member, employee, or agent of Franks & Co Limited. Our objective is to build a long term relationship between Franks & Co Limited and you. Acceptance of our commencement of the provision of services to you should be deemed to be acceptance of these terms of engagement.

### 2. Supplementary Terms

We may set out supplementary terms to this contract in the covering letter or in subsequent letters. In the event of any conflict between the terms in this document and the terms in any such letter, the terms in the letter will prevail to the extent that there is conflict. Otherwise, the terms of this document will prevail.

### 3. Our Principal

At any one time we are retained by one principal who is our principal both financially and in the matter of instructions. We accept instructions from third parties only on the basis that our instructing principal accepts responsibility for our consequent invoices for work carried out on the instruction of the third party. Our principal is our client.

### 4. Authority to Instruct

We will be entitled to act on the instructions of you or any of your apparently authorised employees or agents and to rely on any information provided to us by yourself or such employees or agents. We recommend that you nominate one or more individuals within your organisation to act as your primary point of contact with ourselves. If we are given clear verbal or written instructions to act by someone claiming to give those instructions on behalf of a third party (e.g. an employee on behalf of his employer, a partner on behalf of one or more of his co-partners, or a solicitor or accountant on behalf of his client) we assume in all such cases that the person giving those instructions has authority to give them. We will accept no claim for any consequential loss or damage if it subsequently turns out that we were misled.

### 5. Instructions

We accept instructions either verbally or in writing. Where you seek our advice by telephone or meeting, which results in our giving of professional advice verbally, we will take that advice as having been instructed. We shall not be liable to you for any failure to secure rights for you which results from your instructions being unclear or incomplete.

### 6. Change of name, address or contact details

It is important that you inform us immediately of any change in your name or address, and of changes to any persons who are authorised to instruct on your behalf, It is also important to inform us immediately of any change of ownership or licences entered into in respect of patent, trade mark, design or other intellectual property rights for which we have responsibility. Any changes which affect the ownership or licensing of such rights need to be registered at the relevant intellectual property office in order to avoid unenforceability or the rights. We shall not be liable for

any loss of rights or enforceability of rights as a consequence of your failure to inform us of any changes in ownership or license arrangements of those rights.

## **7. Default procedure and need to meet deadlines**

When you instruct us to commence a procedure, we will act for you on a retained basis, on the assumption that you wish to continue with that procedure until we receive a definite instruction from you to terminate the procedure or unless we specifically agree otherwise in writing. In the normal case, we will exercise our duty of care to maintain rights on your behalf. However, if we do not receive instructions in due time, if there are significant outstanding unpaid fees or disbursements, or if we have requested payment for a disbursement within a deadline, and that payment has not been received by us, then we reserve the right to take that as an implicit instruction not to act. Most intellectual property procedures are deadline driven, and failure to comply with official formalities, to respond to official communications, or to pay fees within officially set deadlines can lead to irrevocable loss of rights. Please note any deadlines indicated on our letters. It is important that your instructions, and any payment requested in advance to carry out those instructions are received in good time before a notified deadline. Failure to meet deadlines may result in loss of rights.

## **8. Who will act for you?**

Wherever possible, we will ensure that one person has overall responsibility for carrying out your work, and at least one other person is available to provide cover for holidays/ absence of the primary person. We aim to ensure that, where appropriate, the collective expertise and experience of our whole firm is available for our clients and that continuity of service is maintained, and in certain cases it may be appropriate that other persons from our firm are involved in certain aspects of your work. Unless you specifically request otherwise, we shall allocate your work to any available member of staff who is competent to perform your work, irrespective of their qualifications. Items such as typing, sending emails and the like may be delegated to our secretarial staff. Items such as filing applications for rights, paying renewal fees, and dealing with non substantive matters may be performed by our formalities staff.

## **9. Authorisation to act on your behalf**

You authorise us to complete and sign in your name and your behalf such official forms and documents as are necessary or useful to carry out your lawful instructions. By us accepting to act as your agents, you indemnify us in respect of all costs, claims and expenses which may result from exercise of the authority given by this paragraph, including liability for costs awarded in contentious procedures, for example opposition procedures or enforcement of intellectual property rights.

## **10. Costs - our fees structure**

From the nature of intellectual property advice our costs relate to professional time spent working on files, including telephone advice and meetings, plus office services such as photocopies, emails, faxes, postage, fixed fee items for standard procedures, as well as disbursements. In most cases, disbursements will be itemised separately on our invoices to you. Disbursements of UKIPO, EPO, OHIM and WIPO official fees will be recharged to you at cost after taking into account currency conversion costs and bank charges. Disbursements other than UK, EP, OHIM or IPO official fees will be marked up at a rate of 20% added to the disbursement, which takes into account the cost of borrowing money, administering payment of disbursements, taking on exchange rate risk, and bank charges. Our hourly rates are determined with reference to the qualifications and experience of the professional staff involved. From time to time, we review our hourly rates in line with market conditions. We will not normally contact all clients whenever such a review takes place, however you may at any time contact us to check the hourly rates of persons carrying out your work. In the modern employment market, patent attorneys often change location, department or firm. Where the person(s) who usually deals with your work leaves the firm, the new person responsible for your work will not apply a charge for the first hour of time spent in familiarising themselves with the specifics of your cases where you have 1 to 3 ongoing cases, or the first two hours where you have 3 or more ongoing cases, in order that you are not disadvantaged by changes of personnel.

## 11. Cost Estimates

Estimates of fees and costs will be provided on request. We are happy to discuss the basis of any estimate. We shall endeavour to keep to estimates wherever possible, but we reserve the right to charge for any work not originally accounted for. In most cases, the main element of any cost constitutes the time element. In particular, telephone advice and meetings can accumulate significant cost over and above costs originally estimated for, and give rise to time spent on making file records of the advice, and/or the need to prepare considered written confirmation of the advice given. In many cases it is not feasible to predict the amount of work that will be involved with sufficient accuracy. In such cases the time based charges and office services are likely to make up the bulk of the final cost of any procedure.

## 12. Cost limits

You may set a limit on the costs including fees and disbursements which we may incur on your behalf without further reference to you. If you wish to set a limit then please inform us in writing of any such limit.

## 13. Charges for incomplete work

Where, for any reason an item of work, or a procedure which you have instructed, is not pursued to completion, then a charge will be made only in respect of the work that has actually been done and/or any time and office services expended, plus in either case any disbursements incurred on your behalf.

## 14. Retainer

In common with many professionals we work on a retainer basis. When appointed, we have a legal duty to act in our clients interests and we must pass on any information received on their behalf in which our clients have significant interest. We shall not incur unnecessary costs, but we are entitled to charge for any time spent furthering a clients interests, including seeking instructions from you, and issuing reminders where we have requested instructions from you, but these have not been received. Our retainer may be terminated in writing and will operate from the date of receipt. A fee note will be rendered for any outstanding costs incurred up to and including the date of receipt.

## 15. Purchase order systems

Some clients operate purchase order systems with a "no purchase order, no pay" rule. If you operate a purchase order system, then we will not be responsible for any loss of rights incurred as a result of the absence of a purchase order needed for undertaking any action necessary to maintain your rights. It is your responsibility to issue a purchase order and we will not be bound to act on any instructions to do work unless and until a purchase order for that work is received by us.

## 16. Payment

Our fees and costs incurred are payable whatever the outcome of any work undertaken by us on our clients behalf.

1. Payment becomes due on the date of the invoice.
2. Strictly 30 days for settlement.
3. Interest will be charged on late payments at 2% per month or part thereof.
4. All bank charges must be borne by the payer.
5. A minimum charge of £15 will be rendered for re-presented cheques.
6. Any query must be submitted in writing within 7 days of the invoice date.

For some items such as significant disbursements, we require prepayment before incurring such disbursements.

These terms of engagement constitute an agreement with our principal that the principal will pay in full any costs and expenses including the cost of expenditure of time at our normal commercial rates incurred in recovery of payment of our invoices after 30 days from their date of issue.

## **17. Money laundering regulations**

We may ask you for evidence of your identity and address. These requirements can be satisfied by production of your passport and two utility bills of less than three months old. Additionally, if the work which you instruct us to do includes a transaction to which you will be introducing money (for example an assignment of rights) we may enquire of you at the outset as to the source of those funds.

## **18. Telephone Advice and meetings**

Any advice given or view expressed by telephone or at a face to face meeting should only be regarded as a preliminary opinion, and not as our fully considered advice. Any action which you take should be taken after obtaining our written opinion given after a full consideration of the facts. Clients must supply any information in their possession or knowledge which may have a bearing on our subsequent opinion. We reserve the right make file notes of any telephone advice given and any verbal advice given at meetings. Such file notes are the property of Franks & Co Limited and are used for our internal management only and do not form legal advice provided to you.

## **19. Third Parties, Counsel and Foreign Associates**

During our work for you, we may need to instruct third parties such as foreign patent and trade mark attorneys, professional searchers, or legal counsel to act on your behalf. We may instruct such third parties directly on your behalf. In some instances you may need to sign a Power of Attorney or similar appointment to engage such a third party. Such parties are not part of Franks & Co Limited and whilst we shall endeavour to select third parties of high standing and high reputation, we shall not be responsible for any act, omission, default or negligence by such third parties. In the case of any such act, omission, default or negligence your cause of action will lie directly against the third party.

## **20. Dealings with Official Intellectual Property Offices**

In general, grant or registration of many intellectual property rights is dependent upon the allowability or registrability of those rights before the governmental offices of many territories. Whilst we will endeavour to advise on the registrability and allowability of rights throughout procedures for obtaining rights, registration or grant of any intellectual property rights is not guaranteed.

## **21. Contentious matters**

Before we send any warning to a third party on your behalf, we may require you to indemnify us against the risk of being sued for making an unjustified threat of infringement proceedings. We consider this requirement necessary in order to maintain our objectivity of advice in contentious matters, since it is a common tactic for counter parties to allege actionable threats against a client and their patent and trade mark representatives in order to create a conflict of interest, which may force a change of representatives. We reserve the right to refuse to act for you if you are not able to provide the requested indemnity.

## **22. Confidentiality**

Any advice given by us to you as our client is confidential, and attracts legal privilege in accordance with the Copyright, Designs & Patents Acts 1988 as amended. Any advice given is for your purposes and in connection with your specific matter only as our client. No other person may rely on our advice, and we accept no liability to persons other than our client to whom the advice is addressed.

## **23. Security of Documents**

Any information which might reasonably be expected to be of a confidential nature will be treated as such. Information and materials supplied to us will be kept under conditions of normal office security. It shall not be regarded as a breach of confidence to forward technical information to any Patent Office or to our employees or agents for the purpose of furthering the clients interests. The duty of confidentiality shall not extend to information which is freely available from other sources (e.g. a published patent specification).

## **24. Communications**

Our policy is to make use of efficient communications media such as e-mail, fax and we will consider that any email addresses, fax numbers or communication addresses given to us for communication by you are secure and confidential communications channels unless you specify otherwise. We will sometimes use email for communication with you unless you tell us not to. You should be aware that communications over the internet are not secure. We do not therefore guarantee that information which is communicated to you in this way will not be corrupted or intercepted. We do not guarantee that our email communications sent to you over the internet will always reach the intended recipient.

## **25. Copyright**

We expressly reserve the copyright in all letters, patent specifications, legal opinions and other documents issued by us. Your use of such documentation is restricted to the purpose for which it was created. We permit clients to copy such documents for their own use, but only after all due costs have been paid in full.

## **26. Database right**

We expressly reserve any database right in the content of our databases, including lists of our foreign associates.

## **27. Return of Samples and Documents**

The return of any samples, prototypes, models or documents must be requested to us in writing. Materials not so requested will be retained by us for as long as we require them and then disposed of at our discretion.

## **28. Files**

The contents of our files will remain our property at all times.

## **29. Destruction of File Contents**

We reserve the right to destroy files which are no longer current, including files relating to rights of our client which are no longer in force, e.g. non-renewed patents, at any time from the date the file ceases to be current. We neither undertake to destroy such files at that time nor do we undertake not to destroy any given file, unless specifically instructed by our client.

## **30. Termination of Instructions**

You may terminate your instructions to us by giving reasonable written notice. We reserve the right to cease acting for you for good reason, such as where a conflict of interest arises, if you fail to give us adequate instructions, if one of our invoices is not paid within the settlement term, or if a request for payment on account for significant disbursements is not met. If either party terminates instructions, you must pay all costs incurred before termination of instructions, and as a consequence of instructions which we have already acted on. In particular the responsibility for payment of costs from foreign associates resulting from work already carried out by or instructed to foreign associates before the date of termination must be met by you. There are time lags in intellectual property procedures, particularly where foreign rights are concerned. Upon receipt of terminating instructions the responsibility for complying with any ongoing procedures and deadlines in connection with any matter resides with you.

## **31. Transfer of Agency**

When instructed to transfer work to another agent we are normally willing to make such copies of our files available for that agent, to the extent that enables that agent to perform your work, subject to our invoices having been paid in full and subject to the protection of our own property rights including protecting our own intellectual property rights from our competitors. We reserve the right to withhold any documents which we regard as for our internal use. In particular, we regard as being our own property, copies of letters written to the client, filenotes of telephone calls and attendances at our office, tape recordings of conversations and proofs of evidence as an aide memoir, internal office memoranda, entries in our diary systems, timesheets, any of our computerised records, office journals and books of account, and details of our suppliers and foreign associates. If we are instructed to transfer your work to another agent, and are asked to provide information to that agent, this involves us in performing work in collating the necessary

information. We will charge a minimum disclosure fee of £80 plus VAT per file which we would normally require to be paid in advance.

### 32. Our Ongoing Obligations

Following completion of your matter, we will not as a matter of course remind you about ongoing or future obligations or required actions for matters where we are not retained as agent and/or are not recorded as address for service at the relevant Intellectual Property Office. If you wish us to act on your behalf in such ongoing matters, you must instruct us at the appropriate time.

### 33. Conflicts of Interest

We occasionally turn away work which may result in a conflict of interest. We regard the conflict of interest as being (i) an acceptance of any instruction from a client which may prejudice our ability to act in the full interests of any other of our clients; or (ii) an acceptance of any instruction from a client or a former client where we know or have reasonable grounds for suspecting that the interests of any regulated person or staff member of our firm conflict with those of a client or a former client. If during the course of acting for a client on a matter it becomes clear to us that a conflict exists, we reserve the right to cease acting for one or more of our clients in relation to that matter. We recommend that clients identify to us any firms, companies or individuals for whom they believe we would be unable to act for without a conflict of interest arising.

### 34. Complaints

It is important for us to maintain our quality of service to our clients. The firm has a complaints procedure. If you have any significant complaint concerning our service, then please set this out in writing, and forward it to Robert Franks, Quality Control Manager, Franks & Co Limited, 15 Jessops Riverside, Brightside Lane, Sheffield S9 2RX, [franksco@franksco.com](mailto:franksco@franksco.com) will address your complaint according to our internal complaints procedures.

The legal ombudsman sets out the following minimum time limits for referring a complaint to the legal ombudsman:

Ordinarily, you must have given us the opportunity to resolve the complaint under our internal complaints procedure before the legal ombudsman becomes involved. However, legal ombudsman Scheme Rule 4.2(a) says that if after eight weeks a resolution has not been achieved using our complaints procedure, you can refer your complaint to them. The legal ombudsman may accept this complaint even if Franks & Co not yet gone through our full complaints process.

The legal ombudsman scheme sets out the following maximum time limits for referring a complaint to the legal ombudsman:

- A maximum of six years from the problem happening; and
- Within three years of when the client found out about the problem; and
- Within six months from our final response to the client.

Details about the Legal Ombudsman can be found on the Legal Ombudsman website at [www.legalombudsman.org.uk](http://www.legalombudsman.org.uk) or by contacting the legal ombudsman at:

Legal Ombudsman  
PO Box 9806  
Wolverhampton  
WV1 9WJ  
United Kingdom  
T: 0300 555 0333

### 35. Insurance & Limitation of liability

Franks & Co Limited carries professional indemnity insurance in accordance with the guidelines of the Chartered Institute of Patent Agents and the Institute of Trade Mark Attorneys. To the extent permissible by law, the limit of our liability to you for any claim in connection with this engagement

is £5m for all claims arising outside the US, and £1m for all claims arising from or originating in the US. The extent to which any loss or damage will be recoverable by you from us will be limited so as to be in proportion to our contribution to the overall fault for such loss or damage, taking into account any contributory negligence by you or your advisors and/or any third party responsible to you/or liable in respect of such loss or damage.

### **36. Exclusions of Liability**

We will not be liable to you for any failure or delay or the consequences of such failure or delay in performance of your instructions if it is due to any event beyond our reasonable control including, without limitation, acts of terrorism, God, war, industrial dispute, protests, fire, flood, storm, explosion, and national emergencies. You agree not to bring any claim in respect of loss or damage suffered by you arising out of or in connection with our engagement (including but not limited to delay or none performance of our engagement) against any of our directors, members, employees or agents, even where such persons have been negligent. This restriction will not operate to exclude any liability which can not be excluded at law and will not operate to exclude the liability of Franks & Co Limited for the acts or omissions of any of our directors, members, employees or agents. It is agreed that each of our directors, members, employees and agents will have the right to enforce this clause pursuant to the Contracts (Rights of Third Parties) Act 1999, or any such superseding legislation in force at the time. Franks & Co Limited reserve any rights we may have to rescind or vary these terms of engagement without having to seek the consent of our directors, members, employees and agents.

### **37. Searches**

Any intellectual property searches which you instruct may be carried out by ourselves, by patent offices or by independent third party specialist searches. The limitations and occasional errors in classifications, computer databases, and official records mean that no search can be guaranteed to be fully comprehensive or accurate. We shall not be liable to you for errors made by third party searches or government intellectual property offices who we instruct on your behalf, or for the consequences of limitations in a reasonably drawn search strategy, or for any other errors such as incomplete database, incomplete classifications, misclassifications of data or the like which are outside our control.

### **38. Codes of Practice**

Regulation of Intellectual Property Services in the UK is complicated, and there are several professional and regulatory bodies which oversee Franks & Co Limited, and individuals working within Franks & Co Limited. We are not a firm of solicitors, and no staff at Franks & Co Limited are individually solicitors. Individuals at Franks & Co Limited are members of the various professional bodies including Chartered Institute of Patent Attorneys, the Chartered Institute of Trade Mark Attorneys, The Intellectual Property Regulation Board, and the Institute of Professional Representatives before the European Patent Office and/or the professional bodies of registered patent and/or trade mark attorneys in individual EU Member States. The firm and each individual is regulated according to the codes of practice of the governing bodies to which they individually belong.

### **39. Using your personal data**

Personal information which you supply to us may be used in a number of ways, for example:

- To help us advise on the management of your intellectual property;
- To keep you updated with changes to intellectual property law which we consider relevant to your business or activities;
- For fraud prevention;
- To assess your creditworthiness;
- For audit and debt collection;
- For statistical analysis.

We may share your information with, and obtain information about you from credit reference agencies.

We will not disclose any personal information about you to any company outside the Franks & Co Group companies, except to help prevent fraud, if required to do so by law, or if necessary to prosecute your intellectual property rights.

Your information will be kept confidential and secure. Our use of this information is subject your instructions, the Data Protection Act 1998 (under which we are a data controller) and our duty of confidentiality. You have a right of access under data protection legislation to the personal data that we hold on you.

You are responsible for ensuring the accuracy of all personal data you supply to us, and we will not be held liable for any errors unless you have advised us previously of any changes in your personal data.

We may need to make credit decisions about (for example in relation to payment of costs) and we may search the files of credit reference agencies who will record any credit searches on file.

#### **40. Guarding Against Fraud and Financial Crime**

We are obliged to comply with the provisions of the Terrorism Act 2000, the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 and you should therefore note the following:

We are entitled to refuse to act for you if you fail to provide us with proof of identity, or if we request it, information as to the origins of any money or property of which we become aware. If you cannot provide us with specific identification evidence request, please contact the person dealing with your matter as soon as possible to discuss any other possible ways to verify your identity.

We may arrange to carry out an electronic identity check to credit reference and other agencies to satisfy our obligations and, if that is necessary we will need to charge the costs incurred to you. This will not exceed £10 plus VAT each person. We will keep all information used to identify you for 6 years after we conclude your matter.

We cannot accept any money from you until identification procedures have been completed.

Though we are obliged to keep your affairs confidential we may be required to make disclosure to the National Crime Agency (NCA) if we know or suspect that a transaction we are instructed upon involves money-laundering, terrorist financing or the proceeds of crime. If such a disclosure becomes necessary, it may not be possible to tell you about it and in some cases we may have to terminate our retainer with you.

We do not accept cash payments to us or into our bank account in excess of £1,000 in a 28 day period without prior written authority from our internal anti-money laundering reporting officer.

If we have to make any additional enquiries or checks to comply with our statutory obligations we reserve the right to charge for the work undertaken over and above any fee estimate given to you for your matter.

#### **Franks & Co Limited**