

TERMS OF BUSINESS

1. Introduction

- 1.1. When you request us to advise you on a particular legal transaction or matter, we will send you a letter of engagement or email (the “**Engagement Letter**”) confirming your instructions. In these terms and conditions of business (the “**Terms of Business**”), “we”, “us” or “ours” refers to the Kuwaiti law practice registered with the Kuwaiti Law Society as “Salem Al-Turqi & Partners - Al-Hossam Legal, Legal Consultants & Attorneys” under the name Salem Hudhiri Al Turqi Al-Rasheedi, admitted to practice before the Constitutional Court and the Court of Cassation (“**Al-Hossam Legal**” or the “**Law Firm**”) and “you” “yours” refers to you as a client of our Law Firm.. Al-Hossam Legal is located at KIPCO Tower, Floor 42, Sharq, Kuwait City.
- 1.2. The Engagement Letter, together with the Terms of Business constitute the engagement terms (the “**Engagement Terms**”) and form the contract between us under which we will provide legal services to you, as defined in the Engagement Letter or otherwise communicated to us by email or otherwise (the “**Legal Services**”). Acceptance of the commencement of the provision of the Legal Services to you shall be deemed to be acceptance of our Engagement Terms communicated to you and without a specific need for your countersignature thereof. Our agreement to provide the Legal Services may be varied by agreement, in any form or manner, during the course of the transaction or the matter. In the event of any inconsistency between our Engagement Letter and these Terms of Business, the Engagement Letter shall prevail.

2. Your Legal Advisory Team

- 2.1. The Law Firm is a Kuwaiti practice which is not a body corporate and which has “partners”. No reference to partners, counsels, consultants, attorneys, employees or agents, or any of them, as applicable, is to imply that any person is carrying on business in commercial partnership for the purposes of the Kuwaiti Companies Law 1 of 2016, as amended. The contract under which our Legal Services are provided to you is with the Law Firm and not with its individual partners, counsels, consultants, attorneys, employees or agents.
- 2.2. The Engagement Letter will identify the partner in charge (the “**Client Partner**”) with ultimate responsibility for handling the legal services with respect to your transaction or matter and/or the partner with day-to-day responsibility for performing the Legal Services (the “**Matter Partner**”). He or she may be assisted by others (for example, legal counsels, attorneys, of counsels, paralegals, or agents) during the course of our performing of the Legal Services for you. If we have to change the Client Partner or Matter Partner for any reason, we will notify you promptly.

3. Instructions & Scope of Engagement

- 3.1. We shall be entitled to act on the instructions of any of your apparently authorized employees or agents and to rely on any information provided to us by such employees and agents.



- 3.2. We will provide you with the Legal Services of a strictly legal nature of the kind described, and in relation to the jurisdiction(s) identified, in the Engagement Letter or otherwise communicated to us. We will always act in our capacity as legal advisers when performing the Legal Services. The nature of any work carried out in connection with the Legal Services will reflect the specific scope of your instructions to us, the amount and accuracy of information provided to us and the timescale within which the advice is required. If, at your request, we provide advice in an abbreviated format or timescale, you acknowledge that you may not receive all the advice you would have had if we provided a full written report of our advice or had more time to carry out the Legal Services. If general advice is provided, its application to any particular circumstances may be affected by features of those circumstances of which we are not aware.
- 3.3. Where we are instructed by joint parties, a company or an association, we will be entitled to rely on the specific instructions of any one of such joint parties or any officer of the company or association unless otherwise notified in writing. You hereby authorize us to act without enquiry on instructions, requests or advice (whether communicated orally, in writing or by electronic means or otherwise and with or without authentication) from you or any person that we believe to be duly authorized by you. We shall deal with and act upon proper instructions in a reasonably timely manner but cannot undertake to act on instructions immediately or on the same or next business day or to meet any specific deadline and shall not incur any liability for any loss arising by reason of the time taken to so act upon instructions.
- 3.4. We shall not be obliged in any circumstances to update, amend or modify any advice after it has been given in final form to take account of or to notify you of any subsequent change (whether of law, policy, facts or otherwise) which may have an effect upon such advice unless specifically retained to do so.
- 3.5. We assume that you have decided or will decide to undertake the transaction or the matter solely on the basis of your own evaluation and at investment, commercial, business and financial terms and conditions acceptable to you and such investment, commercial, business and financial terms and conditions terms and advice as you deemed appropriate. It is your own responsibility to check and approve the final terms and conditions of the transaction without relying on us. You acknowledge that it is often impossible to predict the outcome of a particular legal engagement with any certainty, and we do not guarantee any particular result whether in any transaction or matter generally and particularly in court and arbitration proceedings. We do not offer or provide financial, calculation, accounting, investment advice or advice on other financial consequences which might be caused or suffered, directly or indirectly, as a result of any transaction or matter. Nothing we do in our capacity as legal adviser should be construed as an invitation or inducement to you to engage in investment or financial activity of any nature whatsoever or with any specific counterparty even in case such counterparty is introduced to you by us, whether a client of us or an employee or any other related party to us. You will not rely on us: (i) for business, commercial, investment, financial, calculation, or accounting advice or decision, (ii) to investigate the character, reputation or credit of persons with whom you may be dealing, or (iii) to advise you about changes in the law that might affect you unless otherwise specified in the Engagement Letter.
- 3.6 We shall carry out our Legal Services as recorded in the Engagement Letter(s). We shall not be responsible for any failure to advise or comment on any issue or matter



which falls outside the scope and limitations of our Engagement Terms and will have no responsibility to you to update any advice for events or changes in law which take place after the advice has been given.

- 3.7. Our Legal Services will not include tax advice on, or the tax implications of, any instruction or course of action unless this is expressly agreed in writing at the outset, or during the course, of a transaction or a matter. We do not accept any responsibility if we do not advise you to seek tax advice and will not be liable for losses which arise as a result of any failure to seek tax advice.
- 3.8. Advice rendered by us is provided for your benefit and solely for the purpose of the instruction to which it relates. It may not be used or relied on for any other purposes or any person other than you without our prior written agreement.

4. Fees & Expenses

- 4.1. We will do our best at the outset to give you an estimate of the likely overall cost in relation to a transaction or a matter. There are, of course, many variables which come into play and therefore we will provide you with an estimate based upon the information we have at any particular stage. Unless our Engagement Letter states otherwise, any estimate or quotation of costs we give you is only a guide to assist you in budgeting and should not be regarded as a firm quotation or a fixed or capped fee. We shall do our best to notify you if any estimate of our time and/or fees that we have given you needs to be changed as a result of a change in circumstances.
- 4.2. Our charges are primarily based upon the time we spend dealing with your transaction or matter including, without limitation, meetings with you and others; considering, preparing and working on papers; correspondence (whether written or electronic); factual investigation; legal research; response to audit requests; review or preparation of documentation; liaising with other advisors and consultants, as well as travelling and waiting time. Travel outside of Kuwait, incurs a minimum charge of 8 hours per day. Our fees may also include any time spent or expenses incurred by us as a result of, or in connection with any investigation or enquiry by any governmental, regulatory, policing, judicial, tax revenue or other authority, officer or inspector or any audit or internal enquiry, directly or indirectly concerning or made in relation to you. Any time spent in travelling within Kuwait (for example, to and from meetings, court, governmental authorities); and making and receiving telephone calls, will be charged. We record time in minimum five-minute increments.
- 4.3. The hourly charging rate which will apply will be confirmed in the Engagement Letter. If there is to be a change in the hourly rates applicable to your transaction or matter, you will be notified in writing and you will then be bound by them. If you do not accept the new rates after review, we reserve the right not to continue acting for you. These rates take into account a number of factors which include the complexity of the issue, the speed at which action was to be taken; the expertise or specialist knowledge which the case requires and, if appropriate, the value of the subject transaction or matter involved. Accordingly, the rate may be increased if, for example, the transaction or the matter becomes more complex than expected. If the scope of the work changes or any of our assumptions triggered, we will discuss a revised fee arrangement or estimate with you. Generally, and without referring to a specific transaction or matter, we review charges annually, usually from 1 January.



- 4.4. The charges quoted are exclusive of VAT which is currently is inapplicable in Kuwait, but if and when applicable, will be added where appropriate. Our fees, bills and invoices are exclusive of all and any bank charges, taxes, withholding, VAT, Zakat or any other amounts payable for or on account of any taxes or levies in any jurisdiction. To the extent such charges, taxes or levies apply in your jurisdiction, our total charges, bills and invoices must be grossed up so that we receive the total charges, bills and invoices in net amount.
- 4.5 Expenses or disbursements advanced by us on your behalf in connection with our representation together with our internal charges for certain administrative services will be added to the bill rendered for the period in which such expenses, disbursements or charges are recorded in our billing system. We may request payments on account in respect of anticipated expenses and disbursements (in addition to any retainer) when we expect to incur significant expenses and disbursements on your behalf. Expenses and disbursements will include (without limitation) such items as travel expenses, legal translation, and fees for postage, filing, recording, certification, registration, international telephone calls, international facsimile transmissions, courier services, and complex document production or photocopying. Travel expenses for travel outside Kuwait, include Business class airfare (or if not available, First class) and five-star hotel and meals. We will only charge actual expenses incurred and will not add any extra surcharge or handling fees. Such expenses and disbursements will be supported by appropriate bills and evidence. All travel expenses will be pre-approved by you, prior to such expenses being incurred.

5. Billing Arrangements

- 5.1. Unless we agree otherwise, our bills will be issued in KWD at monthly intervals or on completion of, or at a natural break in the course of, the relevant transaction or matter. Even if someone else has agreed to pay or be responsible for payment of all or part of your legal costs, we will normally address our bills to you and you will, in any event, be primarily liable to us for those costs. Our bills shall be due within 7 business days after your receipt thereof. Should you have a query about any bill, please raise it with the partners responsible for the relevant transaction or matter. If you reasonably believe a bill to be incorrect or inaccurate, you must notify us within 5 business days after receipt stating the basis for your believe. If agreement cannot be reached with respect to the amount owed, you agree to promptly pay the non-disputed portion of our invoice and submit the disputed portion for resolution in accordance with the mechanism identified below.
- 5.2. If any bill is not paid when due, we reserve the right to suspend our work on all pending transactions or matters until all your accounts with us have been settled.
- 5.3. We reserve the right to deduct our fees, internal charges, disbursements and expenses, and other amounts owed to us, without your prior approval, from those funds owed to you or belonging to you that are held or received by us or where we have received monies on account of our fees, internal charges, expenses and disbursements or against any amount owed by us to you.
- 5.4. If any Legal Services undertaken for you do not proceed to a conclusion or if you withdraw your instructions or if we cease to act for you, we will, unless otherwise agreed, charge you for all fees incurred up to the point of such cessation or withdrawal together with all agreed bonus fees as well as all disbursements and expenses paid on



your behalf. In relation to fixed fee and bonus fee arrangements, we will charge the full amount of the agreed fixed fee and bonus fee if you terminate our Legal Services without any default on our part. If the bonus fee is conditional on a future event or result (e.g., receipt of money or assets, issuance of a court judgement or arbitration award, or amicable settlement of a dispute or a claim initiated by you or against you), such bonus fees will be due and payable in full upon satisfaction of such condition, event or result regardless of the termination of our Legal Services. We will also charge fees and internal charges incurred and any disbursements or expenses connected or associated with the orderly termination or the transfer of the Legal Services to another professional adviser, if applicable. A final bill will be submitted, and we reserve all rights to exercise the rights of lien and self-off until such time as the final bill is discharged in full.

- 5.5. On receipt of any monies we must be satisfied as to the source of these funds. If we have any doubts as to the source of funds we are bound by law to notify the relevant authorities. We shall not be obliged to take or refrain from taking any action whatsoever in relation to funds, assets or documents of any nature which could, in our sole opinion, result in a contravention of any law or regulation in force from time to time in any relevant jurisdiction. We reserve the right not to comply with any request which, in our sole opinion, might result in (i) any such contravention or (ii) and damage to our reputation or good standing.

6. Confidentiality & Publicity

- 6.1. All information regarding your business and affairs will be regarded as, and kept, confidential by us at all times save for the purpose of instructing and dealing with other advisers acting on your behalf, or if it is already in the public domain, or where you instruct us to disclose or consent to disclosure by us on information, specifically or any implications, to a third party. In particular, it may be necessary to exchange information with other offices in our network and also with such other consultants and advisers as may be engaged from time to time (by you or by us on your behalf with your consent) to assist in relation to a specific transaction or matter on which you have instructed us. You hereby consent to our making such disclosures, provided that information regarding your business and affairs may only be disclosed pursuant to these instructions. We are entitled to be referred to as acting legal counsel in any public disclosure or press releases you make with respect to a successful closing of a transaction or a matter. Such publications will be agreed with you in advance. We will be also entitled to list transactions and matters that we are acting on or acted on for you for the purpose of our law firm's profile, lawyers reference, assessment, rating or ranking or in legal professional publications in and outside Kuwait unless you advise us of not to make such listing on a no-name-basis.
- 6.2. In certain circumstances, we may be obliged or consider it necessary or desirable to give evidence and produce such information to any governmental, regulatory, policing, judicial, revenue or other authority, officer or inspector in connection with your affairs and you hereby authorize us to make such disclosures in such circumstances.

7. Data Protection

- 7.1. The business and personal information provided by you will be held by Al-Hossam Legal for record keeping and general administration in the context of our business. In



most circumstances, we are able to supply you, upon payment of a fee, with copies of the information we store about you and your business.

- 7.2. In respect of any personal information which we process during the course of a transaction or a matter we have professional and high technology system and steps to ensure the reliability of our employees who have access to your personal information.
- 7.3. We may use the information you provide to contact you or appropriate persons within your organisation about legal services we provide or general legal and law updates which may of interest to you or your organisation.

8. E-Mail

- 8.1. We will communicate with you by e-mail using the domain @hossamlegal.com, unless you request us not to do so. Our system is highly protected from viruses and any other harmful code or device. Emails and their attachments (whether or not containing confidential information) will not be encrypted unless you request us, in writing, to encrypt outgoing e-mail and we are able to agree with you and implement mutually acceptable encryption standards and protocols.
- 8.2. It is your responsibility to protect your system from viruses and any other harmful code or device. We try to eliminate them from e-mails and attachments, but we accept no liability for any which remain. We may monitor or access any e-mails sent to us. We accept no liability for delay in transmission or receipt of any email we send to you provided that we prove that such email is sent from our system without a further receipt of delivery failure notice. We will have the right to activate delivery and read receipts function in our system and to keep such receipts. You hereby agree that we and our members have the right to record and keep outgoing and ingoing voice-calls, communications, text messages and voice messages through landlines, mobile devices, programs, applications, and voice and video conferences and scripts thereof for quality control purposes and as reference and evidences of instructions and facts, without a need to your permission nor your right to request copies thereof provided that we keep these records confidential.

9. Retention of Deeds & Documents

- 9.1. At the conclusion of a transaction or a matter, we will store copies of documents and deeds on your behalf for a period of 3 years. Such papers or files will be stored in an electronic form on our own premises or system with copies securely stored with independent, reliable and internationally recognized service providers. This service is currently free of charge. Original unreplaceable deeds and documents of clients, notified to us by you to be as such, will be stored on our own premises storage facilities, or securely deposited with a licensed and regulated bank in Kuwait or sub-contracted out to independent storage facilities provider for the period agreed upon with you.
- 9.2. We reserve our rights to destroy copies of your files and papers after 3 years after conclusion of a transaction or a matter, without prior notice to you, unless we receive a written request from you during this period. At your request, we will return any papers or property belonging to you, which are not subject to a lien or otherwise being stored for safekeeping.



- 9.3. If we retrieve documents or papers from storage in relation to continuing or renewing instructions from you, we will not normally charge the direct cost for removal from storage. However, in all other cases, we reserve the right to make a charge for the retrieval or delivery of any stored files, papers or deeds or a charge based on the time we spend reading stored files, papers of deeds, writing letters or other work necessary to comply with your instructions.

10. Conflicts of Interest

- 10.1. Conflict of interest exists and are sometime difficult to avoid in the Kuwaiti market. In court and arbitration proceedings and other litigation representations involving specific parties adverse to you where the Law Firm agreed to represent you, we confirm that we will not, without your prior written consent, represent nor assist another client that is directly adverse to you. In transactions and commercial matters, we will not, without prior verbal or written disclosure by us to you, represent another client in a specific transaction or a matter in which we represent you if the other client is directly adverse to you. If you do not object to our representation of the other client in writing, we assume that you agree that we can continue to represent such other client and you acknowledge that Chinese wall arrangements are difficult to implement in law firms in Kuwait. Such disclosure is deemed to be given and accepted by you if such other client is either introduced to you by us or is an employee or related party to us or if we have a competing professional or personal interest in the transaction. The terms "transaction" and "matter" refer to transactions, matters, negotiations, and other representations involving specific commercial, business and financial deals.
- 10.2. In the absence of a conflict as described above, you acknowledge that we will be free to represent any other client either generally or in any transaction or matter in which you may have an interest.
- 10.3. We will not disclose to you or use on your behalf any documents or information with respect to which we owe a duty of confidentiality to another client or person.

11. Money Laundering Precautions

- 11.1. As a law firm, we are required by the Kuwaiti Anti-Money Laundering and Combating the Financing of Terrorism Law 106 of 2013, its executive regulations and the United Nations Security Council's Resolutions Issued under Chapter VII of the United Nations Charter Related to Terrorism and Terrorism Financing to apply procedures to guard against the risk of money laundering.
- 11.2. Identification checks - we may need to obtain formal evidence of your identity. This may be necessary even though we have acted for you before, or even if you are known personally to a member of staff. We will tell you if such evidence is necessary, but it may help us if you are able to bring evidence to our first meeting. Normally, the evidence we request is incorporation documents, plus identification card and/or passport to establish your identity and address.
- 11.3. Cash – We are normally only able to accept cash up to a limit of KWD3,000. If you circumvent this policy by depositing cash direct with our bank, we reserve the right to charge for any additional checks we deem necessary regarding the source of funds. This can be costly and will almost certainly delay your transaction.



- 11.4. Source of funds - at the start of a certain transactions set forth in the law, we will normally ask you to tell us the source of any funds you will be using. It is simplest if the source is an account, in your name, in a bank. If the source is an unusual one, such as an account in another country, or in the name of someone other than yourself, please tell us as early as possible, including the reason. Failure to disclose the details of the source of funds may lead us to terminate your retainer.
- 11.5. Destination of Funds - where we are to pay money out to you, we will normally do so by bank wire transfer into a bank account in your name or a cheque in your favour. If you would prefer us to pay money to someone other than yourself, please tell us as early as possible, including the reason.
- 11.6. Money Laundering Disclosure - we have always sought to keep our client's affairs confidential. However, legislations on anti-money laundering and compacting terrorist financing have placed law firms under a legal duty in certain circumstances to make a money laundering disclosure to regulatory authorities where a law firm knows or suspects that a transaction on behalf of a client involves money laundering. If, whilst we are acting for you, it becomes necessary to make a money laundering disclosure, we may be prohibited to inform you that a disclosure has been made or of the reasons for it.
- 11.7 We have declared and strict written Anti-Bribery and Anti-Corruption Policy and Anti-Money Laundering Policies and Procedures and you may request copies thereof.

12. Indemnity & Limitations of Liability

- 12.1. Save in the event of fraud, gross negligence or wilful misconduct on our part, we shall not be liable for, and you undertake at all times to hold us harmless and to indemnify us to the fullest extent permitted by law from and against all losses, actions suits, proceedings, claims, demand, damages, costs charges, expensed and liabilities (or actions, investigations or other proceedings in respect thereof) whatsoever which may arise or accrue from, or be taken against us in connection with, the provision of the Legal Services or any of them and will reimburse us for all reasonable costs and expenses (including without limitation legal and other professional fees), providing we provide you with proper evidence and invoices, which are incurred by us in connection with investigating or defending any such claim or proceedings, other than liabilities that are finally and judicially determined (including any appeal being concluded) to arise from fraud, gross negligence or wilful misconduct on our part. This indemnity shall continue in force up to the termination of this appointment plus five years thereafter, whether or not we are continuing to provide the Legal Services and without prejudice to any other indemnity given in our favour.
- 12.2. We shall not incur any liability for any failure or delay in the performance of the obligations under the Engagement Terms arising out of or caused directly or indirectly by circumstances beyond our reasonable control (including, without limitation, acts of God, earthquakes, fires, floods, wars terrorism, interruptions, loss or malfunctions of utilities, computers (hardware or software) or communication services, labour disputes or governmental action) but we shall endeavour to resume performance as soon as reasonably practicable.
- 12.3. If we instruct any adviser, agent or other contractor to act on your behalf we will exercise reasonable care; however, we shall not incur any liability for the professional



competence of such person, or any act or omission on the part of such person, by itself, its servants, agents or by others engaged by that person to act on your behalf. No responsibility is accepted by us in respect of any act or omission of any third party placing reliance on the performance of Legal Services for you or on your behalf or on the advice given by us to you. In addition, you will indemnify and hold us harmless to the fullest extent permitted by applicable law for any losses suffered as a direct or indirect result of having engaged such third party.

- 12.4. All transfer and transmissions of your monies, assets or documents are made at your risk and we shall not be liable for any loss, damage or delays howsoever caused which are not directly caused by our gross negligence.
- 12.5. We may communicate internally with you and your other service providers by email. Our email sever is hosted and secured directly by Microsoft Corporation, U.S.A., electronic transmission of information cannot be guaranteed to be secure or virus or error free and its confidentiality may be vulnerable to access by unauthorized third parties, we are unable to accept responsibility or liability to you for any loss arising from the electronic communication of information to you (or your reliance on such communication).
- 12.6. In any event, and notwithstanding any of the above, our liability to you under any circumstances shall be limited to the fees we receive from you during the last 6 months for the specific Legal Services to which the liability arises.

13. Raising Queries or Concerns

- 13.1. We are committed to providing a high quality legal service in all respects and keeping you advised regularly of the progress of your transaction or matter.
- 13.2. If you have any queries or concerns about our work for you, (including any complaint about our charges or bills) please raise them in the first instance with the Client Partner. We have a procedure in place which details how we handle complaints, which is available upon request.

14. Termination

- 14.1. Save otherwise agreed in the Engagement Letter, you may withdraw your instructions on any or all your transactions or matters at any time by written notice to us. We may keep all your papers and documents whilst there remains any unpaid fees, charges or expenses due to us on any transaction or matter.
- 14.2. We will only stop acting for you if there is good reason, for example, if you do not pay an interim bill or money requested on account of our charges, or if you fail to give us proper instructions or your instructions conflict with our rules of professional conduct.
- 14.3. If you or we decide that we no longer act for you, you will be liable to pay our outstanding fees, expenses, disbursements, taxes and VAT (if any, including those not yet billed) to the date of termination, including any fees due or payable on termination. If a bonus fees is agreed for any transaction or matter, you will remain liable to pay such bonus fees on its agreed due date.



15. General

- 15.1. No rights or obligations shall accrue to or be imposed upon any person under the Engagement Terms who is not a party to the Engagement Letter.
- 15.2. Your our continued engagement with our services will constitute your acceptance of these terms of business. These Terms of Business supersede any earlier terms of business we may have agreed with you and, in the absence of express agreement to the contrary, will apply to the Legal Service referred to in the Engagement Letter accompanying these Terms of Business and all subsequent legal services we may provide to you. If it is necessary at any time to amend or supersede these Terms of Business with new terms we will notify you of the changes. Unless we hear from you to the contrary within 14 days after such notification, the amendments or new terms will come into effect from the end of that period.
- 15.3. Each Engagement Terms between us shall be subject to and governed by the Laws of Kuwait as long as such laws do not contradict the principles of the holy Islamic Shari'ah. Any dispute arising from any Engagement Terms with you shall be subject to the exclusive jurisdiction of the Kuwaiti Courts.

