

DEL ROSARIO & DEL ROSARIO

Standard Terms of Engagement

This document contains the standard terms for our engagement as your lawyers. Unless modified in writing after mutual agreement, the stipulations set forth in this document will be an integral part of any agreement we may have with you. If you have any questions, please feel free to contact us. Otherwise your continuing instructions in the matter will constitute your acceptance of these terms and conditions of business.

Scope of engagement: The scope of any engagement and the fee arrangement shall be embodied in a separate cover letter sent to you each time we agree to represent you on an individual matter. We shall be grateful if you could also take the time to sign the extra copy of the covering letter provided and return it to us.

Reports: Commercial clients vary in the frequency and detail of reporting they require. Please let us know what your requirements are and also who we should deal with in relation to day to day and major matters.

Instructions: It is important that you provide us with the information and instructions we need promptly. This will allow us to do our work more efficient and cost effectively for you.

Legal team: The accompanying cover letter will set forth the applicable hourly rates of the lawyers that will handle your requirements. It is sometimes necessary for case handler/s to be away from the office, either traveling or in court or arbitration. To deal with these absences, as well as sickness and holidays, we have “cover” arrangements. If circumstances allow, you will be told in advance of any long absence of a person involved in handling your matter and provided with details of covering arrangements. In other circumstances if you need to talk to someone, you should ask to be put in touch with the person covering for the nominated case handlers. We, however, reserve the right to change the case handler/s or deploy additional persons to assist in handling the matter without further notice or discussion with you.

Independent Contractors/Sub-contractors: In the course of our representation, we may appoint independent contractors or sub-contractors to perform services of a technical nature or those which do not involve our legal expertise. This letter confirms your consent to the appointment of said independent contractors or sub-contractors. Under no circumstances may the Firm be considered as an agent of said independent contractors or sub-contractors and the latter has no authority to bind the Firm, its lawyers, employees and representatives. The Firm, its lawyers, employees and representatives do not make any warranty, express or implied, on the quality of the services rendered by said independent contractors or sub-contractors and do not assume any liability for the acts or omissions of said independent contractors or sub-contractors.

Fees and expenses: We are always prepared to discuss alternative ways of charging for our services, but generally our charges are based on the following approach:

Hourly rates: Any hourly rates for our fees set out in the accompanying cover letter are based on the current status of the nominated case handlers and our existing knowledge of the matter to which that letter refers as well as its complexity, the urgency of action required, the degree of specialist knowledge or expertise involved and the value of the subject matter involved. If these factors should alter so

that, for example, the matter becomes more or less complex than expected, we will discuss revised rates with you.

Our hourly rates are reviewed from time to time, and may change as a result. If so, we shall advise you immediately and discuss with you any revision of the original rates. Amended rates will not be applied without your agreement.

Tasks charged: Time charged will include time spent in meetings with you, your representatives and others; traveling; considering any aspect of the matter; preparing and working on papers; correspondence; research; investigation; making and receiving telephone calls and attending hearings (including time spent waiting) before any court or arbitral or other tribunal.

Expenses (disbursements): The hourly rate figure does not include expenses (disbursements). Disbursements routinely include communication expenses (for example: long distance telephone charges, fax, postage, courier charges); traveling expenses incurred in attending meetings or hearings outside our office; photocopying charges; court and arbitration fees; registration and search fees and other expenses of a similar nature. Where large disbursements are necessary, we shall obtain your approval before committing ourselves to the expenditure. We reserve the right not to incur liability for these expenses until we have received covering funds. When applicable, local taxes will be added to all fees and disbursements at the appropriate rate.

Payment of fees: In certain cases, particularly when we will be incurring a substantial financial exposure on your behalf, we may ask you for payments on account of our fees and disbursements. We bill matters on a regular interim basis. This will enable you to keep abreast of the costs being incurred. A final bill will be rendered at the end of the matter for any unbilled fees and disbursements.

Bills are payable immediately upon receipt of invoices: We reserve the right to charge interest on any sums overdue upon expiry of the period for payment and until payment at the rate of 6% per annum. If there is a failure to pay any payment requested on account or any bill we also reserve the right to suspend activity until payment is made in full and, failing that payment, to cease acting for you altogether in relation to both the matter and any other matters which we may be handling for you. Should we have to suspend or cease acting for you we shall give you advance notice.

Care and control of documents: After completing the matter or should we cease acting for you for any reason before the work is completed, we shall be entitled to keep all your documents so long as there is any money due to us for our fees and disbursements. Once our bills are paid, we shall keep the documents (except those that you ask to be returned to you) for no more than seven years. This is done on the understanding that we shall have your authority then to destroy the documents. We will not destroy documents which you ask us in writing to deposit in safe custody, but we may charge a separate fee for this storage.

After termination of our services, papers and property that you have provided us will be returned to you promptly subject to the above retaining lien. Copies of papers we have created for you, which you may need but no longer have, will be made available to you. However, our drafts and work products belong to us.

Handling litigation on your behalf:

Preservation of papers and evidence: It is vital that you ensure that all documents and evidence (including electronic material) relating to the case are preserved. These include documents which are both favorable and unfavorable to you. This is necessary for us to advise and assist you properly and to comply with your legal obligations. A failure to preserve documentation or evidence may result in inferences being drawn which are adverse to your case.

Verification of pleadings: It may be necessary for you to verify as truthful documents prepared for you such as pleadings and statements. A false verification will carry exposure to civil and criminal penalties and costs and you must therefore read these documents with care and be sure that you understand them.

Confidentiality and Conflicts: We will always honor our duty of confidentiality. Any confidential information from other clients that may be of interest to you or your affiliates cannot, at any time, be disclosed to you.

So long as we act in accordance with the applicable ethical standards this document confirms our understanding that we may, without your consent, act for other persons or entities whose interests are adverse to you or your affiliates in matters not involving or arising out of the same incident or transaction subject of our engagement by you. In maritime cases, it is highly probable that we will be called upon to represent diverse interests (e.g. vessel owners, ship managers, arrastre operators and freight forwarders/brokerage companies), in the same or similar action, in which case this letter confirms your consent to such representation. Nonetheless, under all circumstances, we reserve our right to represent the interests of Mutual Clubs such as P&I Clubs in the event that their interests conflict with your company's or its related companies.

Termination: You may terminate your instructions to us to handle this matter at any time. We may decide to cease acting for you for any reason consistent with the applicable rules of professional responsibility. We will give you reasonable notice that we are going to stop acting for you. If we do cease to act for you, you will pay our fees and expenses incurred up to the time of termination.

Your concerns: If you have any worries about the way in which your matter is being handled, you should not hesitate to contact the partner handling your matter. We emphasize that it is important that any concerns you have should be raised with us as soon as possible so that they can be resolved quickly.

Our relationship in respect of any matter undertaken shall be governed by Philippine law. Should it not prove possible to resolve problems arising in the course of our relationship, any differences or disputes shall be subject to the exclusive jurisdiction and venue of the courts of Makati City, Philippines.