

This **TERMS OF ENGAGEMENT**

Between:

- (1) <<Insert Company name Operator is registered>> whose registered office is at <<Insert the "Company">>
- (2) <<Insert Contractor's name Contractor is registered>> whose registered office is known as the "Operator")

registered in <<Insert country where Operator's Company number>> whose registered office>> (hereinafter known as

registered in <<Insert country where Contractor's Company number>> whose Registered office>> (hereinafter

Introduction

- (A) The Company has developed
- (B) The Contractor has been Company and otherwise Company.

("the Business").

investors to acquire shares in the investment and support for the

It is hereby Agreed:

1. Interpretation

1.1 In this Agreement:-

"the Engagement"

engagement of the Contractor by under this Agreement;

"the Period of the Engagement"

period of this Agreement subject to as provided herein;

"Nominated Participants"

persons notified by the Contractor to from time to time as being participants in Proposed

"Proposed Transactions"

the following transactions:-

issue of shares or other securities of company to Nominated Participants;

ventures and similar participation arrangements between the Company and Nominated Participants;

rights for the application or use of patents and intellectual property of company by Nominated Participants;

Transaction Value

contribution to any Proposed Transaction (whether in cash or otherwise) made and/or paid by the Nominated

Participant (or any financial institution supporting the Nominated Participant) in relation to the Proposed Transaction, whether by investment in shares or other securities of the Company, funding of any joint venture or other activity undertaken in relation to the Business or otherwise to implement the Proposed Transaction or any consideration or fee received by the Company under the terms of the Proposed Transaction.

2. **Appointment**

- 2.1 The Company hereby engages the Contractor to assist and advise the Company in relation to Proposed Transactions for the Period of the Engagement on and subject to the terms and conditions of this Agreement.
- 2.2 The Adviser will carry out the following services for and on behalf of the Company:-
 - 2.2.1 representing the Company and assisting in the negotiation of terms of Proposed Transactions;
 - 2.2.2 advising the Company on financial strategy, financial structure and other aspects of the Proposed Transaction;
 - 2.2.3 providing liaison and communication between the Company and Nominated Participants in relation to the Proposed Transactions;
 - 2.2.4 advising on the contents of all draft documentation relating to the Proposed Transactions;
 - 2.2.5 keeping the Company informed of all strategies, developments and discussions relevant to the Engagement.
- 2.3 In addition to the general obligations of the Contractor under the Engagement, the Contractor will undertake the following specific responsibilities:-
 - 2.3.1 The Contractor will assist the Company in its strategy in relation to the Business by seeking to identify suitable commercial partners whom the Contractor will introduce to the Company.
 - 2.3.2 [details of other specific tasks]
- 2.4 The Contractor will devote such time as may be reasonably necessary to the Engagement. He will attend meetings in the UK and elsewhere required for the purpose of the Engagement, subject to receiving reasonable prior notice.
- 2.5 The Contractor's obligations under this Agreement are concerned with the means to achieve a successful outcome for the Proposed Transaction on behalf of the Company but it is recognised that the Contractor has not given any commitment to the Company that the Proposed Transaction will be completed successfully. The Contractor accordingly accepts no responsibility or liability if the Proposed Transactions are not completed for any reason.

- 2.6 The Contractor is to complete the Proposed Transactions and except as expressly provided in the Engagement Agreement the Contractor shall have no liability to the Company if the Proposed Transactions are not completed for any reason whatsoever.
- 2.7 The Company will assist the Contractor's reasonable request to assist in negotiating the Proposed Transactions such of the Company's administrative tasks as the Contractor may reasonably consider necessary for the progress of such negotiations together with such information and documents as the Company may reasonably consider necessary for the purpose of enabling the Contractor to fulfil the Engagement.
- 2.8 The Contractor will not enter into any commitment or agreement on behalf of the Company without the prior written approval of the Company so far as specific matters are concerned. The Company will be responsible for any costs incurred by the Contractor on its behalf in accordance with the Engagement.
- 2.9 The Engagement is on the basis that, during the Period of Engagement,:-
- 2.9.1 The Company will not appoint any other independent representative or adviser to assist the nominated parties in place of the Contractor. The Company will not be restricted in the use of their advisers and that such advisers' actions will be systematic and in the interests of the Contractor; and
- 2.9.2 The Contractor or any other financial adviser by the Contractor in connection with the Engagement to be treated as an exception to the provisions in respect of the Contractor and the Proposed Transactions.

3 Remuneration and Payment

- 3.1 The Company will pay the Contractor a fee of £<< >> for his services during the period provided in the Engagement Agreement in respect of the arrangements that have been agreed in connection with the Proposed Transactions between the Company and the Contractor.
- 3.2 On and subject to clause 3.1, in respect of each Proposed Transaction, the Contractor will be entitled to a fee to be determined as << >> per cent of the Transaction Value. The fee payable under this Clause 3.2 shall be in addition to the fee payable under Clause 3.1 above and under Clause 3.4 below where applicable.
- 3.3 The Company will pay the Contractor a monthly retainer fee of £<< >> during the period of the Engagement.
- 3.4 Payment of the amount due to the Contractor will be made within 30 days after the date of the relevant invoice, subject to deduction, set off or counterclaim, to a bank account nominated by the Contractor.
- 3.5 All payments will be made net of the relevant VAT (if applicable) against the appropriate invoice.

4 Period of Engagement

- 4.1 The Engagement will continue from the date hereof and will continue for an initial period of << >> months, thereafter subject to either party giving to the other not less than << >> months' written notice to terminate this Agreement to expire on the date of such notice or at any time thereafter.
- 4.2 Either party to this Agreement may terminate the Engagement forthwith by giving written notice to the other party. The party giving notice commits any material breach of its obligations under this Agreement.
- 4.3 If any Proposed Participant is terminated under Clause 4.1 above, the Contractor will be liable for the fees payable under Clause 3.1 and 3.2 within << >> months after the termination.

5 Miscellaneous

- 5.1 The Contractor will not, during the Engagement, employ or engage any person as an employee or as a full time agent, in which case the relevant person shall be deemed to be a full time agent, to provide the services of the Contractor to carry out the Engagement.
- 5.2 The Contractor may enter into arrangements with third parties who are instrumental in assisting the Contractor in the provision of Nominated Participants on such terms as he may deem fit, provided that any such arrangements do not conflict with the obligations under this Agreement.
- 5.3 The Contractor will not, during the Engagement, enter into any agreement or arrangement with any Nominated Participant or any other person which is inconsistent with the directions of the Client. The Contractor shall make reasonable efforts to ensure that all such information is kept confidential.
- 5.4 The Contractor will not, during the Engagement, disclose to any person any information of a confidential nature which it obtains under or pursuant to the directions of the Client. The Contractor shall make reasonable efforts to ensure that all such information is kept confidential.
- 5.5 Any notice required under this Agreement may be sent by post to the addressee as set out in this Agreement or to such other address as the addressee may from time to time notify in writing. Communications sent by post shall be deemed to have been received by the addressee forty-eight hours after posting. In the event of any dispute as to the necessity to prove that the communication was duly addressed and posted in accordance with the above, the burden of proof shall be on the Contractor.
- 5.6 This Agreement will be governed by and construed in accordance with the law of England and Wales.

S

A

M

P

L

E