



then any such dispute or claim will initially be referred to non-binding mediation. If the need for mediation arises, the parties to the dispute shall choose a mutually acceptable mediator, and in the event the parties cannot agree on a mediator, then one will be chosen by the American Arbitration Association ("AAA") and the mediation will be conducted in Houston, Texas or in another mutually agreeable location. The parties agree to share the cost of mediation equally. This clause will not prevent any party from pursuing equitable remedies to the extent required to protect rights or property or to prevent irreparable harm. Should any matter involving our agreement with you or our services be subject to judicial proceedings, the parties expressly waive their right to a jury trial with respect to such proceedings.

7. **Limitation of Liability.** If any of the services do not conform to the requirements of this agreement, you shall notify Watson Wyatt promptly and Watson Wyatt shall reperform such services at no additional charge to you or, at Watson Wyatt's option, shall refund the portion of the fees paid with respect to such services. If reperformance of the services or refund of the applicable fees would not provide you with an adequate remedy for damages arising from the performance, nonperformance, or breach of this agreement, our maximum liability, including that of any employee, affiliate, agent or contractor, relating to the services we are providing, regardless of the cause of action, will be limited to direct damages in an amount not to exceed two hundred fifty thousand dollars (\$250,000) or, if greater, the fees payable with respect to the particular engagement (or one year's fees in the case of annually recurring services) pursuant to which such liability arises.

8. **Termination.** Either party may terminate any engagement upon ten days' prior written notice. You will compensate Watson Wyatt for all services provided through the effective date of termination.

9. **Confidentiality.** Watson Wyatt agrees to take reasonable measures to preserve the confidentiality of any proprietary or confidential information that you provide to us in connection with our services. At the conclusion of any engagement, should you request us to return any materials, data or documents that you have provided to us, we may retain a copy of these materials for our archival purposes, subject to our confidentiality obligations hereunder.

10. **Governing Law.** These general terms will be governed by and construed in accordance with the laws of the jurisdiction where our office which is principally responsible for providing services to you is located.

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