

LEATHES PRIOR TERMS OF ENGAGEMENT

LEATHES PRIOR

SOLICITORS

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Thank you for instructing Leathes Prior. These terms of engagement and any engagement letter we provide in relation to your matter state the terms on which we accept your instructions and charge for our services ('the Engagement').

1. ABOUT US

- 1.1 Leathes Prior Solicitors (also referred to simply as Leathes Prior) is a partnership. References to "us", "we" or "our" in these terms are to Leathes Prior. The names of the partners are usually stated on our letterhead paper and email footer, but are anyway available by request from our main office at 74 The Close, Norwich NR1 4DR or by telephone (01603 610 911).
- 1.2 Our reception is open from 8.30am to 5.30pm Monday to Friday. Arrangements can be made to see clients outside these hours if necessary; please speak to the individual dealing with your matter if you wish to do so.

2. PAYMENTS ON ACCOUNT

- 2.1 When taking your initial instructions we normally request a payment on account for fees and expenses to be incurred. This amount will be agreed with you before work commences. We may ask you to make further, similar payments as your matter progresses. Some clients prefer to pay regular instalments in order to limit the amount owed to us at any one time; such payments can be made by standing order. Work on your behalf cannot commence until a requested payment on account has been received.
- 2.2 Where we are in possession of any monies due to you, including circumstances such as when money is paid by a third party to our client account for damages or in satisfaction of a debt due to you, we will be entitled to deduct any fees, disbursements and expenses owed in respect of the relevant matter or any other matter of yours from such funds, and your acceptance of these terms of engagement shall be treated as sufficient authority for us to do so. The SRA Accounts Rules require us to take such payment for our bills within 14 days of the bill, unless that money is held for any other purpose.

3. FEES

- 3.1 We will do our best to give you an estimate (based on the information available to us at the time) of what the charges for the work are likely to amount to, including fees, VAT and disbursements. Where it is not possible to give you an estimate immediately, we will give you best possible information on our fees until we are in a position to give you an estimate of the fees involved. In these circumstances you may wish to suggest a fee ceiling which we will not exceed without your further instructions.
- 3.2 An estimate is not the same as a fixed fee and is liable to change. In some cases we might be able to agree a fixed fee, in which case you will be charged that amount for the fixed fee work as defined in your engagement letter. Any work which is different from or supplemental to the fixed fee work will be charged in addition to the fixed fee. Where possible, we will notify you in advance of what this will involve and any different terms that might apply to such work, as well as the fees we would intend to charge. Our fees (including fixed pricing) are calculated mainly by reference to the time that is spent in dealing with your instructions. As fixed prices are set at the outset, these are based on our experience of similar types of work. Fixed pricing gives you certainty at the outset as to the amount that you will pay for the work that you instruct us to do.

- 3.3 Where we are charging on an hourly rate, different hourly rates may be charged for different types of work and according to the seniority of the person who handles it for you. Time spent on dealing with your instructions will include, but is not limited to: meetings with you (and perhaps others), negotiating with others on your behalf in meetings, by letter, email, fax and by telephone, considering, preparing and working on papers, deeds etc., preparing for court or tribunal hearings, including travelling and waiting time, instructing third parties on your behalf, legal and factual research, correspondence and communications sent and received, making and receiving telephone calls and preparing detailed costs calculations. Where we are acting for you on an hourly rate, time is generally recorded in 'units' of 6 minutes (and any time recorded is rounded up to the nearest whole unit) for all work undertaken on your behalf. We will then charge you for an appropriate amount of the time recorded in relation to your matter.
- 3.4 Sometimes, where the nature of the work warrants a different basis for charging, we may calculate our fixed price or estimate and subsequent fees by taking into account additional factors other than time spent. Such factors may include the complexity of the issues, the speed at which action must be taken, the expertise or specialist knowledge which the case requires or, if appropriate, the value of the property or subject matter involved. In such cases the basis of our charges will be made clear to you at the outset or when it becomes apparent that such factors will affect the fees charged. Minor expenses e.g. postage and telephone calls are included in our fees. Rates are reviewed annually on 1 May in each year. New rates will only apply to work undertaken after the review date. Any new rates, or change in rates, will be communicated to you by way of letter, or other appropriate method.

4. YOUR LIABILITY FOR LEGAL FEES

We, as a firm, are engaged by you and you are personally responsible for the payment of our fees, regardless of any order for costs made against opponents. If your matter relates to a dispute and you are successful in your case, it is important to be aware that the other party will generally only be ordered to pay part of your costs and you will therefore have to pay the remainder. If your case is unsuccessful you will probably be required to make a contribution to your opponent's costs as well as paying all of your own. Please ask us if you would like further advice on your potential liability for your opponent's costs. There are also circumstances in which you will still have to pay all of our fees even though you have been successful, such as where your opponent is in receipt of legal aid or your opponent is bankrupt. Different rules apply to employment tribunals, where you are unlikely to recover any of your costs, even if successful.

5. THIRD PARTY EXPENSES (DISBURSEMENTS)

Expenses may be incurred on your behalf; e.g. counsel's fees, court fees. Such expenses are made at cost and we make no profit from them. Before such expenditure is incurred, it is a requirement that you provide sufficient funds to cover these expenses. We will try to give you as much notice as possible of payments that are required.

6. JOINT CLIENTS

Where we are instructed by more than one person (or by more than one legal person such as two or more companies), the responsibility to pay our charges will be joint and several. This means that any one joint client will be individually responsible for all the charges and other expenses due to us. It is a condition of our accepting instructions that we can be completely open with all other joint clients as to any information, which would be subject to our normal professional duty of disclosure. If our ability to meet our duty of

disclosure to each joint client is restricted in any way, or if a conflict of interest arises between joint clients, we may cease to act for one or more or all of the joint clients.

7. SECRETARIAL AND OFFICE SERVICES

No charge is made for secretarial or typing services, but we may charge for photocopying.

8. INTERIM BILLS

Unless agreed otherwise, we may render interim bills for work to date at appropriate intervals.

9. TIME FOR PAYMENT

Bills are due for payment immediately upon presentation. All bills, whether interim or final, must be settled in full within one month of delivery. After one month, interest is payable on the overdue amount at the court rate until payment in full is received.

10. METHOD OF PAYMENT

10.1 Payment for our fees may be made by cash, cheque, bank transfer or by Visa or Mastercard. Payment for disbursements or any other third party payment (such as completion monies or damages) may usually only be made by cash, cheque or bank transfer. Our policy is only to accept one payment in cash per matter, of up to £1,000.

10.2 Since we are not allowed to use the funds of one client to finance another it is essential that we have cleared funds from you for any completion monies or other payments to be made. In particular, if you are paying by cheque we will need to be in receipt of this seven working days in advance of the monies being needed by us in order that we can be sure that the payment will have cleared through the banking system in time to be used.

10.3 Payment by credit or debit card will need to be made to us three days prior to the date on which we are required to pay the third party.

10.4 Our obligation to make payment of any monies in our possession due to you shall be satisfied once we have instructed our bankers to transfer the monies to an account nominated by you. We shall have no responsibility for any delay or failure by your bank or any other third party in relation to receipt of those funds, and any such payment will be subject always to the availability of the electronic banking system.

11. PROFESSIONAL REGULATION

As a firm of Solicitors we are authorised and regulated by the Solicitors Regulation Authority ('SRA') whose rules can be found on their website at www.sra.org.uk/solicitors/standards-regulations. Our SRA ID number is 53782. We are registered for VAT under 104911405.

12. COMPLAINTS

Our aim is to ensure that you are happy with the work that we carry out for you. However, if you have any issues with any aspect of our work or the amount of our fees, please let us know. Initially, you should raise your concerns with our Risk and Compliance Manager, Adrian Baker. He will either investigate personally or appoint a Partner to do so and report the outcome to you. A copy of our Complaints Handling Procedure is

available on request. You may have the right to complain to the Legal Ombudsman at the conclusion of our internal complaints process. Complaints to the Legal Ombudsman should ordinarily be made within six months of our written response to your complaint. In addition, you should be aware that the Legal Ombudsman will be unlikely to accept your complaint if:

- more than one year has elapsed from the date of the act or omission giving rise to the complaint; or
- more than one year has elapsed from the time when you should have known about the complaint.

Contact details for the Legal Ombudsman are as follows:

www.legalombudsman.org.uk

Tel: 0300 555 0333

Minicom: 0300 555 1777

Email: enquiries@legalombudsman.org.uk

Address: Legal Ombudsman, PO Box 6806, Wolverhampton WV1 9WJ

13. ASSESSMENT BY THE COURT

If your complaint relates to the amount of our fees, you may be entitled to have our charges reviewed by the court. This process is known as “assessment” under the Solicitors Act 1974, and allows you to request that our fees are assessed by an officer of the court. Both parties can make representations to the court officer whose decision is binding. The court charges a fee for this procedure and further costs may be incurred. The court can order you (or us) to pay the assessment fee and any further costs incurred as a result of the assessment. You should be aware that there are strict time limits applicable to this procedure and you may therefore wish to seek independent legal advice. We may also be entitled to charge interest on any outstanding sums on any invoices that are unpaid in full or part during that time.

14. PERSONAL FINANCIAL PLANNING SERVICES

14.1 We are not authorised under the Financial Services and Markets Act 2000, nor are we regulated by the Financial Conduct Authority. If, while we are acting for you, you need advice on investments, we may have to refer you to someone who is authorised to provide the necessary advice. However, we may provide certain limited investment advice services where these are closely linked to the legal work we are doing for you. This is because we are members of the Law Society of England and Wales, which is a designated professional body for the purposes of the Financial Services and Markets Act 2000.

14.2 The Solicitors Regulation Authority is the independent regulatory arm of the Law Society. The Legal Ombudsman provides an independent complaints review process for most clients of solicitors’ firms. If you are unhappy with any investment advice you receive from us, you should raise your concerns with either of these bodies.

14.3 We are not authorised by the Financial Conduct Authority. However, we are included on the register maintained by the Financial Conduct Authority so that we can carry on insurance mediation activity, which is broadly the advising on, selling and administration

of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by Solicitors Regulation Authority. The register can be accessed via the Financial Conduct Authority website at www.fca.org.uk/register. Our Financial Conduct Authority reference number is LS 53782.

15. CLIENT ACCOUNT AND INTEREST

- 15.1 Client money will be held in a general client account to facilitate your transaction.
- 15.2 To keep our administration costs and overheads as low as possible we will not generally account for interest in the following circumstances, and in any event shall apply the following criteria which we believe to be fair to all:
- where money is held for 7 days or fewer, we shall not account for interest; and
 - we shall not account for interest where the sum involved does not exceed £50 (fifty pounds).
- 15.3 Where we recover monies on your behalf, our policy is to pay to you the sums due as soon as the funds are cleared.
- 15.4 In some other cases, we may need to hold funds for a longer period and shall pay a sum in lieu of interest which will be calculated as follows:
- we will apply to the monies held the interest rate which such sums would receive if lodged with Barclays Bank plc in an instant access account;
 - the sum in lieu of interest will be calculated on a quarterly basis, or when the funds are paid to you; and
 - the minimum threshold of £50 (fifty pounds) will apply.
- 15.5 We believe this policy is fair and reasonable, and we keep it under review in light of changing interest rates. Please bear in mind that the rates of interest we apply will be based on an instant access account and will be lower than might otherwise be achieved because of the need for us to have instant access to funds.
- 15.6 The money we hold for you will be held at one of a number of financial institutions where we deposit money, including Barclays and Santander. We will endeavour to deposit client monies with recognised domestic banks but because we have no control over the financial stability of these institutions we cannot be responsible for their failure, if they are unable to repay depositors in full, or for any monies lost as a consequence of their failure. In such circumstances you may be entitled to compensation under the Financial Services Compensation Scheme ('FSCS'). You should check with the Financial Conduct Authority to find out whether you would be entitled to compensation.
- 15.7 The FSCS is the UK's statutory fund of last resort for customers of banking institutions. The FSCS can pay compensation of up to £85,000 if a banking institution is unable, or likely, to pay claims against it. The limit is £85,000 per banking institution. If you hold other personal money in the same banking institution(s) as our client account, the limit remains £85,000 in total and so please check the balance of any funds you also hold in Barclays or Santander to assess your maximum losses in the event of a banking collapse.

16. TERMINATION OF REPRESENTATION

- 16.1 We may decide to stop acting for you with good reason, e.g. if:
- there is a conflict of interests
 - you do not co-operate with our identity checking requirements
 - you do not give us proper instructions or co-operate with us
 - you do not pay a bill or provide enough money on account
 - you ask us to work in an improper or unreasonable way
 - trust and confidence has broken down
 - it would be unethical or unlawful for us to continue to act
 - you seek to mislead us or another party involved in your matter
- 16.2 In these circumstances, we reserve the right to cease acting for you in a particular matter, or in all matters, and to decline further instructions from you. We will only terminate our engagement after providing reasonable notice. In such circumstances, we will no longer act on your instructions and will no longer take any steps to protect or advise on your interests.
- 16.3 You are entitled to end your instructions to us at any time, by giving notice in writing, but we shall be entitled to keep all papers and documents while there is still money owed to us.
- 16.4 If you or we decide to terminate our engagement, you will be responsible to pay all outstanding fees up to that point. Our fees will be calculated on an hourly rate basis plus expenses, or by proportion of an agreed fixed fee if that is the basis on which we are acting for you.
- 16.5 We have a general and particular lien (right of retention) over any of your property, deeds and other papers (including electronically stored material) in or coming into our possession in respect of payments due to us. If payment remains outstanding we may, after reasonable notice to you, enforce such lien by sale or otherwise dealing with all or any part of such property or papers as we consider appropriate, subject to our duty of confidentiality.

17. YOUR FILE

- 17.1 We may maintain and/or retain all files and documents (other than wills or title deeds which you ask us to store on your behalf) solely in electronic form from the outset of your matter. Any original documents received from you may be returned to you if you ask us to do so when sending original documents to us, or destroyed immediately once held electronically.
- 17.2 Although we do not agree to keep files for any particular period of time we generally keep files for a period of seven years after completion of a matter. After seven years we have your consent to destroy the file and any documents being held on your behalf without further reference to you. We will not destroy documents such as wills or title deeds which you have asked us to store on your behalf. Where we retain a closed file for you we can supply you with a copy of the documents belonging to you on request for

which we are entitled to charge you a fee per page depending on the size and colour plus the cost of administering your request and delivering the documents to you. We reserve the right to charge you for the time we spend on dealing with any enquiries by you relating to the documents held by us.

- 17.3 Copyright in all documents drafted by us in connection with your matter will remain our property.

18. CANCELLATION RIGHTS

- 18.1 If you are an individual and your matter relates to a purpose wholly or mainly outside your trade, business, craft or profession and we have entered into an “off-premises” or “distance” contract under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013, you have the right to cancel your instructions to us within 14 (fourteen) days of signing the engagement letter enclosed with these terms of engagement, or otherwise stating your acceptance of it, without giving any reason. If we enter into an “off-premises” contract and you wish for us to commence work immediately we shall need you to confirm this specifically in writing. In any event your 14 (fourteen) day cancellation period will commence at our meeting where we supply you with a copy of these terms of engagement.
- 18.2 To exercise your right to cancel, you must inform us by making a clear statement to us of your decision to cancel, which may be either by email to info@leathesprior.co.uk, by telephone to 01603 610911.
- 18.3 To meet the deadline for cancelling this contract, you must send your communication relating to your cancellation before the cancellation period has expired. For cancellations sent by post, this may be evidenced by receipt of recorded delivery. On receipt of your cancellation we will cease to act on your behalf and will no longer be responsible for safeguarding your interests in the relevant matter.
- 18.4 If you cancel these terms of engagement, we will reimburse to you any monies held on account. If you requested us to begin the performance of services during the cancellation period, you may be charged for those services if you then cancel your instructions within the 14 day period. You will lose the right to cancel if we have completed our services on this matter within the 14 day period before you have exercised your right to cancel.
- 18.5 If you have not requested us to begin the performance of services during the cancellation period, you will not incur any liability.
- 18.6 In any event, we will generally not start work for you until we have received a copy of the engagement letter enclosed with these terms of engagement. Please return this signed letter (or confirm acceptance by email) as soon as possible.

19. EMAIL AND OTHER ELECTRONIC COMMUNICATION

- 19.1 Email is used to facilitate communications. Whilst reasonable steps are taken to maximise security, it is the case that email is not entirely secure. We cannot accept responsibility for any failure of security associated with email, unless you expressly instruct us not to use email. You should carry out your own virus checks before opening any emails or attachments. We advise that you do not send any sensitive information via email.
- 19.2 You warrant that if such a facility is available, any electronic signature you provide on the engagement letter and/or any document we provide to you is authentic to you and represents your agreement to that document. You also agree that at our request you will

cooperate with us by providing such certification as we may ask to verify the authenticity of your electronic signature.

20. DATA PROTECTION

20.1 We value the personal information that is entrusted to us by our clients and recognise that it is extremely important that we uphold that trust in the way in which we handle, use, store and protect personal data. Further details of how we process and handle personal data can be found in our firm's Privacy Policy which is available at:

www.leathesprior.co.uk/legal/privacy-policy.

20.2 We will only process personal data in accordance with the terms of our Privacy Policy and in accordance with applicable data protection legislation.

20.3 If the courts or a law enforcement body subject us to a notice, order or search warrant for information or documents relating to you, we will comply in full insofar as we are obliged to do so by law. Our obligation to comply may be limited by our obligation to you to maintain privilege, but an order from the court may override confidentiality.

20.4 We are entitled to charge you for complying with a notice, order or search warrant, at the standard hourly rates set out in your engagement letter, or such hourly rates as are reasonable in the circumstances. We may be legally prohibited from being able to discuss compliance of the notice with you.

20.5 Any personal data we receive from you for the purposes of our money laundering checks will be processed only for the purposes of preventing money laundering and terrorist financing, or as otherwise permitted by law or with your express consent.

21. ANTI-MONEY LAUNDERING/PROOF OF IDENTITY

21.1 The law requires lawyers, as well as banks, building societies and others, to obtain satisfactory evidence of the identity of their clients. By instructing us you authorise us to carry out an identity search with providers of online identity verification services. If satisfactory evidence of identity is not obtained we will not be able to act for you.

21.2 We must also take steps to satisfy ourselves as to the source of any monies that you wish us to hold on your account. If we are unable to identify the source to our satisfaction then we may not be able to continue acting for you. Our policy is only to accept one payment in cash per matter, of up to £1,000. Lawyers are under a professional and legal obligation to keep the affairs of their clients confidential. This obligation, however, is subject to the legal duty to disclose information to the National Crime Agency. Where a lawyer knows or suspects that a transaction on behalf of a client involves money laundering, the lawyer may be required to make a suspicious activity report. If this happens we are prohibited by law to inform you that a report has been made.

21.3 You consent to us keeping your AML identification records beyond the statutory five-year period.

22. LIMITATION OF OUR LIABILITY

- 22.1 Your attention is specifically drawn to this section and the following section. Whilst we strive to ensure that you are happy with everything we do for you from start to finish, these sections contain limitations and exclusions of our liability to you in the event that you want to make a claim against us. Please ask if you would like us to explain any of the terms. If anything under these headings is unacceptable to you please raise this with us immediately.
- 22.2 **Save as otherwise expressly agreed in writing, and subject as below, our total aggregate liability to you (whether in contract, tort (including negligence), for breach of statutory duty or otherwise) under or in relation to the Engagement and any matter ancillary to the Engagement shall not exceed £2 million (including interest and legal and other costs).**
- 22.3 This cap is considered by us and by you to be reasonable taking into account: the level of our fees and the nature of the work to be carried out; and the availability and cost of professional indemnity insurance and possible changes in its availability and cost in the future. Agreeing a higher limit on our liability may result in us seeking an increase in our fees for handling your matter.
- 22.4 If we are acting for more than one person then the cap represents our total liability to you all. It will be a matter for you, the court or any arbitrator to decide how the cap will be divided. Our liability to you will also be limited to that proportion of the loss or damage (including interest and costs) suffered by you, as awarded by a court, after taking account of the extent to which any other person is also liable for and/or has contributed to the same loss or damage.
- 22.5 Subject as below, we shall not be liable (whether in contract, tort (including negligence), for breach of statutory duty or otherwise) for any loss of profit, loss of business, loss of business opportunity, indirect loss or consequential loss, damage to goodwill or loss of data, in each case whether or not such loss might have been foreseeable at the start of the matter.
- 22.6 We can only limit our liability to the extent the law and our professional rules allow. The limitations and exclusions contained in this section and the one below will not limit or exclude our liability for death or personal injury caused by our negligence, for fraud or for any other liability which cannot lawfully be excluded.

23. EXCLUSIONS OF OUR LIABILITY

- 23.1 We provide advice solely on matters that are governed by the laws of England and Wales. We are not experts in the laws of any other jurisdiction, and you should not rely on any advice we provide as being applicable in any other jurisdiction.
- 23.2 If you need advice on the laws of other jurisdictions, we will, with your agreement, seek to instruct lawyers practising such laws to give advice on the same basis as we engage other third parties on your behalf.
- 23.3 We shall not be liable for any advice or document subject to the laws of a jurisdiction outside England and Wales.
- 23.4 Unless expressly agreed in writing, our services will not include advice on tax related issues, the tax implications of any transaction, pensions or pension related issues.

- 23.5 The scope of our work will not include advising on: the business implications or the commercial viability or wisdom of the proposed matter; financial or accounting issues; the adequacy of any insurance arrangement; or the value or physical condition of any asset.
- 23.6 We shall not be liable for any advice or opinion given to you by any third party (whether or not nominated or recommended by us).
- 23.7 Our advice is particular to your circumstances. We do not accept liability to any person or organisation to whom our advice is not addressed, and the provisions of the Contracts (Rights of Third Parties) Act 1999 are to this extent excluded. No third party may rely on our advice to you without our express written permission.
- 23.8 We will not notify changes to important business information, such as bank details, by email. An email which appears to come from us may instead come from a fraudster. If you receive bank details from us by email, you should call us on 01603 610 911 to check to make sure the details are accurate. We will not be liable for any money that is lost as a result of you using incorrect bank details.

24. LAW AND JURISDICTION

Any dispute or legal issue arising from our terms of engagement will be determined by the laws of England and Wales and considered exclusively by the courts of England and Wales.

25. FORCE MAJEURE

Neither you nor we shall be liable for any failure to perform, or delay in performing, any obligations (other than payment and indemnity obligations) if, beyond the control of either you or this firm, the performance of this contract becomes impossible through acts of terrorism, fuel strikes, severe weather, computer failure, power supply, industrial disputes and significant absence of personnel due to illness or injury.