

TERMS OF BUSINESS OF TOWNS NEEDHAM SOLICITORS LTD

INTRODUCTION

These Terms of Business issued by Towns Needham Solicitors ("the Firm"), as supplemented and/or amended by any relevant Engagement Letter; apply to each Matter we work on for you.

All the services that we provide as Solicitors are authorised and regulated by the Solicitors' Regulation Authority.

Our Authority

You give us full authority to act for you to the fullest extent necessary or desirable to provide the Services. In particular, we may engage barristers and other third parties and otherwise incur on your behalf reasonable expenses of a type which it is necessary or desirable to incur in relation to the Services in question.

If we so require, you will contract directly with any third party so engaged by us and assume direct responsibility to them for the payment of their fees and expenses.

Defined Terms

In these Terms of Business:-

"the Firm"	the Firm means Towns Needham Solicitors Ltd and any successor practice and any service company owned or controlled by or on behalf of the Firm or any of the Partners;
"Associated Entities"	means (where you are a body corporate) your shareholders, directors (as individuals not acting together as the Board), officers and employees, subsidiaries, parent companies, and subsidiaries of parent companies, and (where you are a trade association) your individual members;
"Documents"	means Documents Held For You, Our Documents and Your Documents;
"Documents Held For You"	means documents we create or receive on your behalf (including communications from or with third parties, notes of conversations and meetings, draft and final documents, and instructions to and opinions of barristers);
"Engagement Letter"	means, in relation to any Matter, the letter (or other agreement) recording the basis of our engagement;
"Force Majeure"	means any circumstance beyond the reasonable control of the party affected by it and includes telecommunications failure, power supply failure, terrorism, fuel strikes, severe weather, computer breakdown, failure of suppliers to meet delivery requirements, industrial disputes and absence of personnel due to illness or injury;
"Matter"	means any specific transaction, dispute or issue in relation to which you ask us to provide Services whether or not it has been defined in an Engagement Letter or other agreement;
"Our Documents"	means documents (other than Documents Held for You) which we create or receive for our benefit (including copies of our letters to you, your letters to us, notes of telephone conversations and meetings with you for which we have not charged you, and our preliminary drafts, research materials and internal notes);
"Director"	means a director of the Firm;
"Services"	means all services we provide to you in relation to the relevant Matter;
"We", "us", and "our"	means or refers to the Firm;
"You"	includes the addressee of the relevant Engagement Letter and any other person identified in the Engagement Letter as our client and "your" shall have a cognate meaning; and

"Your Documents" means documents which you give or lend to us to enable us to provide Services.

1. **Responsibility for Work**

- 1.1 A Director will have overall responsibility for your file, although day to day conduct of the file may be provided by other members of staff. If it should be necessary to make any change to this arrangement we will, of course, advise you.

We only advise on the Laws of England and Wales. If you require advice on the laws of other jurisdictions, we will, with your agreement, instruct lawyers practicing those laws to give such advice, on the same basis as we engage other third parties on your behalf.

1.2 **Complaints**

We aim to offer all our clients an efficient service. However, if you are unhappy about any aspect of the service that you have received or about a Bill, you should initially raise the matter with the Solicitor or member of staff with the conduct of the case directly. If you are unable to resolve the matter with them we have a procedure in place which details how we handle complaints which is available on request. If your complaint is not resolved within the time frame set out in our procedure, you may complain to the Legal Ombudsman at P.O. Box 6806, Wolverhampton, WV1 9WJ (telephone no: 0300 555 0333), e-mail: enquiries@legalombudsman.org.uk. Normally you will need to bring the complaint to the Legal Ombudsman within six months of receiving a final written response from us about your complaint, or within six years of the act or omission about which you are complaining occurring or alternatively within three years from the date when you should reasonably have known there are grounds for complaint (if the act / omission took place before 6th October 2010 or was more than 6 years ago).

A complainant to the Legal Ombudsman must be an individual or a certain entity as set out by the Legal Ombudsman. If you do not fall into any of these categories which can be found at www.legalombudsman.org.uk, you should be aware that you can only obtain redress by using our Complaints Handling Procedure or by mediation or arbitration, or by taking action through the Courts.

Please note that if your complaint relates to a Bill that we have sent to you, you may also have the right to object to the Bill by applying to the Court for an assessment of the Bill under Part III of the Solicitors' Act 1974, although the Legal Ombudsman may not deal with that complaint if you have already applied to the Court for such an assessment.

2. **Standard of Service**

As mentioned above, we aim to offer all our clients an efficient service but, in particular:-

- (a) We will update you by telephone, in writing or e-mail with progress on your matter regularly.
- (b) We will communicate with you in plain language.

- (c) We will explain to you by telephone, e-mail or in writing the legal work required as your matter progresses.
- (d) We will update you on the cost of your matter at six monthly intervals or as may be otherwise agreed.
- (e) We will update you on whether the likely outcome still justifies the likely costs and risks associated with your matter whenever there is a material change in circumstances.
- (f) We will update you on the likely timescales for each stage of this matter and any important changes in those estimates.
- (g) We will continue to review whether there are alternative methods by which your matter can be funded, where appropriate.
- (h) We will review your matter regularly.
- (i) We will advise you of any relevant changes in the law.
- (j) We will advise you of any circumstances and risks of which we are aware or consider to be reasonably foreseeable that could affect the outcome of your matter.
- (k) We are committed wholeheartedly to the professional standards laid down by the Solicitors Regulation Authority.

As our client, you have responsibilities and which may include:-

- (a) You will provide us with clear, timely and accurate instructions, information and materials necessary or desirable for us to perform the Services for you.
- (b) You will notify us promptly of any changes or additions to instructions, information and materials previously provided by you or on your behalf.
- (c) You will safeguard any documents that are likely to be required for discovery, disclosure or otherwise.
- (d) You will ensure that all information provided to us is complete in all material respects and not misleading.

3. **Professional Indemnity Insurance**

As Solicitors we carry Professional Indemnity Insurance and details relating to this and also the contact details of our Professional Indemnity Insurance provider will be provided to you on request.

4. **Identification, Money Laundering & Terrorist Financing**

In accordance with the requirements of the Data Protection Act and the Money Laundering Regulations, we confirm:

- Towns Needham Solicitors Ltd is the data controller;

- Alex Barley is the nominated representative; and
- We will only process any documentation or personal data received from you in respect of client due diligence for the purposes of preventing money laundering and terrorist financing unless (a) use of that data is permitted by or under any enactment or (b) you give your express consent for the documentation or personal data to be used for other forms of processing.

In order to enable us to comply with various regulations governing financial transactions, we are required to verify the identity and permanent address of all new clients. This is to ensure that the policy adopted worldwide by Financial and Government Authorities to prevent the use of laundering systems to disguise the proceeds of crime is achieved.

If you are a new or existing client who has not previously supplied information, you are requested to supply both of the following:

- One items from List A, and
- One item from List B.

Please note: we require certified copies if you are sending these by post or if you are bringing in the original documents to our office – we will make certified copies here.

List A – Proof of Identity	
1.	Current fully signed Passport
2.	Current full UK Photocard Driving Licence.
List B – Address Verification	
1.	A bill for the supply of electricity, gas, water or telephone services (provided it is fewer than three (3) months old). Mobile phone bills are not acceptable.
2.	Television Licence renewal notice.
3.	Council Tax bill (provided it is fewer than three (3) months old).
4.	Recent Tax Coding Notice.
5.	Recent Mortgage Statement.
6.	Credit Card/Bank Statement (provided it is fewer than three (3) months old) showing current address.

Body Corporate:

If you are a new or existing body corporate client not listed on a regulated market who has not previously supplied information, we will require the following:

1. Company / organisation full name;
2. Company or other registration number;
3. Registered address and, if different, principal place of business address;
4. Articles of association or other governing documents;
5. Names of the Board of Directors or members of your management body and its senior management;
6. Documentation in accordance with lists A and B above for the officer of the corporate body giving us the instructions on behalf of the client together with written confirmation from that corporate body that the officer is authorised to act on its behalf.
7. Written confirmation of any individual who controls the management board of the corporate body or who owns or controls more than 25% of its share or voting rights

We also use an e-ID Verification System. This programme assists us to verify your identity against the various different data sources in line with anti-money laundering regulations.

When we attempt to verify your identity, the process involves checking the details you supply against those held on a number of specific databases. The provider of the electronic identification system has access to information from various agencies and organisations. A record of this process will be kept and may be used to help other companies to verify your identity. A footprint will be logged on your credit file. This is harmless information and will not in any way affect your ability to gain credit.

Under the provisions of the Proceeds of Crime Act 2002 ("POCA"), we may be required to make a report to the relevant authorities if at any time we become aware of or suspect (whether from you or any other person) the existence of the proceeds of crime in relation to any Services on which we are engaged. Our obligation to make such a report will, in certain circumstances, override our duty of solicitor/client confidentiality and we may not be permitted to inform you whether or not we have made, or might intend to make, such a report.

We may terminate the provision of any Services to you or be instructed to do so by the relevant authorities, if you fail to comply with your obligation to provide evidence of identity or we suspect that you or any other party connected with you or with the Matter is involved in activities proscribed by POCA.

The anti- money laundering guidance which UK banks and other finance services firms must adhere to is issued by the Joint Money Laundering Steering Group ("JMLSG"). The JMLSG considers all clients with funds deposited in a law firm's pooled client account to be beneficial owners of that account. The JMLSG does not require banks to routinely identify the beneficial owners of law firm's pooled accounts, as they do with most other accounts they issue. Pooled client accounts are granted this exemption on the proviso that this information is available upon request. In the event of Our bank requesting information about the beneficial owners of Our pooled client account, you agree to Us disclosing Your details to them.

Please note that in many cases, due to the money laundering regulations, we may be unable to commence the work for which you have instructed us until your identity has been verified.

5. CRIMINAL FINANCES ACT 2017

The firm is committed to promoting compliance with the requirements of the Criminal Finances Act 2017 within its practices as well as in those areas in which it has influence.

The firm does not tolerate tax evasion, or the facilitation thereof in any circumstances, whether committed by or facilitated by a client, personnel or associated persons/companies.

6. Mortgage Fraud

When we are acting for both the Lender and Purchaser in a property transaction, we have a duty to fully reveal to the Lender all relevant facts about the purchase and mortgage. This includes:-

- (a) Any differences between your mortgage application and information we receive during the transaction.
- (b) Any cash-back payments or discount schemes that a Seller is giving you.

7. Financial Arrangements with Clients

Our Practice's policy is not to accept cash from clients. If you try to avoid this policy by depositing cash directly with our Bank, we may decide to charge you for any additional checks we decide are

necessary to prove the source of the funds. Where we have money to pay to you, it will be by way of cheque or Bank Transfer, it will not be paid in cash or to a third party.

8. The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013:

If we have not met you either in person (because, for example, instructions and signing of the contract documentation is taking place by telephone/mail, e mail or on-line – ie: by way of a “distance” contract) or we have taken instructions and a contract has been concluded away from our business premises (because, for example, we have met with you at home - ie: by way of an “off-premises” contract) and the contract was entered into on or after 14 June 2014, you have the right to cancel this contract within 14 calendar days of entering into the contract without giving any reason.

The cancellation period will expire after 14 calendar days from the day of the conclusion of the contract.

To exercise your right to cancel, you may use the model cancellation form attached to your Client Care Letter. To meet the cancellation deadline, you must send your communication concerning your exercise of the right to cancel before the cancellation period has expired.

By signing and returning your client care letter you are providing your agreement in writing to enable us to commence work within the 14 calendar day cancellation period. Where you have provided your consent for work to commence within the 14 calendar day cancellation period and you later exercise your right to cancel, you will be liable for any costs, VAT and disbursements incurred up to the point of cancellation.

9. **Data Protection**

You have a series of rights outlined under Data Protection legislation over how your personal data is used, including erasure in specific circumstances. However, we may not always be able to agree with the exercise of such rights, as often your personal data remains necessary in relation to the purpose for which it was originally collected and processed. Further information is available in our Privacy Policy, a copy of which accompanies these Terms of Business, is available on request or can be viewed on our website at any time.

What personal information we process

The categories of personal data we process include general personal data (which includes normal personal data, personal identity, email addresses and personal financial data) and special categories of personal data if these have been voluntarily provided to us (which includes ethnicity, nationality and medical history).

How we use your personal information

When your file is open, the personal data is necessary in relation to the purpose for which it was originally intended. We process your personal information to fulfil our contract with you, or where you or we have a legitimate interest in doing so, where otherwise permitted by law, or to comply with applicable law and regulation. We use your personal information for:

- Service provision and internal processing (i.e. to assess and/or provide and to service your matter).

- Management of relationship (e.g. to develop your relationship with us).
- Resolving queries.
- Training and service review (e.g. to help us enhance our services and the quality of those services).
- Statistical analysis (e.g. to help us enhance our products and services or delivery channels to keep costs down).
- Complying with legal obligations (e.g. to prevent, investigate and prosecute crime, including fraud and money laundering).

When your matter is completed and / or your file is closed, we may still process your personal information where we have a legitimate interest in doing so, where we are permitted by law, or to comply with applicable laws and regulation.

Examples of such instances will include:

- Complying with legal obligations for statutory and regulatory requirements including for example, HMRC Returns, complaint handling, anti-money laundering, reporting to our regulatory body – the Solicitors Regulation Authority;
- Archiving and Storage of your file for the periods outlined in our Retention Policies – see section 12 of these Terms of Business. (Archiving and Storage of personal data is still classed as a processing activity even though it is not being regularly accessed and remains securely)
- Our legitimate interests to conduct conflict of interest checks, statistical analysis and research to help us enhance our products and services.

How We Share Your Information

- We may share your personal data with a range of organisations which enable us to fulfil our contract with you, or where we have legitimate interests to do so, or otherwise are required by applicable law and regulation. We can provide more details specific to your personal data on request.
- For further information on how we use your data please see our Privacy Policy which is available on request or can be viewed and downloaded at <http://www.townsneedham.com/>

You have a right to complain to us, using our Complaints Procedure outlined above, or the Information Commissioner's Office (<https://www.ico.org.uk>), which regulates the processing of personal data. You may also seek a judicial remedy.

10. Storage & Archived Documents

It is our policy to store and archive files for a minimum period of six years. Any documents that you place with us for safe custody will not be destroyed unless we are otherwise instructed by you.

After completing the work, we will be entitled to keep all your papers and documents while there is still money owed to us for fees and expenses.

We will keep our file of your papers for up to six years, except those papers that you ask to be returned to you. We keep files on the understanding that we can destroy them six years after the date of the final bill. We will not destroy documents you ask us to deposit in safe custody.

Our Privacy Policy / Statement has more information on our retention periods.

If we take papers or documents out of storage in relation to continuing or new instructions to act for you, we will not normally charge for such retrieval. However, we may charge you both for:-

- (a) Time spent producing stored papers that are requested.
- (b) Reading, correspondence or other work necessary to comply with your instructions in relation to the retrieved papers.

11. **Confidentiality**

We may use the information which you provide, or which we obtain through our dealings with you, or others for the provision of Services to fulfil our contractual obligations to you or the legitimate interests of you, ourselves and others. We may give it on a confidential basis to our Directors, employees and agents. We may use it to administer your account with us, including tracing and collecting any debts. Further information is provided within our Privacy Policy / Statement a copy of which can be made available on request.

We may also use it to ensure legitimate interests in the safety and security of our premises (where we may also use CCTV); for fraud prevention purposes (including verification checks for our money laundering obligations); to assess client satisfaction (such as by asking you to participate in surveys); and to help improve our services generally.

We may also use it to contact you by letter, telephone, e-mail or otherwise about our services and about events such as seminars and conferences and to send you briefings and similar material. Contacting you by electronic means requires your specific and verifiable consent. By signing and returning a copy of any Engagement Letter you are agreeing that we may use your contact details and information in this way. If you do not wish to be contacted or having provided consent previously you wish to withdraw or amend it, please inform us in writing. Please follow the instructions in the relevant section of the Authority to proceed attached.

Sometimes we ask other companies or people to do typing/photocopying/other administration duties on our files to ensure this is done promptly. We believe we have a legitimate interest in doing this. We will always seek a confidentiality agreement with these outsourced providers. If you do not want your file to be outsourced, please tell us as soon as possible.

We may store information about You, Your Matter or any other Documents and correspondence relating to Your file(s) using cloud-based technology. Again, we believe we have a legitimate interest in acting in this way and take every possible precaution to protect your personal information. If you do not wish for your file(s) or other information to be stored in this way, please inform Us in writing before we commence work on Your Matter.

Our Duty of Confidentiality

Please also refer to our Privacy Policy / Statement when reading this section. We will treat any information which is confidential to you and which we obtain as a result of acting for you as strictly confidential, save:-

- for the purpose of acting for you; or
- for legitimate interest disclosures to our auditors or other advisers or for the purposes of our professional indemnity insurance; or
- as otherwise required by law or other regulatory authority to which we are subject.

If You do not wish to disclose Your Details and file to be released You must notify Us in writing and discuss this with us when signing and returning a copy of the Client Care Letter/ Terms of Business/ Instruction Form/ Form of Authority/ other such document. We may be unable to act for you in such circumstances.

We may refer publicly to your name as a client of ours, which we believe is a legitimate interest in collecting and promoting client feedback provided we do not disclose any information which is confidential to you.

We shall be under no duty to disclose to you (or take into account in the course of providing the Services) any information acquired by us in acting for any other client or any information in respect of which we owe a duty of confidentiality to a third party.

Your Duty of Confidentiality

Our advice and other communications with you are confidential and may not, without our consent, be disclosed by you to any third party (other than to your employees and agents who require access and who do not disclose it further) or otherwise made public except as required by law or other regulatory authority to which you are subject.

If, as a result of our acting for you, you acquire any information in respect of which we notify you that we owe a duty of confidentiality to a third party you will keep it confidential and not use it without our consent.

12. Insurance Mediation Activities

If during the course of the matter upon which we are advising you, you need advice on investments, we may have to refer you to someone who is authorised by the Financial Conduct Authority, as we are not. However, as we are regulated by the Solicitors Regulation Authority, we may be able to provide certain limited investment services where these are closely linked to the legal work we are doing for you.

If you have any problem with the services we have provided for you, then please let us know. We will try to resolve any problem between ourselves. If for any reason we are unable to resolve the problem between us, then we are regulated by the Solicitors Regulation Authority and complaints and redress mechanisms are provided through the Solicitors Regulation Authority and the Legal Ombudsman.

The Law Society is a designated professional body for the purposes of the Financial Services and Markets Act 2000, but responsibility for regulation and complaints handling has been separated from the Law Society's representative functions. The Solicitors Regulation Authority is the independent regulatory body of the Law Society and the Legal Ombudsman is the independent and impartial complaints handling body established by the Legal Services Act 2007.

As we have said, 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

13. Auditing & Vetting of Files

Due to our own internal quality standards, we are subject to periodic checks by outside assessors. This could mean that your file may be selected for checking/ auditing. We believe we have a legitimate interest in acting in this way and take every possible precaution to protect your personal information. All inspections are, of course, conducted in confidence and all external firms and organisations working with Us are required to maintain confidentiality in relation to any files and papers that are audited/ checked by them. Your files(s) may also be reviewed in a due diligence exercise relating to the sale or transfer of all or part of Our business, the acquisition of another business or the acquisition of a new business. Again, we believe we have a legitimate interest in acting in this way and take every possible precaution to protect your personal information. If you prefer that your file is not checked / audited or reviewed as detailed above, work on your file will

not be affected in any way. Please contact us if we can explain this further or if you would like us to mark your file as not to be inspected.

14. **Interest**

Any money received on your behalf will be held in our Client Account. Subject to certain minimum amounts and periods of time set out in the SRA Accounts Rules 2011, interest will be calculated and paid to you at the rate from time to time payable on Barclays Bank Plc's designated Client Accounts. The period for which interest will be paid will normally run from the date upon which cleared funds are received by us until the date of issue of any funds from our Client Account.

In conveyancing matters, if you are obtaining and borrowing from a lender, we will ask the lender to arrange that the loan amount is received by us the day before the completion date. This enables us to ensure that the necessary funds are available in time for completion. You will need to be aware that your lender may charge interest from the date of issue of the loan amount.

15. **Disclaimers**

Tax:

The work that we do may involve tax implications. Other than Matters where we are specifically commenting on tax implications, such as Stamp duty Land Tax and Estate Planning for example, we are not generally qualified to advise you on the tax implications of transactions or the likelihood of them arising.

Planning in property transactions:

We will not advise you on the planning implications of your proposed purchase, unless specifically requested to do so by you, otherwise than by reporting to you on any relevant information provided by the results of the "local search".

Other property disclaimers / environmental:

It is not our responsibility to carry out a physical inspection of the property nor to advise on the valuation of the property nor the suitability of your mortgage nor any other financial arrangements.

We may need to obtain on behalf of your lender, at your expense, an environmental search and we may suggest to you searches that would be prudent to carry out. We are not qualified to advise you about any issues relating to the possible contamination of any land which may be relevant to your purchase. We are not qualified to advise on the results of any search made in that respect and would only be able to report to you the actual results of such a search. This is particularly significant in respect of the potential liabilities that may arise at some future point in time as a result of land contamination or flood risk that are having increasing significance. If you have any doubts, please discuss your concerns with us.

If we are instructed on purchase and we are also acting for your proposed lender, we have a duty to fully reveal to your lender all relevant facts about the purchase and the mortgage. This includes any differences between your mortgage application and information we receive during the transaction and any cash back payments or discount schemes that a seller is giving to you

16. **Our Fees and Disbursements**

Our fees are generally based on the time spent dealing with the file, the degree of responsibility and skill involved and may also take into account the complexity, the value and importance of the matter and any urgency there may be.

Other than where we have agreed a Fixed Fee, the time taken on the file/matter will include (inter alia) correspondence, telephone calls, preparation of documents, attendances, research, general preparation, travelling and waiting. Time is calculated in minimum units of six minutes.

Any hourly charging rate will be notified to you at the commencement of the engagement. The charging rate does not include VAT which will have to be added to the Bill. The charging rate is reviewed from time to time and at least once a year. We will advise you of any change in the charging rates.

In some cases, our charges may also contain an element based on the value of the matter as a reflection of the importance of the same and consequently the responsibility of the firm.

In our "Engagement Letter" we shall give an estimate of what our professional fees will amount to. We will also notify you in the Engagement Letter if a value element is to be applied to your matter and if so the basis upon which the same will be calculated.

There may be certain expenses (disbursements) such as probate fees, search fees, Land Registry fees, Court fees and Counsel's fees. We will advise you of such disbursements as the matter progresses.

If for any reason we do not complete the work you have instructed us to do, then a charge will be made in respect of the work which has already been completed. VAT will be payable on that amount and you will be billed for any disbursement incurred.

We may require you to put us in funds in respect of disbursements and payments on account of our fees as the matter proceeds. Interim Bills may be submitted at appropriate intervals. Such payments and interim Bills will of course be taken into account when the final Bill is rendered.

In most property transactions, we will ordinarily submit a Bill for our fees and disbursements on completion and, if sufficient funds are available on completion, and we have sent a Bill, we will usually deduct our fees and disbursements from such funds. However, in a long-running or complex matter we may render interim Bills at appropriate intervals.

Bills are due for payment on delivery. We reserve the right to charge interest on any Bill not paid promptly. We reserve the right to charge interest at 5% per annum above the base rate of Barclays Bank plc on any Bill remaining unpaid.

17. **Clients' Money**

If we take receipt of clients' money that is then paid into our Client Account, it is a condition of that receipt that if the Bank holding our Client Account does not repay the monies for whatever reason, we will not be liable to the client for such monies which cannot be so recovered from the Bank or Building Society or from any schemes, statutory or otherwise designated to protect depositors in such circumstances or for any other loss arising therefrom.

In the event of a banking failure it is unlikely that the firm would be held liable for any losses of client account money.

We currently hold our client account funds in Barclays Bank plc. The £85,000 Financial Services Compensation Scheme (FSCS) limit will apply to each individual client so if you hold other personal monies yourself in the same bank as our client account, the limit remains £85,000 in total, so it may be advisable to check with your own bank as some banks now trade under different trading names.

The FSCS will provide a £1 million protection limit for temporary high balances held with a bank, building society or credit union if it fails. Further details can be found at www.fscs.org.uk

In the event of a bank failure you agree to us disclosing details to the FSCS.

If we hold funds on your behalf in our Client Account, we can deduct any amounts due to us from those funds and make an appropriate transfer from our Client Account to our Office Account.

18. **Termination of Retainer**

You may end your instructions to us in writing at any time, but we can keep all your papers and documents while there is still money owed to us for fees and expenses. We may decide to stop acting for you only with good reason. We must give you reasonable notice that we will stop acting for you. If you or we decide that we should stop acting for you, you will pay our charges up until that point. These are calculated on an hourly basis, plus expenses/by a proportion of the agreed fees as set out in these Terms and Conditions and/or our engagement letter.

19. **Limitation of Liability**

Our liability to you for a breach of your instructions shall be limited to £3,000,000, unless we expressly state a higher amount in the letter accompanying these Terms of Business. We will not be liable for any consequential, special, indirect or exemplary damages, costs or losses, or any damages, costs or losses attributable to lost profits or opportunities. We can only limit our liability to the extent the law allows. In particular, we cannot limit our liability for death or personal injury caused by our negligence. Please ask if you would like us to explain any of the terms above.

20. **Lien**

If at any time there are unpaid costs due from you to this firm, we may be able to exercise a lien over your file of papers, or any other documents held by us on your behalf until such outstanding costs are paid.

21. **Conflict of Interest**

Definition

“Conflict of Interest” means any situation where:-

- we owe (or, if we accepted your instructions, would owe) separate duties to act in the best interests of two or more clients in relation to the same or a related matter and those duties conflict, or there is a significant risk that those duties may conflict; or
- our duty to act in your best interests in relation to a matter conflicts, or there is a significant risk that it may conflict, with our own interests in relation to that or a related matter; or
- we have confidential information in relation to a client or former client, and you wish to instruct us on a matter where:-

- that information might reasonably be expected to be material; and
- you have an interest adverse to our other client or former client, and for the purposes of this paragraph “you” does not include Associated Entities.

Similar Activities

We may act for parties engaged in activities similar to or competitive with yours.

Third Parties

Once we have agreed to act for you in relation to a Matter, we will not act for a third party in relation to the same Matter if there is a Conflict of Interest between that third party’s interests and your interests.

Instructions Creating a Conflict of Interest

We may decline to act for you where accepting your instructions would create a Conflict of Interest or cause us to break an existing agreement with a third party.

Consent

Where our professional rules allow, and subject to satisfying the requirements of those rules (for example by implementing an information barrier), we may act for you and another client where a Conflict of Interest would otherwise exist, provided that we have the consent of both parties. We do not require your consent to act against an Associated Entity.

Cessation of Services

If, whether through a change in circumstances or otherwise, we find that we have agreed to provide Services to you in circumstances which give, or could give, rise to a conflict of interest we will discuss with you how to deal with the conflict and may, be obliged to stop providing Services to you and/or to all other clients affected by the Conflict of Interest.

22. INTELLECTUAL PROPERTY RIGHTS

Copyright

We retain copyright and all other intellectual property rights in all documents and other works we develop or generate for you in providing the Services (including know-how and working materials as well as final documents). We now grant you a non-exclusive, non-transferable, non-sublicensable licence to use such documents or other works solely for the Matter to which the Services of developing or generating them relate and not otherwise. If you do not pay us in full for our Services in relation to that Matter we may, on giving you notice, revoke that licence and only re-grant it to you once full payment has been made.

Opinions from Barristers and other Third Parties

We may retain, for our subsequent use, a copy of the advice or opinion of any barrister or other third party given in written form (or any note of any advice or opinion) obtained in the course of providing the Services. Any barrister or other third party will be instructed on the basis that any such advice or opinion will be so retained.

If we retain a copy of any advice or opinion in this manner we will take all reasonable steps to conceal information (such as names, addresses or descriptions) which might reasonably enable you to be identified.

JOINT INSTRUCTIONS

Where we agree to work on a Matter for more than one client jointly, the rights and obligations of the joint clients to us in relation to the Services will be several (save for obligations to pay money to us, which will be joint and several).

Each joint client irrevocably permits us to disclose to any other of the joint clients at any time any information which we would otherwise be prohibited from so disclosing by virtue of our duty of confidentiality. If any joint client ends this permission during the provision of the relevant Services, or if a conflict of interest otherwise arises between joint clients, we may suspend or terminate the provision of Services related to that Matter to one or more of the joint clients.

If any joint client asks us to transfer documents we will deliver Your Documents to, or to the order of, the joint client who delivered them to us. We will retain any Documents Held For You and will supply copies to each joint client, making the originals available at one of our offices for inspection by any joint client on reasonable prior written notice.

23. 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 and to the extent that the failure or delay is caused by Force Majeure and the time for performance of the obligation, the performance of which is affected by Force Majeure, shall be extended accordingly

24. LIABILITY

Duty of Care

We will use reasonable skill and care in the provision of the Services. Where we make an assessment for you, either expressly or by implication, of the likely level of risk associated with different potential courses of action, you accept that such assessment is made relying only upon the information and documents then available to us and cannot, therefore, be definitive.

Accordingly, such an assessment should only be used as one element in the making of any practical or commercial decision. You accept that the magnitude or acceptability of a risk is a matter for you.

The aggregate liability of the Firm (or of any service company owned or controlled by or on behalf of any of the Directors) and of all Directors, consultants to and employees and agents of the Firm and any service company owned or controlled by or on behalf of any of the Firm or the Directors in any circumstances whatsoever, whether in contract, tort, under statute or otherwise, and howsoever caused (including but not limited to our negligence or non-performance), for loss or damage arising from or in connection with the Services provided shall, in relation to each Matter, be limited to the sum, unless otherwise agreed, of five million pounds (£5,000,000.00).

Third Parties

The Services are provided to and for the benefit of you as our client and you alone. No other person may use or rely upon the Services nor derive any rights or benefits from them. The provisions of the Contracts (Rights of Third Parties) Act 1999 are to that extent excluded.

The Firm alone will provide the Services and you agree that you will not bring any claim whether in contract, tort, under statute or otherwise against any Director, or any consultant to, or employee or agent of the Firm or any service company owned or controlled by or on behalf of any of the Directors and those Directors, consultants, employees and agents shall be entitled to rely on the terms of this agreement insofar as they limit their liability.

Drafts

Where we provide draft or provisional advice or other materials, that advice or those materials are not to be relied upon as constituting our final view.

Current Law

The Services are provided in accordance with professional practice requirements and the proper interpretation of the law, as each exists on the date on which the relevant Service is provided. If

there is any change in such requirements or the law, or their interpretation, after the relevant Matter has been concluded (or before that time but which could not reasonably be known by us at that time), we have no responsibility to notify you of, or of the consequences of, the change.

Communication

We shall communicate with you at the postal and email addresses and the telephone and fax numbers which you publish unless you ask us to use other addresses and numbers. You will notify us if you regard any communications from us as particularly confidential and the means by which you require us to make such communications and we shall have no liability to you arising out of your failure so to notify us.

Subject to any notification you may make to us under the previous paragraph, we shall not be required to encrypt, password-protect or digitally sign any email, or attachment, sent by us. We shall not be responsible for any loss or damage arising from the unauthorised interception, re-direction, copying or reading of e-mails, including any attachments. We shall not be responsible for the effect on any hardware or software (or any loss or damage arising from any such effect) of any e-mails or attachment which may be transmitted by us (save to the extent caused by our negligence or wilful default).

Deadlines

We will try to meet any deadline we agree with you for the performance of any Services but, unless we agree otherwise in writing in relation to any time, date or period for delivery or performance by us, time shall not be of the essence

25. PROPORTIONATE LIABILITY

If you accept or have accepted any express exclusion and/or limitation of liability from any of your other professional advisers, our total liability to you arising out of the Services will not exceed the net aggregate of the amount for which we would otherwise have been liable after deducting any amount which we would have been entitled to recover from such adviser as a matter of law whether pursuant to statute or otherwise, but are prevented from doing so as a result of any such exclusion and/or limitation of liability.

26. EXCLUSION

We shall not be liable for:

- any loss, damage, cost or expense arising from any breach by you of your agreement with us or any act or omission of any other person; or
- any advice or document subject to the laws of a jurisdiction outside England and Wales; or
- any advice or opinion given to you by any third party (whether or not nominated or recommended by us).

27. LOSS OF PROFIT

We shall not be liable for any indirect loss or damage or any loss of profit, income, production or accruals arising in any circumstances whatsoever, whether in contract, tort, under statute or otherwise, and howsoever caused (including but not limited to our negligence or non-performance).

28. EXCEPTIONS

Nothing in this agreement exempts us from liability arising from our fraud or reckless disregard of our professional obligations; or from our negligence resulting in death or personal injury; or where, in the case of a contentious business agreement, law or regulation prohibits the exclusion of such liability.

29. PROVISIONS RELATING TO LITIGATION AND OTHER WORK IN RELATION TO DISPUTES

This paragraph contains further contractual provisions and important information which we are professionally obliged to give you where the Matter relates to litigation or the resolution of disputes by other means (including a non-contentious Matter which becomes contentious or gives rise to further instructions on a contentious Matter).

Costs Risk

In litigation matters, the Court may decide to order one party to pay the costs of the other. The Court usually orders the unsuccessful party to pay all or a part of the successful party's costs, although there is no certainty about this. The successful party usually recovers a proportion of its costs from the unsuccessful party, although there is no certainty about this. You should be aware that:-

- If you make an interim application to Court which does not succeed, you may have to pay the other side's costs, usually within two (2) weeks.
- If you lose the case, you may have to pay the other side's costs and it is not usually possible for you to withdraw from the case without dealing with the issue of those costs.
- Costs awarded have to be proportionate to the value of the dispute and, in the ordinary course, recovered costs from the other side rarely exceeds sixty to seventy per cent (60-70%) of actual expenditure.
- You will still be liable to pay our costs in full, even if the other party fails to pay the costs awarded to you by the Court.
- Issues which the Court may take into account in assessing the costs payable or recoverable include:
 - efforts made before and during the proceedings to try to resolve the dispute, including the appropriate use of mediation and other alternative dispute resolution procedures;
 - the effects of Part 36 payments and offers of settlement;
 - the complexity and size of the Matter and the difficulty or novelty of the questions raised;
 - the skill, effort, specialised knowledge and responsibility involved;
 - the time spent;
 - the place and Circumstances in which the work was done.
- if the other side is or becomes legally aided, it is highly unlikely that you will recover your costs, even if you are successful
- If you are unsuccessful, or the Court so orders for some other reason, you may be ordered to pay the other side's costs. We will discuss with you whether the likely outcome will justify the expense/risk.

Funding

Legal expenses insurance may be included in your contracts of insurance and you should check your policies to see if you are covered. Your policy may cover your costs and/or your liability to pay the other side's costs. If you believe you are covered, please discuss this with us so that we can assist you in notifying your insurer. If you do not have legal expenses insurance, you may be able to purchase insurance to cover you in the event that you have to pay the other side's costs.

A conditional fee agreement is an agreement whereby we would be entitled to charge you an increased fee if you were successful, and would charge you no fee or a reduced fee if you were not successful. You might be able to take out an insurance policy to cover you in the event that you were ordered to pay the other side's costs. You may be able to recover this insurance and any sums you paid to us from the other side if you were successful depending on the type of case we are instructed on. We are happy to discuss this further with you at your request.

Statements of Truth

Under the Civil Procedure Rules, all statements of case (the term for pleadings which includes documents such as claim forms, defences and witness statements) and certain other documents, must be verified by a statement of truth, to the effect that the party putting forward the document believes the facts stated in it are true. Making a false statement of truth is potentially a contempt of Court.

Whilst a statement of truth can be signed by you or your legal representative, it is our policy that you should sign your own Statement of Truth.

Attendance at Hearings

Please be aware that, under the Civil Procedures Rules, the Court can Order you to attend hearings. We will discuss this with you further as your case progresses.

Alternative Dispute Resolution

As part of the active management of a case under the Civil Procedure Rules, both the Courts and the parties in a dispute are required to consider the use of alternative dispute resolution ("ADR") if it is considered appropriate to help to resolve the dispute. ADR includes methods of dispute resolution such as mediation, adjudication and expert determination.

There have been occasions when the Courts have imposed costs penalties on parties who unreasonably refuse to consider ADR. I will discuss both the methods of ADR and any possible costs implication further with you if and when it becomes appropriate.

30. LEGAL AID

We do not undertake legal aid work and it is important that you are aware of Legal Aid. Legal Aid is useful to a litigant because if he loses, his liability is limited to his means-tested contribution, and it is unlikely the Court will allow the victor to recover any costs against him. Legal Aid is not free. In most cases it is only a loan repaid from the fruits of the action. If the assisted party succeeds and recovers or preserves any asset (except for some exemptions for maintenance and family proceedings), it is subject to the statutory charge. The statutory charge operates to put the recovery or the preserved asset first towards payment of the assisted party's legal costs, and the assisted party only gets the net balance (if any) – often much later because of the time taken in quantifying the final costs. If money is recovered, it has to be paid to the assisted party's solicitor who has to pay it into the Legal Aid Fund who carry out the accounting and pay out the balance. The Legal Aid Agency has no power to reduce or waive the effect of the statutory charge. If a home is involved, it is sometimes possible to delay payment, but the statutory charge then operates like a mortgage and attracts interest until everything is repaid on sale. For more information please discuss this with the person attending to your case (they will be able to confirm if Legal Aid will be relevant to your type of case and if you may qualify) / alternatively go to the LAA website www.gov.uk/legal-aid or telephone them directly on 0300 20 2020

31. CONSUMER PROTECTION REGULATIONS (CPR)

The Consumer Protection from Unfair Trading Regulations (as amended) regulate transactions between traders and consumers and prohibit trading practices that amount to unfair commercial

practices and misleading acts and omissions. Neither You, the client, or Us, your legal representative, must mislead a buyer or tenant either by providing incorrect or ambiguous information, or by omitting to provide material information about the property You are selling.

Certain information will be revealed through searches and other enquiries of public databases, surveys and valuation reports. However, You must disclose to Us any known defects and other material adverse matters relating to the property known to You and failure to do so may mean that, in certain circumstances, the buyer or tenant would have rights of redress against You.

We encourage You to make all known disclosures as early in the transaction as possible to prevent delays.

If We become aware of any such existence of material information, and You decline to authorise disclosure to the buyer or tenant, then We would have to consider whether it was possible to continue to act for You as the CPR's impose a duty to act fairly towards You as Our client and also towards third parties, especially those that are unrepresented.

32. HELP TO BUY ISA SCHEME INFORMATION

The Help to Buy ISA Scheme was launched by HM Treasury on 1st December 2015. If you have taken out a Help to Buy ISA, then you may be eligible for a bonus payment of up to 25% of the closing balance of the Help to Buy ISA subject to a minimum bonus payment of £400 and a maximum of £3000 and provided that you and the property you are purchasing meet the eligibility criteria set out in HM Treasury ISA Scheme Rules. The fee earner with conduct of your matter (who under the Help to Buy ISA Scheme is known as the Eligible Conveyancer) will be able to advise you on eligibility and, if appropriate, will undertake the necessary process to apply for any bonus payment.

If you are purchasing a property through the Help to Buy ISA Scheme, HM Treasury will be the Data Controller of any relevant personal data that is given, via the Eligible Conveyancer, to HM Treasury and to the Administrator and / or any sub-contractor of HM Treasury or of the Administrator, for the purposes of the Help to Buy: ISA Scheme.

The information will be disclosed to HM Treasury and the Administrator for the purposes of verifying the eligibility of a Help to Buy: ISA Bonus payment and payment of Bonus funds, carrying out audits of Eligible Conveyancers and any investigations or compliance work in accordance with the Scheme Rules.

By signing and dating a copy of these Terms of Business (or) the accompanying client care letter (or) the buyer questionnaire, you agree to us providing all necessary Relevant Personal Data to HM Treasury and to the Administrator and / or to any sub-contractor of HM Treasury or of the Administrator and to the processing of your Relevant Personal Data by any or all of the aforementioned parties.

33. GREEN DEAL SCHEME

The Green Deal Scheme is a government driven initiative to allow for a loan to be provided on a property for the improvement of its energy efficiency. The loan is repayable on a monthly basis, in conjunction with the power bills on the property. The loan will run with the property unless it is repaid on the sale or transfer of the property.

The seller(s) of the property are required, by law, to disclose the existence of any Green Deal loan on the property they are selling, or they may become liable for repaying the outstanding debt, even

after they have sold the property. The Estate Agent/Seller must disclose the existence of a Green Deal loan agreement prior to a sale being agreed. If the property is being sold at auction, the existence of a Green Deal loan agreement should be disclosed before the winning bid is made.

The purchaser on a normal sale should be given an EPC showing the Green Deal improvement or an EPC and a disclosure document showing details of the work carried out under the Green Deal Scheme. This disclosure document will be provided by the energy provider on completion of the work as well as details of the repayment amount, the unexpired term of the loan and details of the loan provider.

Disclosure of the Green Deal loan must be made at least 7 days before the transaction or arrangement is entered into or if this is not practicable then the disclosure requirement must be satisfied as soon as practicable before the transaction is entered into. The seller must secure that the contract for sale includes an acknowledgment by the purchaser that they have received notice that the property is a Green Deal property and that the bill payer at the property is liable to make payments under the green deal plan and further that certain terms of that plan are binding on the bill payer.

Whilst there are no charges, restrictions, notices or cautions registered when a property is a Green Deal property, the mortgage lender must be notified of the existence of the Green Deal loan because the borrower / new property owner is taking on another loan which runs with the property.

If this applies to you we will ask you to sign and return the [Declaration and Agreement Section] of the Client Care Letter we send to you confirming your authority for us to make any such disclosure to your mortgage lender.

Please note that we offer no guarantees/warranties in relation to the extent and nature of any works undertaken under the Green Deal Scheme. It is your responsibility to ensure that you have satisfied yourself as to the extent, nature and repayment provision of any such works undertaken in accordance with the Green Deal Scheme.

We would recommend that all Green Deal loans be repaid by the seller on completion of the property transaction, as the value of the property will undoubtedly have already taken into account the work undertaken under the Green Deal loan.