

REES-ROBERTS LIMITED trading as REES-ROBERTS SOLICITORS

GENERAL TERMS OF BUSINESS

1. INTRODUCTION

- 1.1. These General Terms of Business together with the engagement letter ("the Engagement Letter") we send you form the basis on which Rees-Roberts Limited will act for you. We aim to provide you with a high quality professional service in a cost effective manner. All of the work we do for you is carried out under these terms unless variations are agreed with you in writing. We are also subject to the professional rules of conduct of the Solicitors Regulation Authority ("the SRA") which is the independent regulatory body of the Law Society of England Wales ("Law Society") and our registration number is 4619512. Please note that your agreement is solely with Rees-Roberts Limited operating as a limited liability company. For the avoidance of doubt where there is any conflict between these General Terms of Business and any Engagement Letter the Engagement Letter will prevail over those General Terms of Business.
- 1.2. Please check these terms carefully, sign where indicated at the end of the document, and return the signed copy to us.
- 1.3. Rees-Roberts Solicitors is the trading name of Rees-Roberts Limited. Rees-Roberts Solicitors is registered in England and Wales under number 05945344. The registered office and address for service is Suite 401-405, 4th Floor, India Buildings, Water Street, Liverpool, L2 0QT.
- 1.4. Any work on a matter which has commenced before the signing of an Engagement Letter in respect of that matter will be governed by these terms, and by the relevant Engagement Letter once signed.

2. AGREEING A PLAN OF ACTION WITH YOU

- 2.1. We will seek your agreement to our role to help you achieve your objectives in a timely, efficient and courteous manner. Work carried out by other professionals to assist you in achieving your objectives in respect of which we have not been specifically instructed to act, will not be our responsibility. We shall be entitled to act on the instructions of any of your apparently authorised employees or agents, and to rely upon any information supplied to us by such employees and agents.
- 2.2. While every effort will be made to ensure continuity, occasionally changes in personnel cannot be avoided. Where such changes are required, we will notify you promptly of this.

3. OUR FEES

3.1. Fee estimate and quotations

- 3.1.1. If we provide a fee estimate or quotation for a piece of work its effect is as follows: -
- 3.1.2. An estimate is our indication, made in good faith, of our likely fee for carrying out the work concerned, based on our information at the time the estimate is given. An estimate is subject to revision, and does not amount to a contractual commitment on our part to carry out the work for that fee. We will tell you promptly if it becomes apparent that our fees are likely to exceed an estimate that we have given, and we will discuss and agree with you the best way forward. If it is not possible to estimate our likely fee due to the complexity of the work, we will give you a ceiling figure of the likely maximum fee for carrying out the work.
- 3.1.3. A quotation is a proposal by us to carry out specified work for a stated fee. Any such quotation will be in writing, setting out the work included and excluded, and is given on the basis of the information available, and the circumstances known to us being and remaining materially correct and not changing. If you accept that proposal, it then becomes a contractual commitment on both our parts. If we carry out work in excess of that specified, our fees for that additional work will be charged at our then applicable standard hourly rates. We also reserve the right to charge additional fees on the same basis for material additional work arising from circumstances known to you when you accepted our quotation, but did not disclose to us, or which are materially different from those envisaged when we gave our quotations.

3.1.4. All our fees are quoted exclusive of Value Added Tax and other payments we may make on your behalf.

3.2. **Charging Rates**

3.2.1. Unless we have agreed a quotation or made another specific arrangement with you, we invoice on the basis of the time our professional staff have been engaged on your matter.

3.2.2. These rates do not include any enhanced rate or value for work that is particularly complicated, has to be carried out very quickly, or in an inconvenient location. Such an increase will only be added with your prior agreement, or where we have stipulated an increase for such factors before embarking on the work.

3.3. **Detailed information**

At any time and at your request we will provide you with a full breakdown of the fees and expenses incurred to date, including chargeable hours, rates, payments made on your behalf and a brief summary of the work carried out.

3.4. **Litigation fees**

There are special rules about litigation costs and fees which are set out separately in Section 15 below.

3.5. **Payments on your behalf**

We may make specific payments on your behalf. These will be charged separately and may be payable in advance. These might include items such as: -

- Search fees and Land Registry fees
- Surveyor's Fees
- Investigation fees
- Barrister's fees
- Court fees
- Fees of other professional consultants
- Travel and accommodation while working away from the office
- Stamp Duty Land Tax
- Stamp Duty - please note that we are not allowed to incur stamp duty on your behalf and recover it from you at a later date and therefore we will always ask for stamp duty in advance of it being due
- Fax charges, photocopying charges and courier fees where appropriate
- We will not instruct other professionals or experts on your behalf without informing you first and wherever possible we will attempt to agree their fees on your behalf in advance.

3.6. We can request from you a payment on account of our fees and/or payments on your behalf (either specific or general). We will be under no obligation to commence or continue working on any matter until you have put us in funds on account of our fees and/or payments on your behalf as requested. In these circumstances we will not be liable for any loss which might arise as a consequence of no such action being taken. We will be under no obligation to make any payment for payments on your behalf until you have put us in funds as requested.

4. BILLING

4.1. Timing of invoices

The timing of our invoice will depend on the nature of the work, but our general rule is that clients will be invoiced on an interim (e.g. monthly or quarterly) basis.

4.2. Invoices on transactions

If the work we do is “transactional” we will normally invoice on or before completion on the strict understanding that our fees will be paid on completion. In the case of sales this will be done by deduction from the proceeds of sale. If the matter is protracted or substantial, we will render interim invoices. We may also render an interim invoice after a substantial amount of work has been carried out over a short period of time.

4.3. Responding to your queries

We will always be happy to discuss and explain fully any fees or item of expenditure on an invoice.

5. PAYMENT TERMS

- 5.1. We are committed to providing a timely service, and in turn we expect all invoices to be paid within 14 days after the invoice date (except invoices paid on completion of a transaction as explained in clause 4.2 above). If you wish to query any invoice you should speak to the person responsible for the work within 7 days after the invoice date, so that any necessary action can be taken before the end of the credit period. We reserve the right to charge interest on any unpaid invoice from the end of our credit period, at the rate for the time being payable on judgment debts (currently 8%).
- 5.2. If you are unhappy with the amount of our fees as stated in our bill you have the right to object to the bill by way Rees Robert’s complaints procedure (please see paragraph 11 below for further details) and you should ask us to review the bill under that procedure within 1 month of your having received the same. If you remain unhappy with the bill you may apply to the court for an assessment of the bill under part III of the Solicitors Act 1974.
- 5.3. We may apply amounts credited to your client account towards any outstanding fees or payments on your behalf.
- 5.4. If at any time you believe that you will have difficulty in meeting the costs of any matter you should immediately inform us, so that together we may consider and decide your best course of action. We will be entitled to cease to represent you if you fail to pay any bill, unless we agree otherwise, or you fail to put us in funds in respect of reasonable sums on account of fees and/or payments on your behalf that we have requested.
- 5.5. Any money that we receive from you on account of future fees and payments on your behalf will be placed in your client account until fees or payments on your behalf are due to be paid.
- 5.6. Whenever we hold funds that are due to you, we can deduct any amounts due to us from those funds, and make an appropriate transfer from our client account to our own account.
- 5.7. We will not accept payment for any purpose by cash where the amount is more than £300, or by cheque drawn on an account that is not your own.
- 5.8. We may make Payments to third parties on your behalf. These will be charged separately and will be payable in advance.
- 5.9. You must investigate and tell us immediately about any legal expenses insurance policy you may have, as this may affect the funding of the work we do for you.

6. CONFIDENTIALITY AND DATA PROTECTION

- 6.1. We place great emphasis on maintaining strict confidentiality. We are obliged not to disclose any

confidential information to third parties without your authority. This applies to most client information, as well as the reports, letters, documents, information and advice we give you. In addition our agreements about fees are given in confidence. They are provided on the condition that you do not disclose these or any other confidential information made available to you by us during the course of our work without our prior knowledge. We may be required by the SRA to disclose certain information to comply with professional rules or the general law.

- 6.2. Where reports, letters, documents, information or advice given by us to you is provided by us or you to a third party, we reserve the right to stipulate terms regarding use. We may require the third party to enter into a direct relationship with us. Where reports, letters, documents, information or advice given by us is disclosed to a third party, we recognise no obligation to that third party.
- 6.3. Before we undertake any work on your behalf we will ask for information about you, including your name, address and date of birth together with identification, for example, your passport or photographic driving licence and proof of residence. We will keep a copy of this ("your Data"). We may use your Data to undertake a search with a credit reference agency. We will keep a copy of any searches made and the results which will be used for internal decision making purposes. The credit reference agency may also keep a copy of the search, and they may share that information with other businesses who undertake similar searches in respect of you.
- 6.4. We may use your Data and other information we obtain as a result of the work we do for you to provide you with legal services and to administer your account with us, including tracing and collecting any debts. We may also use it for fraud prevention (for example by verifying your identity to comply with our money laundering obligations), to ensure client satisfaction, to improve services, and for the safety and security of our offices and staff.
- 6.5. We may from time to time, contact you by letter, phone, email or otherwise about our services and events (such as newsletters, seminars and hospitality) which we believe will be of interest to you. If you do not want us to send you details of these, please let us know and we will remove you from our circulation list. You can change your mind at any time.
- 6.6. Under the Data Protection Act 1998 an individual has the right upon payment of a fee to obtain copies of personal data about them held by us. If you have any queries in relation to the above please do not hesitate to contact Philip Rees-Roberts of Rees-Roberts Limited.

7. DOCUMENTS

- 7.1. If we are given or asked to take custody of any documents or deeds belonging to you, those documents or deeds will be retained in our storage system to your order, until their return is requested by you or separate arrangements have been made with your consent. We reserve the right to withhold release of any documents or deeds until payment of any outstanding charges is made by you. We will make every reasonable effort to keep documents left with us safe and undamaged. In the event of loss or damage we will help to restore or replicate any document, but we do not guarantee absolute safe custody. If this is required any deeds or documents should be deposited with a bank.
- 7.2. We do not normally make a charge for retrieving stored papers or deeds in response to continuing or new instructions to act for you. However, we reserve the right to make a charge based on the time we spend on reading papers, correspondence or other work necessary to comply with the instructions given by you or on your behalf.

8. FILE RETENTION

Our policy is to archive files and documents for a period of at least 7 years after they are regarded as closed by us. We accept no responsibility or liability for any loss or damage caused by our failure to retain such files and documents for any period after such closure, and are authorised by you to destroy the files and documents after such time. If you wish to retain your papers then please ask for them. Many papers on our files constitute our working papers and as such belong to us. They are not papers to which you are entitled.

9. INTELLECTUAL PROPERTY

We retain all copyright and other intellectual property rights in everything developed or prepared by us either before or during the course of a matter relating to you, including all reports, letters, documents, precedents, written advice or other materials we provide to you.

10. PUBLICITY

Subject to Section 6 above, we may wish with your consent, to seek publicity concerning our involvement in any transaction or case. You will have the opportunity to review any proposed publicity material prior to its release.

11. COMPLAINTS

It is our aim to provide you with the highest quality professional service. We always wish to know how our services can be improved. If you have any concerns about our services, including invoices raised, we would be grateful if you could raise them with us as soon as possible. Please speak with the member of staff who has dealt with your case. If you do not receive a satisfactory response, you should take the matter up with Philip Rees-Roberts or Jane Gunnion who will be glad to listen to you and endeavour to assist you. We take every complaint seriously and we will be happy to send you a copy of our complaints procedure. If, following the conclusion of the firm's complaints process you remain unhappy, if you are an individual, very small business, charity, club or trust, you have the right to take your complaint to the Legal Ombudsman. Any such complaint should be addressed to Legal Ombudsman, PO Box 6806, Wolverhampton WV1 9JW, telephone number: 0300 5550 333 email: enquiries@legalombudsman.org.uk. Please note that generally complaints should be made to the firm within a year of when you realise there was a concern and a complaint to the Ombudsman should be made within 6 months of your last contact with this firm.

12. TERMINATION OF OUR INSTRUCTIONS

12.1. We expect to continue to act for you until we finish the work concerned. Either you or we may bring instructions to an end at any time by telling the other. We will not do this without good reason. Examples include a conflict of interests arising, your request that we break the law or rules of professional conduct, our determining that the relationship of trust and confidence necessary between solicitor and client does not exist, your failure to give us adequate instructions, and your failure to pay any amount due to us in accordance with our payment terms. If either of us terminates instructions, you must pay us all fees and payments incurred on your behalf before termination, plus any further fees and payments that will be incurred on your behalf for work necessary to transfer your papers to another adviser.

12.2. If we decline to act for you further in litigation matters, we will apply to have our name removed from the Court record as solicitors acting for you.

13. LIMITATION OF LIABILITY

13.1. Unless we agree in writing with you otherwise, you agree that:-

13.1.1. our maximum aggregate liability to you in the event of professional negligence on any matter in relation to which we are instructed by you, shall be £3,000,000 (three million pounds); and

13.1.2. if you accept any express exclusion or limitation of liability from other professional advisers, our total liability to you will not exceed the aggregate amount for which we would otherwise have been liable after deducting any amount which we would have been entitled to recover pursuant to the Civil Liability (Contribution) Act 1978 but are prevented from doing so as a result of any such exclusion/limitation of liability. Our liability shall be further limited to that proportion of your losses that it would be equitable to require us to pay having regard to the extent of our liability for the same.

Should you want to vary these limitations we shall be pleased to discuss that with you but we reserve the right to vary our fees accordingly.

13.1.3. Without prejudice to any right you may have to bring an action against Rees-Roberts Limited, you agree not to bring any claim in respect of any matter against any individual partner(s), agent(s) or employees(s) of the firm personally.

- 13.2. Your agreement is solely with Rees-Roberts Limited operating as a limited liability company and no member of it assumes personal liability for the conduct of the work you instruct us to carry out. To the extent permitted by law, no member of Rees-Roberts Limited shall have any personal liability for any matter arising out of our instruction whether arising in contract, tort, negligence, breach of statutory duty or otherwise and you waive any such claim as may arise.
- 13.3. We do not accept liability to any person or organisation to whom our advice is not addressed who is not our client, except where its nature gives rise to a duty of care in favour of a third party.
- 13.4. Whilst we endeavour to ensure that our email and attachments are checked by virus detection software, no liability is accepted for any loss or damage caused by viruses emanating from or relayed by this firm.
- 13.5. We do not advise (unless specifically instructed by you) on any tax issues (including VAT), and assume no responsibility for such matters.
- 13.6. We assume no responsibility for any critical date in any document held by us unless we have specific instructions from you to monitor and action such critical date, and you have agreed to pay a charge for such monitoring.
- 13.7. Where we engage other professionals on your behalf (such as building surveyors, valuers, other lawyers, accountants, etc.), whether in the UK or abroad, we do so as your agent. When we engage other professionals we will do so with care but we cannot be held responsible for any act or omission of those professionals, unless otherwise agreed in writing. You will always be responsible for the fees and expenses incurred by them on our instructions.

14. CLIENT MONEY

- 14.1. Any of our money which we hold for you for whatever reason, will be held in a bank account, separate from our own money. We will account to you for interest on this money, in accordance with the current Solicitors' Accounts (Deposit Interest) Rules but we do not account to clients if the interest earned is less than £20. Generally such interest is paid to UK resident clients without a deduction for tax. This should be declared by recipients to the appropriate tax authorities. Rees-Roberts Solicitors will not be liable for a recipient's failure to make such a declaration.
- 14.2. We reserve the right to make a payment in lieu of interest on money that we hold on your behalf in our client account in accordance with the Rules.

15. CONTENTIOUS MATTERS

15.1. Costs Awards in Litigation

- 15.1.1. The Court has ultimate discretion in deciding which party to litigation bears the costs of it. Generally however the unsuccessful party will bear their own legal costs and expenses and the legal costs and expenses of the successful party, unless the case has been dealt with in the small claims Court or at an employment tribunal.
- 15.1.2. If an award for costs is made in your favour against the other party, you will still have primary responsibility for the payment of the legal costs and expenses that you have incurred with us.
- 15.1.3. If an award for costs is made in your favour against the other party, you will have the right to recover your own legal costs and expenses or a contribution towards them, from the other party. The amount you may recover is usually less than the actual legal costs and expenses you have incurred.
- 15.1.4. If an award for costs is made in your favour against the other party, whether you are able to recover a contribution from the other party will depend on the other party's ability to pay. If the other party is legally aided, you may not recover any of your own legal costs and expenses at all. You will still have to pay the legal costs and expenses that you have incurred with us therefore, even if you win your case.
- 15.1.5. If you lose your case the Court may make an award for costs in the other party's favour, against you. You will then have to pay the legal costs and expenses that you have incurred with us, as well as the legal costs and expenses of the other party. It may be

possible to obtain insurance to offset this risk prior to commencing litigation, and we will advise you on this if required.

- 15.1.6. The Court requires that the parties to litigation behave reasonably in order that the Court can deal with cases justly. The Court may penalise behaviour that results in delay, unfairness to the other party, or a disproportionate use of the Court's resources, by making an award for the other party's legal costs and expenses or an award for a contribution towards them, against you even if you win your case. We therefore require your frank disclosure of all facts relating to your case, and your full cooperation in providing instructions and complying with any timetable that is imposed.

15.2. Obligations on Litigants

The law requires both parties in a case to preserve as evidence documents including computer documents and communications via email and mobile telephone, which relate in any way whatsoever to the case. Your case may be seriously prejudiced if you fail to do so. We therefore require your frank disclosure as to the existence of such documents and your cooperation in collating and preserving them, at the outset when you instruct us.

16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Except to the extent that Rees-Roberts Limited employees can benefit from the provisions thereof, the Contracts (Rights of Third Parties) Act 1999 does not apply to these terms or any subsequent amendment to these terms unless expressly confirmed in writing by us that the said Act does apply.

17. SOLICITORS FINANCIAL SERVICES (CONDUCT OF BUSINESS RULES)

17.1. Insurance mediation

We are not authorised by the Financial Services Authority. However, we are included on the register maintained by the Financial Services 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 the Solicitors Regulation Authority. The register can be accessed via the Financial Services Authority website at www.fsa.gov.uk/register

- 17.2. 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 deals with complaints about solicitors and you can raise a complaint with either of these bodies.

18. MONEY LAUNDERING

Rees-Roberts Limited must comply with money laundering regulations which require us to provide objective confirmation of our client's identity. We cannot commence any work on your behalf until you have supplied such identification. We are also required by law to identify any source of finance used by you for funding any transactions. Consequently we will have to ask you questions about these matters and satisfy ourselves of the answers before we are able to act for you on any matter. If we receive information from you which alerts us to a possible offence under any of the relevant acts in force at the time we are required by law to report this information to the appropriate authority and if we are obliged to do so we shall not be deemed to be in breach of any duty of confidentiality to you and by instructing us you expressly authorise us to notify an relevant authority of the transaction or matter in which we are involved if we have reason to suspect that money laundering is taking place. If we make a report to any relevant authority we are not permitted by law to advise you that we have made a report.

19. COMMUNICATIONS AND EMAIL

- 19.1. The procedure for taking and confirming instructions will vary according to the urgency of the matter, the nature of the work, and your preferences as to communications and working methods.
- 19.2. We may communicate with you and third parties by post, telephone, fax and, unless you advise us in writing that you do not wish us to do so, by email. Email will be treated as written correspondence and we are entitled to assume that the purported sender of an email is the actual sender, and that any express or implied approval or authority referred to in an email has been

validly given. You consent to us monitoring and reading any email correspondence travelling between you and any email recipient at the firm.

- 19.3. Communications over the Internet are not secure. You must guide us as to what should not be sent over the Internet to you or on your behalf.
- 19.4. Emails do not always reach the intended recipient. We cannot guarantee that every email, sent and received, will reach the end user.
- 19.5. Whilst we take reasonable precautions against viruses by use of a firewall and virus checking software, we do not guarantee that our email correspondence will be free from viruses. If we communicate by email, it is on the basis that you will also take reasonable precautions to prevent such viruses or other harmful devices.
- 19.6. We monitor email traffic to detect unauthorised or illegal use of our email system. As a result, we may collect personal data about those sending and/or receiving emails or those referred to in emails. Any personal data collected in this way will be held and processed in accordance with the provisions of the Data Protection Act 1988.

20. OUR CONTRACT WITH YOU

These terms will remain effective until replaced by any updated General Terms of Business which we may issue to you, or other written agreement between us. Please confirm in writing your agreement to these terms by signing one copy in the space below and returning it to us. If you do not return these terms but still decide to instruct us you do so on the basis of these General Terms and Conditions. Please do not hesitate to contact the member of our professional staff you are dealing with if you wish to discuss these terms before replying.

21. GOVERNING LAW

These terms and any work which we undertake for you shall be governed by, and interpreted in accordance with English law.