

General Terms of Engagement

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1. General

These terms of engagement apply to the delivery of services by Brachers LLP to you. Our services are delivered in accordance with:

- our letter/document to you describing our engagement; or
- any letter from us confirming your instructions.

These documents together form the terms of agreement between us. If we agree any changes to our terms of engagement, we will only do so in writing.

We will not accept instructions from you until either:

- written acceptance of our engagement is received from you; and /or
- any of the advice and assistance sought has been provided to you whichever happens first.

In the event of any conflict between this document and the relevant letter of engagement, the latter will prevail.

2. Instructions to us

In working with you, we do need your input and instructions whether orally or in writing. We may rely on instruction to provide a service from any person in your organisation that we reasonably believe is authorised to instruct us. On receipt of instruction you will be sent an engagement letter confirming our understanding. You must advise us as soon as possible if there is any change to those instructions.

If we are acting for more than one person then you agree that we can assume that the person that gives us instruction has the authority of you all. We will also assume that any information or advice is shared with all.

3. Allocation of work

We will aim to allocate work to a person with appropriate skill, experience and expertise to ensure you receive a cost effective service. This may mean that different people are involved in the day to day handling of your instruction. Our engagement letter will identify the Partner responsible for supervising each instruction.

4. Communication

You agree to allow us to communicate by e mail. If you do not wish to communicate by e mail or have a preferred way to communicate, we ask that you let us know. You acknowledge that information sent by e mail or otherwise over the internet may not be secure.

The safe delivery of an e mail cannot be guaranteed. We will seek to contact you by other means if we are advised an e mail has failed to reach you. If we do not receive a delivery failure notification we will assume e mails have reached you.

Unless you specifically advise us, we do not encrypt or password protect any email or attachment.

5. Progress reports and response time

All reasonable efforts will be made to keep you informed of progress or of any unexpected delays or changes in the nature of the services offered. Where appropriate, we will always advise you if we consider the probable outcome of the matter does not justify the likely costs, disbursements and risk involved. We will also advise if the law changes during our instruction. If you are in any doubt as to the current position, please request a progress report. We aim to respond to all telephone calls the same working day or the following morning if a call is received at the end of the day. We aim to acknowledge and deal with written communication within five working days or sooner.

6. Relationships with third parties

Our services will be provided for your benefit and information only and relate solely to the matter upon which we have been instructed. Any advice may not be disclosed to a third party without our written consent. An exception is if it is shared with professional advisers on the condition it is for the purpose of seeking their advice in relation to your affairs. We are not liable or responsible to your professional advisers regarding our provision of service to you.

On occasion it is necessary to instruct advisors outside of the firm for advice. Your agreement will be sought to this, as necessary. We will take care in the appointment of these advisors but will not be liable or responsible for the content of their reports, advice or performance. We will inform you about responsibility for payment of their fees and expenses.

Any statements we make concerning the outcome of a matter are expressions of professional opinion and not guarantees. These opinions are necessarily limited by our knowledge of the facts provided to us. They are also based on the state of law at the time they were expressed.

Our service and advice relates solely to law in the jurisdiction of England and Wales. Unless agreed otherwise, we are not responsible for the accuracy or appropriateness of any service from lawyers or professionals engaged outside England and Wales on your matters.

7. Third party rights

Any person who is not party to the agreement has no right to enforce any term of it.

8. Joint parties

If we are instructed by several parties on the same matter, then we will act for you all jointly. Each of you will be responsible for payment of our total fees and not just your share.

This does not change even if we only issue an invoice to one of the parties and we may, at our discretion, reissue invoices and address them to one or more of you. If we cease to act for one party the remainder will remain bound by our agreement.

We are unable to keep information received from one of you confidential from the others.

When we act for more than one party there is always a possibility of a potential conflict of interest but we will act on the basis that there is a common interest which outweighs any potential conflict. If an actual conflict of interest arises between you then we will have to stop acting for all of you at least on the issue over which the conflict has arisen.

9. Conflicts of interest

We have procedures in place to ensure that conflict checks are carried out at the outset of every matter as we are unable to act for clients if a conflict exists. Should a conflict occur during the course of the matter, it will be discussed with you and dealt with as soon as possible.

If you cease to retain our services at any time in the future we may act, or continue to act, for another client in circumstances where we hold information which is confidential to you and material to the engagement with that other client. In that event we will not disclose your confidential information to that other client.

10. Confidentiality

We will hold any information that we acquire about your business and affairs in strictest confidence. We may disclose such information to:

- our auditors, external assessors or other advisers unless you inform us in writing that you do not consent to such disclosure;
- our insurers
 - (i) for the purposes of our professional indemnity insurance renewal; and/or
 - (ii) in order to assist us to comply with the terms of our professional indemnity insurance cover; these organisations are required to keep our files confidential;
- if we are advising on a mortgage transaction we have a duty to reveal to your lender all relevant facts about the purchase and mortgage to include:
 - (i) any differences between your mortgage application and information we receive during a transaction; and
 - (ii) any cash back payments or discount schemes that a seller is giving you.

We will not otherwise disclose privileged and/or confidential information unless required by law or you have given us your actual or implied consent to disclosure.

If you or we engage other professional advisers to assist with a matter, we will assume that we may disclose any such information to those advisers, as relevant, unless you notify us in writing to the contrary.

11. Verifying your identity

The Money Laundering Regulations require solicitors to obtain satisfactory evidence of the identity of their clients and, where there is a beneficial owner who is not the client, the beneficial owner. This is because solicitors who deal with money and property on behalf of their client can be targeted by criminals attempting to launder money.

To comply with the law, we need to obtain evidence of your identity as soon as possible.

Our practice is to obtain satisfactory evidence of the identity of our clients and beneficial owners. If you cannot provide us with the specific identification requested, please contact us as soon as possible to discuss other ways to verify your identity. We will also use electronic verification. In such cases an electronic footprint may appear on your credit file. This can be seen by other agencies but will have no impact on your credit rating.

Our practice's policy is to only accept cash up to £500.00. 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 to pay money to you, it will be paid by cheque or bank transfer. It will not be paid in cash or to a third party.

Although we have a duty of confidentiality to you we are required by law to make a disclosure to the National Crime Agency where we know or suspect a transaction to involve money laundering or the funding of terrorist activity. If we make a disclosure we may not be able to tell you. We may also have to stop working on your matter for a period of time and not be able to tell you why. We will not be liable in any way for making a disclosure, not informing you, or for suspending our work if we reasonably believe we are acting in accordance with our legal requirements.

12. Anti-corruption and bribery

The firm is committed to maintaining the highest possible standards of business practice and ethics and we have a clear policy on anti-corruption and bribery. Our policy applies to dealings with all our clients and third parties.

13. Data protection/Freedom of information

By acceptance of our terms you agree we may keep information in electronic and paper form about you and the work done for you in accordance with the Data Protection Act. We may also process and use that data for, amongst other things, the legitimate needs of our business and to comply with legal and regulatory issues or for marketing purposes.

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. We may on occasions be asked by other regulated bodies, for example our banks, under the AML Regulations about identity checks in relation to our clients.

We may from time to time also contact you by mail, telephone or email to provide information that may be of interest to you, including details of the services we offer, newsletters, legal updates and invitations to events. Please let us know if you do not wish to receive such information.

You may request details of the personal information we hold about you at any time. Please send such requests to our Data Protection Officer. We may charge a fee for provision of our

records. If you believe personal information we hold on you is incorrect please notify us and we will correct it as soon as possible.

We may record telephone calls for training and monitoring purposes.

In the event of a request for information under the Freedom of Information Act 2000 about us, we will expect you to notify us promptly in writing (and before making disclosure) and have due regard to any representations which we make about disclosure.

14. The storage and destruction of documents

We will retain your file and papers for a minimum of six years. We use an external storage provider for this and at the end of that period, your papers will be destroyed. If you need any papers to be retained for any specific period, please inform us in writing of your requirement. We also provide a safe custody service in respect of important documents which may be subject to a charge.

On completion of a matter and payment of our fees, we will return to you on request any documents you have lent to us for the purpose of the matter. Documents returned to one joint client will be assumed to be returned to them all.

15. Exclusion of liability for members and employees

This agreement is between you and us.

Our members and employees will not have any personal responsibility to you or any third party for carrying out work under this agreement, including in respect of failing to properly perform our obligations under the agreement. This includes for negligence, breach of contract or for any other reason.

16. Limitation of liability for members and employees

We do not exclude liability to you for:

- death or personal injury arising from our negligence;
- any fraudulent misrepresentation; or
- work carried out under a contentious business agreement as defined by Section 59(1) of the Solicitors Act 1974.

The following paragraphs in this clause 16 apply to any other liability we may have to you: We are not liable to you for loss of profit or business or goodwill that you suffer, nor any damage to your reputation. We are also not liable for any consequential or indirect losses that you suffer.

Our total liability under or connected with the agreement will not exceed £5 million. This limit applies whether our liability arises out of any breach of the agreement, our negligence breach of fiduciary duty or for any other reason.

Claims which are treated as a single claim for the purposes of our professional indemnity insurance will be combined in applying the £5 million limit. We will then apportion this amount between the combined claims in a just and fair manner.

If your instructions require us to accept a duty or obligation to any third party, or there is any suggestion that we owe such a duty or have such an obligation, you will compensate us and our members and employees for any loss or damage that we may suffer from any claims by third parties.

You will also compensate us for any loss or damage that we may suffer as a result of any claim brought by you or any third party connected to you, to the extent that liability for such claims would be excluded by or would exceed any limitation of liability in our agreement.

Copies of the firm's professional indemnity insurance policy are available on request. Coverage of the indemnity insurance is world-wide. Our insurance brokers are Marsh Limited (Tower Place, Lower Thames Street, London EC3R 5BU, 020 7357 1000).

17. Costs information and fee arrangements

Fees: Our fees are normally based on the following factors:

- the time spent by our staff providing our service to you;
- the complexity of the matter;
- the specialist knowledge involved;
- the value of the transaction; and
- the speed within which the services are performed.

We will provide advisers with the appropriate experience to carry out your work. We reserve the right to make a charge for the use of our precedents and know-how. We may agree with you a fixed fee or alternative billing arrangements. Our time is recorded and charged in six minute units. Our hourly rates vary according to the factors stated above. VAT will be added where applicable. Our rates are reviewed annually usually on 1 May but we reserve the right to alter rates at other times. We will notify you of any changes to the rates whilst we are undertaking your matter.

Our rates are detailed in the scoping letter which sets out the basis of the scope of work and charging.

All fees are subject to VAT, which will be payable in addition. We may also charge a fixed cost for charges for example full company search £25, telegraphic transfer £30. We will add VAT at the current rate to all fees and (where applicable) disbursements charged to you.

Disbursements: We will also expect you to pay for expenses properly incurred by us on your behalf for example travel and subsistence costs, counsel's fees, courier fees, search fees, stamp duty, court fees plus VAT where applicable.

Fee arrangements: We will inform you at the outset of any matter whether an introducer has any financial or other interest in referring you to us and whether there are any other relevant fee sharing arrangements.

18. Billing arrangements and payment

We may issue interim bills at any time for work undertaken in accordance with our engagement letter. Interim bills will represent a proportion of fees and at the end of the matter you will receive an invoice for the remainder of the total fees, as agreed in the engagement letter.

We will issue interim invoices for disbursements immediately they are incurred. In most cases we will ask you to make an advance payment to cover disbursements that we may have to make as part of our engagement.

Advance payments can be requested at any time during your matter that we will keep on account for our future fees and/or disbursements. This money will be held in our client account. If for any reason we do not carry out the work or incur a disbursement the balance will be returned to you. Any sum requested in advance should not be regarded as an estimate of our fees.

Where we accept instructions from a corporate entity, we reserve the right to request personal guarantees.

Invoices are payable on delivery unless agreed with you in our engagement letter. If they are not paid within 30 days of the due date then all invoices issued to you will become immediately due and payable and we may commence proceedings against you in respect of unpaid invoices. If someone else agrees or is required to pay your legal costs that does not change your primary responsibility for our fees and disbursements if they fail to pay or delay payment.

If any of our invoices remain unpaid or we reasonably believe you will not pay them then we may suspend any work on your behalf or on behalf of anyone connected with you until our invoices are settled in full. The same applies to advance payments that have been properly requested.

All payments must be made in sterling. Payment of our invoices can be made by using the bank account information on the invoice or alternatively by credit or debit card.

We will charge interest on overdue amounts at the interest rate specified in the Late Payment of Commercial Debts (Interest) Act 1998. We may add interest to your debt from the date your payment is due. Where the Late Payment of Commercial Debts (Interest) Act 1998 is not applicable we will charge interest at 1.5% over LIBOR from the due payment date.

19. Clients' money and deposit

Money we hold for you will be held separately from ours in our client account. It is protected under the Solicitors Accounts Rules (SAR) and the Solicitors Compensation Fund. It earns interest at the rates prescribed by the SAR. Subject to the SAR, we are not responsible for any loss arising from the insolvency of any bank where client funds are held.

Interest Policy

In the course of acting on behalf of clients it may be necessary for us to hold your money or money that will become due to you. Any such money will be paid into a general client account which holds the pooled monies for different clients and matters.

In accordance with the Solicitors Regulatory Authority Accounts Rules 2011 it is the firm's policy to account to its clients for interest on monies held that is fair and reasonable to both parties.

The rate of interest that the firm pays is dependent upon the rate offered by our principal bankers (Barclays) and other financial institutions with whom we might invest. The rate paid represents the rate that most business clients would be able to achieve if they were to place the same sum in an instant access account with that bank. We will take into account interest earned across the client bank accounts held by the firm and calculate on the first working day of each month a blended rate to ensure the rate being applied to client monies held by the firm is fair and reasonable. The rate being applied can be confirmed upon request.

We reserve the right to retain a de minimis amount of interest up to £20 to cover the costs of calculation and payment and will therefore not pay out sums below this amount. Interest will be paid before deduction of tax in respect of monies held in the general client account and it is the client's responsibility to account to HM Revenue and Customs for any income tax that may be due.

20. Your security is our priority

We are continually aware of the significant and increasing risks posed by cybercrime and fraud, and specifically the targeting of email accounts and bank account details. We will never notify you of a change in our bank account details via email. If you are unsure or concerned, please telephone and speak to the person dealing with your matter, before transferring any funds.

21. Regulation

We are authorised and regulated by the Solicitors Regulation Authority (SRA) and subject to the SRA Code of Conduct 2011 which can be accessed at www.sra.org.uk. We maintain professional indemnity insurance in accordance with the rules of the SRA.

We are authorised by the Financial Conduct Authority (FCA) for debt collection and debt administration.

We are authorised by the Financial Conduct Authority so that we can carry on insurance mediation activity, which is broadly the advising, 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 FCA. The register can be accessed via the Financial Conduct Authority website at www.fsa.gov.uk/register

22. Undertakings

We are often asked to give undertakings on behalf of our clients. These commitments are binding upon us for example to send documents or money to a third party. If an undertaking has been given properly we will be bound by it and cannot follow instruction from you to breach it. You agree to do everything you can to allow us to comply with it.

23. Service quality

We seek to continuously improve our quality of service. We welcome constructive feedback. If you would like to discuss how our service can be improved or if you are dissatisfied with the service you are receiving please let us know by speaking to:

- the partner responsible for your work; or
- Mr John Sheath, Partner.

If at any point you become unhappy with the service we provide to you then please inform us immediately in writing so that we can do our best to resolve the problem for you. This should be marked for the attention of the Client Care Partner or if preferred sent by email to clientcare@brachers.co.uk

A copy of our complaints procedure is available upon request. If we are unable to resolve your complaint then you can have the complaint independently looked at by the Legal Ombudsman. The Legal Ombudsman investigates complaints about service issues with lawyers. If you would like more information about this service, including the time limits for taking a case to them, please contact the Legal Ombudsman directly. You can find out more about their service by visiting www.legalombudsman.org.uk or contacting them: The Legal Ombudsman, PO Box 6806, Wolverhampton WV1 9WJ (T: 0300 555 0333).

As an alternative, we are happy to consider engaging in mediation to resolve any differences or dissatisfaction with our costs or services. We suggest either Small Claims Mediation (UK) Ltd; or for costs only, Costs-Adr.com. Further information is available upon request.

If in the course of your matter we engage the services of counsel we will provide you with details of their terms and conditions of business and how to access their complaints process. You may wish to approach counsel's chambers direct to do this. Alternatively we shall be pleased to forward to them any complaints arising from either counsel's conduct or provision of legal advice to you.

24. Ending the agreement

You or we may bring the provision of all or any services to an end. We will not do this without giving you reasonable notice and without having a good reason which could include:

- if you do not accept our advice in a material respect or the relationship of trust and confidence breaks down;
- if we reasonably believe you may be unwilling to pay our fees;
- if a conflict of interest arises;

- you make a request to us to break the law or any other professional requirement;
- you do not provide us with instructions or necessary information;
- we cease a practice area or are otherwise unable to provide you with an adequate service; or
- if we are taking a risk on recovery of costs and it would not be advisable for a paying client to proceed.

If the provision of services is terminated, you will be liable only for fees arising and payments made or committed up to the date of termination, together with any fees or payments for services necessary in connection with the transfer of the matter to another adviser.

If this happens, we shall charge for services provided in accordance with the hourly rates prevailing at the relevant time and VAT will be charged as applicable. All our rights set out in the terms shall continue to apply even if we terminate the agreement between us.

If you choose to instruct alternative legal providers at the end of the engagement, you can request us to pass your files to them. Any request must be in writing and we will do so if all of our outstanding invoices payable by you or a third party on your behalf have been settled and cleared in full.

25. Equality and diversity

We are committed to promoting equality and diversity in all our dealings with clients, third parties and employees. We will not discriminate in the way we provide our services on the grounds of gender (including gender reassignment), marital status, sexual orientation, disability, race, colour, religion, age, nationality or national origins.

26. Social responsibility

We believe that social responsibility is an integral part of our corporate responsibility and strategy in living up to our values in all our relationships in our workplace, our client marketplace, the environment and our local community. We shall be pleased to provide more details of our plans and activities upon request.

27. Non-waiver

In the event the firm did not insist upon strict performance of any of the terms of agreement or delayed to exercise any rights or remedies, this will not waive their right to insist on default under those terms.

28. Severability

If a court or competent body held any provision (or part) of the agreement to be illegal, invalid or otherwise unenforceable the remainder of this agreement will continue in full force and effect.

29. Law and jurisdiction

Our engagement is governed by the law of England and Wales. The courts of England shall have exclusive jurisdiction (but nothing shall prevent us from enforcing payment of money due to us in courts outside England) of any claim or issue arising under or in connection

with the terms and we both will waive any objection to proceedings being brought in those courts on the grounds of venue or on the grounds that such proceedings have been brought in an inappropriate forum.

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