

BONALLACK & BISHOP Solicitors

Terms and conditions of business

October 2010

OUR AIM

We aim to offer our clients quality legal advice with a personal service, at a fair cost. As a start, we hope it is helpful to you to set out in this statement the basis on which we will provide our professional services.

OUR COMMITMENT TO YOU. We will:-

- ◆ REPRESENT your interests and keep your business confidential.
- ◆ EXPLAIN to you the legal work which may be required and the prospects of a successful outcome.
- ◆ MAKE SURE that you understand the likely degree of financial risk which you will be taking on.
- ◆ KEEP YOU regularly informed of progress or, if there is none, when you are next likely to hear from us.
- ◆ TRY to avoid using technical legal language when writing to you. Please tell us when we fail in this aim!
- ◆ DEAL with your queries promptly. For example, we will always try to return your telephone calls as soon as possible.
- ◆ ADVISE YOU if public funding ("legal aid") might be available to you.

OUR HOURS OF BUSINESS

- ◆ The normal hours of opening at offices are between 9.00 am and 5.15 pm on weekdays. Messages can be left on the answerphone. Appointments may be arranged at other times but this is at the discretion of your lawyer.

RESPONSIBILITY FOR OUR WORK

- ◆ The covering letter enclosing this document will inform you of the identity of the person(s) dealing with your work, of their status (in accordance with the list set out below), charging rate and of any supervisory arrangements. We will try to avoid changing those who handle your work, but, if this cannot be avoided, we will tell you of any change and why it is necessary.

CONFLICT RULES

- ◆ The Firm may only act for different parties in the same or related transactions under clear rules issued by the Solicitors Regulation Authority. You will already have been checked against the Firm's database but should raise any issues of concern immediately with your lawyer.

PUBLICLY FUNDED (LEGALLY-AIDED) CLIENTS

- ◆ If the work that we are to carry out for you is to be publicly funded, special rules apply which will be advised to you separately. **Important** – if you do not supply us with the information we need to make your legal aid application or answer queries then the work we do for you will be at private rates (see charges below). Any work done on your behalf which is not covered by public funding is chargeable at our private rates.

CHARGES AND EXPENSES

- ◆ Our charges will be calculated mainly based on the time actually spent by the solicitors and other staff in respect of any work which they do on your behalf. This will include meetings with you and perhaps others, reading

and working on papers, correspondence with you and other parties (including by email or fax), preparation of any documents or costs calculations, reviewing your file from time to time to check on progress, and time spent travelling away from the office when necessary.

- ◆ Time is charged in units of 6 minutes, which will cover, for instance, a short routine letter or email or a brief un-timed telephoned conversation. All other tasks will be logged for the time actually taken.
- ◆ Some services are charged to you as a fixed fee and this will be made clear in the Client Care letter.
- ◆ In some areas of law, the Firm will offer a Conditional Fee Agreement [CFA] ("no win, no fee") and this will be made clear in the Client Care letter. Separate terms apply where a CFA is put in place and you should not assume that this has been offered. The Firm is not obliged to offer this facility and will depend on a clear risk assessment of your legal matter and agreement by a Partner.
- ◆ You should receive a cost estimate at the outset of your legal matter. This estimate of fees will not include VAT or disbursements. Disbursements will be shown, where known, separately and will be subject to VAT. This cannot be an accurate figure (unless it is a fixed fee) but will be our best estimate given the information known at that time. In many circumstances, it is not possible to give you a long term estimate as it will depend on the decisions you make as your matter progresses. However, if at any time you are concerned about the costs of your legal work and wish to know how much it is likely to cost, you must ask your lawyer immediately.
- ◆ The current hourly rates are set out below and the range is given to allow for different specialties. We will add VAT to these, at the rate that applies when the work is billed.

Status

Normal Rates

Partners, Consultants & Senior Solicitors	£185-£275
Solicitors & Associates	£175-£235
Legal Executives	£165-£192
Legal Assistants	£125-£165
Paralegals	£105-£125

- ◆ These hourly rates are reviewed on 1st June annually. If a review is carried out before this matter has been concluded, we will inform you of any variation in the rate before it takes effect.
- ◆ In addition to the time spent, we may take into account a number of factors including any need to carry out work outside our normal office hours, the complexity of the issues, speed at which action has to be taken, and any particularly specialist expertise which the case may demand. In particular, in Property transactions, the Administration of Estates and Trusts and in matters involving a substantial financial value or benefit to a client, a charge reflecting, for example, the price of the property, the size of the Estate, or the value of the financial benefit will be added. Where a charge reflecting a value element is added, we will explain this to you.
- ◆ Solicitors have to meet various expenses on behalf of clients, including Land or Probate Registry fees, Court fees, Experts' fees, and so on. We have no obligation to make such payments, unless you have provided us with the funds for that purpose. VAT is payable on certain expenses. We refer to such payments generally as "disbursements".

- ◆ If, for any reason, this matter does not proceed to completion, we will be entitled to charge you for work done and expenses incurred unless we have agreed with you to the contrary in writing.

BILLING ARRANGEMENTS

- ◆ There are various payment methods, as follows:
 - Debit card – no additional charge.
 - Credit card – 2% charge. Some cards are not accepted so please check.
 - Online Payments – Go to www.bishopslaw.com and click on Pay Online on the right side of the screen. You can also use this for monies on account.
 - Cheque – no additional charge but this requires **5 full working days for bank clearance**. Any “bounced” cheques will be charged back to you at £25 which includes an admin fee on our part. Funds will not be paid out by us until they are cleared and the Firm will not be held responsible for delays.
 - Cash – we can only take a limit of £500 in cash from you in any one 28 day period.
 - Standing Order – if you wish to set up a Payment Plan please let your lawyer know.
- ◆ Property transactions. We will normally send you a completion statement following the exchange of contracts; payment is required prior to completion – please note the **5 days bank clearance time if providing us with a cheque**. Any bank transfers are charged for as an administration fee as it includes both bank disbursements and our fee. We will automatically deduct charges and expenses at completion. If insufficient funds are available, we reserve the right not to complete your transactions and we will not be liable for any late completion penalties and interest charges. You should be aware that the completion statement may change nearer to the date of completion as some lenders do not provide final figures until much later and some disbursements are not available until post exchange. If you are concerned, please talk to your lawyer.
- ◆ Administration of estates. We will normally submit an interim bill at regular stages during the Administration, starting with the obtaining of a Grant. Bills will be deducted automatically from monies held in Client Account unless you state in writing to the contrary. The final account will be prepared when the Estate Accounts are ready for approval.
- ◆ Trusts. Work in connection with lifetime or Will Trusts will generally be charged in a similar manner to the Administration of Estates. Specific charges eg relating to setting up the Trust will be contained in the Client Care letter.
- ◆ Other cases or transactions. We ask clients to pay sums of money at the start of a case and from time to time on account of the charges and expenses which are expected in the following weeks or months. These interim bills are presented monthly or quarterly; please let us know if you have a preference. We find that this helps clients in budgeting for costs, as well as keeping them informed of the legal expenses which are being incurred. If such requests are not met with prompt payment, we reserve the right not to undertake any further work on your legal matter until payment is received and cleared and a delay in the progress of a case will result. In the unlikely event of any bill or request for payment not being met, this Firm reserves the right to stop acting for you.

- ◆ Interest will be charged daily at 4% above Bank of England Base Rate and compounded monthly if any invoice remains unpaid for more than 28 days from its date. Please be aware that it is the responsibility of the client to ensure that the payment results in monies being received by the firm; any cheques or other payment methods which are not honoured by your bank means that your bill remains outstanding.

- ◆ There is no charge for the first arrears letter we send. A charge of £10 per letter will be made for any further letters sent out. If you have set up a Payment Plan and failed to adhere to this arrangement, you will be charged £20 as an admin fee for us having to contact you. A failure of the banking system will not be charged to you. Where the matter is not resolved and payment remains outstanding, formal proceedings will commence and a further charge of £75 administration fee will be added to your outstanding account.

OTHER PARTIES' CHARGES AND EXPENSES

- ◆ In some cases and transactions, a client may be entitled to payment of costs by some other person. It is important that you understand that in such circumstances, the other person may not be required to pay all the charges and expenses which you incur with us. You have to pay our charges and expenses in the first place, and any amounts which can be recovered will be a contribution towards them. If the other party is in receipt of public funding (“Legal Aid”), costs are less likely to be recovered.
- ◆ If you are successful and a Court orders another party to pay some or all of your charges and expenses, interest can be claimed on them from the other party from the date of the Court Order. We will account to you for such interest to the extent that you have paid our charges or expenses on account, but we are entitled to the rest of that interest.
- ◆ You will also be responsible for paying our charges and expenses of seeking to recover any costs that the Court orders the other party is to pay to you.
- ◆ A client who is unsuccessful in a Court case may be ordered to pay the other party’s legal charges and expenses. That money would be payable in addition to our charges and expenses. In certain types of cases, arrangements can be made to take out insurance to cover liability for such legal expenses. Please discuss this with us if you are interested in this possibility.

INTEREST PAYMENT

- ◆ We will pay interest on monies held on your behalf in our Client Account. Subject to certain minimum amounts and periods of time set out in the Solicitors’ Accounts Rules 1998, interest will be calculated and paid to you based on Barclays Bank instant access account rates. The period for which interest will be paid will normally run from the date(s) on which funds are cleared by the bank until the date(s) of issue of any cheque(s) from our Client Account. Interest calculated at £20 or less will not be paid due to the disproportionate administrative costs in accordance with SRA guidelines.
- ◆ Where a client obtains borrowing from a Lender in a property transaction, we will ask the Lender to arrange that the loan cheque is received by us a minimum of five full working days prior to the completion date. If the money can be telegraphed, we will request that we receive it the day before completion. Such clients need to be aware that the Lender may charge interest from the

date of issue of their loan cheque, or the telegraphing of the payment out.

INSURANCE COVER AND LIMITATION ON LIABILITY

- ◆ The firm maintains Professional Indemnity insurance and, unless otherwise agreed in writing, limits its liability for claims against the firm (currently to £2 million). The Firm's aggregate liability, if any, to you under this retainer or otherwise relating to it (including costs) whether for breach of contract, negligence, misrepresentation of any other civil liability is limited to the lower of (a) £2 million and (b) any loss caused directly by us. If you want further details, please contact Jane Bishop at the Salisbury office.

PROCEEDS OF CRIME/MONEY LAUNDERING

- ◆ Like all firms of solicitors, we are now required, by law, to apply procedures to guard against the risk of being involved in any way with the proceeds of crime.
- ◆ Identification checks:- We need to obtain formal evidence of your identity. This may be necessary even though we have acted for you before, or even if you are known personally to a member of staff. We will tell you if such evidence is necessary, but it may help us if you are able to bring evidence to our first meeting. Typically, the evidence we shall ask for will comprise one document with your photograph, such as a passport or photographic driving licence, and one other document, such as a utility bill, which confirms your address.
- ◆ We are now obliged to take ID for beneficial owners, which means that anyone who is going to gain any financial benefit from your legal matter at your request must be identified.
- ◆ Cash: We are normally able to accept cash only up to a limit of £500 in any 28 day period.
- ◆ Source of funds: At the start of any matter, we will normally ask you to tell us the source of any funds you will be using. It is simplest for us if the source is an account in your name, in a UK Bank or Building Society. If the source is an unusual one, such as an account in another country, or in the name of someone other than yourself, please tell us as early as possible, including the reason. If the Firm is concerned about this, we reserve the right not to make the payment or receive funds.
- ◆ Destination of funds: Where we are to pay out to you, we will normally do so by cheque in your favour, or into an account in your name. If you wish us to pay out to a different person, then we will need to undertake identity checks on that recipient at a further charge of £15 per person/company.
- ◆ Confidentiality: We have always sought to keep our clients' affairs confidential. However, the Proceeds of Crime Act 2002 can oblige us to report information (any suspicion) about financial offences to the National Criminal Intelligence Service. In particular, if it seems that any assets involved in your matter were derived from a crime, we may have to report this. This can include even small amounts of money, and covers all offences, including, for example, tax evasion and benefit fraud, whether involving yourself or someone else.
- ◆ If we have to make a report, we will not be able to tell you that we have done so. A report may result in an investigation by the Police, the Inland Revenue, or other Authorities. If you are concerned about how this may affect you, please ask us to clarify.

FINANCIAL SERVICES

- ◆ If, during your transaction, you need advice on investments, we may have to refer you to someone who is authorised by the Financial Services 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 that we are doing for you.
- ◆ We do not give tax advice and you should ensure that you consult with an appropriately qualified person outside of this Firm. Your lawyer can then implement any agreed legal actions arising from this.
- ◆ We are also 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 arrangement for complaints or redress if something goes wrong is regulated by the Solicitors Regulation Authority. The register can be accessed at www.fsa.gov.uk/register.
- ◆ The Law Society of England and Wales is a designated professional body for the purposes of the Financial Services and Markets Act 2000. The Solicitors Regulation Authority is the independent regulatory arm of the Law Society. The Legal Ombudsman deals with complaints against lawyers. If you are unhappy with any insurance advice you receive from us, you should raise your concerns either of those bodies..

DATA PROTECTION ACT

- ◆ The Data Protection Act requires us to advise you that your particulars are held on our database. We may, from time to time, use these details to send you information which may be of interest to you. If you do not wish to receive these, please inform the partners in writing.
- ◆ Unless you advise us in writing to the contrary, we will assume that you agree to our permitting inspection in relation to files we open for you (in the case of Legal Services Commission audits, this is part of your own contract with this public funding organisation). Any such inspection will be on the understanding that the information and the file remains strictly confidential and will not be released by the assessor or auditor to any other person.
- ◆ We will often use external contractors for the production or photocopying of documents.

EMAIL

- ◆ Email is a non-secure method of transferring information but it is used increasingly as the first choice of communication by clients. If you do not wish us to use email, please make it clear to your lawyer. The Firm takes care with anti-virus and anti-spam protections but cannot take responsibility for breaches in security nor for non-receipt of emails filtered by spam guards. **If your email requires immediate attention you should ensure that this is followed up with a telephone call to your lawyer.**

STORAGE OF PAPERS AND DOCUMENTS

- ◆ On completion of our work, and payment of our fees, we will return to you any records or other documents you have provided to us for that work. We reserve the right to retain any papers until all of our invoices have been paid in full. Unless you instruct us otherwise, we will retain files for a minimum period of six years (other than for abortive work), but after that, may destroy them without any further reference to you. We will not, of course, destroy any documents such as Wills, Deeds and other

securities which you ask us to hold in safe custody. If our instructions were to act for a child or a person registered with the Court of Protection our file will be held for a longer period.

- ◆ Documents may be stored in paper format or on computers as digital images or text files. If stored digitally, the paper file will be destroyed as confidential waste. Paper files will be archived off site at a secure storage facility.
- ◆ If we retrieve papers or documents from storage in relation to new instructions to act, we will not normally charge for such retrieval. However, if you request your file or copies of documents from those archived files for any other reason the following charges are applicable:
 - File retrieval for you to take away - £35 incl VAT.
 - File retrieval for you to review a document on our premises - £20 incl VAT.
 - Copy of a document from storage - £20 incl VAT.
 - Any urgent requests, where you require your file within 48 hours, will incur an extra cost of £20 incl VAT in addition to the costs identified above. It is not possible to retrieve documents in a shorter timeframe.

TERMINATION

- ◆ You may terminate your instructions to us, in writing, at any time, but we will be entitled to keep all your papers and documents while there is money owing to us for our charges and expenses. If, at any stage, you do not wish us to continue doing work and/or incurring charges and expenses on your behalf, you must tell us clearly, in writing.
- ◆ If we decide to stop acting for you, for example, if you do not pay an interim bill, or comply with the request for a payment on account, we will tell you the reason and give you notice in writing.
- ◆ If a Court case is involved, you may need to file with the Court a "Notice of Acting in Person" and, if you fail to do so, it may be necessary for us to apply to the Court to come off the record, which application will involve you in further costs.

LIMITED COMPANIES

- ◆ When accepting instructions to act on behalf of a Limited Company, we may require a Director and/or controlling shareholder to sign a form of personal guarantee in respect of the charges and expenses of this firm. If such a request is refused, we will be entitled to stop acting and to require immediate payment of our charges on an hourly basis and expenses, as set out earlier. You may need to submit your VAT number if required.

CLIENT CARE

- ◆ We hope that you will be pleased with the work we do for you. However, if you do have concerns you should raise this in the first instance with the person responsible for your work. If your lawyer has not been able to resolve your queries or concerns, please contact the Practice Director, Jane Bishop, at the Salisbury office. The Client Care Partner, Mr Colin Carnegie at our Salisbury Office, will become involved in any issue which cannot be resolved. Please note that, in line with the Legal Ombudsman Service, we do not investigate complaints older than 6 months after the end of the retainer or end of the matter. You must, therefore, raise any issues as promptly as possible so that we can rectify and properly investigate.

- ◆ If a complaint should concern an invoice, then you should use the Firm's complaint process as detailed above.
- ◆ For any complaint, if you remain dissatisfied with our response, you also have the right to make your complaint to the Legal Ombudsman – contact can be made via their website www.legalombudsman.org.uk or by telephone to 0300 555 0333.
- ◆ Please note that the Firm is entitled to charge interest on any bills which remain unpaid in whole or in part.
- ◆ If the complaint over your invoice involves Court proceedings, you may apply to the Court under the Solicitors Act 1974 for the firm's charges to be assessed. Strict time limits apply, and these procedures should be pursued promptly. The reverse of your bill will provide further details.

EQUALITY & DIVERSITY

This Firm is committed to promoting equality and diversity in all of its dealings with clients, third parties and employees. Please contact us if you would like a copy of our equality and diversity policy.

TERMS AND CONDITIONS OF BUSINESS

- ◆ Unless otherwise agreed, and subject to the application of then current hourly rates, these Terms and Conditions of Business shall apply to any future instructions given by you to this firm.
- ◆ Your continuing instructions in this matter will amount to an acceptance of these Terms and Conditions of Business, and for the sake of completeness, we would be grateful if you would please sign and return the copy of these terms and conditions.
- ◆ I confirm that I have read and understood, and I accept, these Terms and Conditions of Business.
- ◆ Signed
(Client).....

◆ Print name

(For Probate) The Late

◆ Dated

IT IS VERY IMPORTANT THAT YOU SHOULD READ AND UNDERSTAND WHAT IS SET OUT IN THIS DOCUMENT. IF IN DOUBT, PLEASE ASK FOR AN EXPLANATION. THIS IS AN IMPORTANT DOCUMENT – PLEASE KEEP IT SAFE FOR FUTURE REFERENCE

IF YOU NEED THIS DOCUMENT IN LARGER PRINT, PLEASE ASK YOUR LAWYER.