

C & R Legal Limited

TERMS AND CONDITIONS OF BUSINESS

1. OUR AIM

1.1 We aim to offer our clients quality legal advice with a personal service. These Terms and Conditions of Business set out the terms of the agreement between us and the basis on which we will provide our professional services. We reserve the right to alter, amend or supplement these Terms and Conditions at any time by notice to you in writing.

2. LIABILITY

2.1 This clause sets out our entire financial liability (including any liability for the acts or omissions of our corporate partners and their nominees or directors, employees, agents, experts (including barristers), contributors, consultants, locums and sub-contractors) to you in respect of:

- any breach of these Terms and Conditions or any of our obligations to you;
- any use made by you of our services or advice or any part of them; and
- any representation, statement or tortious act or omission (whether negligent or otherwise) arising under or in connection with these Terms and Conditions.

2.2 Except as expressly and specifically provided in these Terms and Conditions all warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from these Terms and Conditions.

2.3 Nothing in these Terms and Conditions excludes our liability:

- for death or personal injury caused by our negligence; or
- for fraud or fraudulent misrepresentation.

2.4 Subject to the exemption in the previous sub-clause hereof:

- we shall not be liable for any loss of profits, loss of business, depletion of goodwill or similar losses or pure economic loss, or for any special, indirect or consequential loss costs, damages, charges or expenses however arising; and
- our total aggregate liability in contract, tort (including negligence or breach of common law, statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of these Terms and Conditions shall be limited to **TWO MILLION POUNDS STERLING (£2,000,000.00)**. You acknowledge that this limitation is reasonable.

2.5 Under these Terms and Conditions, "**our liability**" includes that of our corporate partners and their nominees or directors, employees, agents, experts (including barristers), contributors, consultants, locums and sub-contractors, and references to "**you**" includes any other party claiming through you and "**loss or damage**" includes any losses, damages, costs or expenses whatsoever or howsoever arising in connection with the services we provide, whether under these Terms and Conditions or other agreement or in consequence of any breach of contract, misrepresentation, misstatement or tortious act or omission, including negligence.

2.6 We shall have no liability to you under these Terms and Conditions if we are prevented from or delayed in performing our obligations or from carrying on business by acts, events, omissions or accidents beyond our reasonable control, including without limitation default of sub-contractors, strikes, lock-outs or other industrial disputes, failure of a utility service or transport or communications network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood or storm or legal frustration.

3. OUR HOURS OF BUSINESS

3.1 The normal hours of opening at our offices are between 9.30am and 4.30pm on weekdays. Messages can be left on the office answerphone outside those hours, or at any time on an individual's voicemail. Appointments can sometimes be arranged at other times when this is essential.

4. PEOPLE RESPONSIBLE FOR YOUR WORK

4.1 The person responsible for dealing with your work and their secretary (who may be able to deal with your queries and who will be pleased to take any message for you) will have been identified in the letter sending these Terms and Conditions of Business to you. We will try to avoid changing the people who handle your work, but if this cannot be avoided, we will tell you promptly of any change and why it is necessary.

5. CHARGES AND EXPENSES

5.1 Our charges will be calculated mainly by reference to the time actually spent by the solicitors and other staff in respect of any work which they do on your behalf. This may include meetings with you and perhaps others; reading, considering, preparing and working on papers; making and receiving telephone calls, emails, faxes and text messages; preparation of any detailed costs estimates and bills; and time necessarily spent travelling away from the office etc. From time to time we may arrange for some of this work to be carried out by persons not directly employed by us; such work will be charged to you at the hourly rate which would be charged if we had done the work ourselves.

5.2 Routine letters, e-mails and texts that we send and receive and routine telephone calls that we make and receive are charged at one tenth of the hourly rate. Other letters, e-mails and calls are charged on a time spent basis.

5.3 The current hourly rates are set out in our client care letter.

- 5.4 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, the speed at which action has to be taken, any particular specialist expertise which the case may demand. An increase in the rates may be applied to reflect such factors. In property transactions, in the administration of estates, 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 may be considered. Where an increase in the rates or a charge reflecting any value element is to be added we will explain this to you.
- 5.5 In domestic conveyancing transactions and certain other matters, we may give you an estimate in respect of our fees, and if so this will be confirmed in writing. You should note, however, that it will have been based on the information provided to us. If the work done is, for any reason, greater than anticipated, we may increase our actual fees. We will aim to advise you of any such variation as soon as we are aware of any circumstances giving rise to it.
- 5.6 Solicitors have to pay out various expenses on behalf of clients including Land or Probate Registry fees, Stamp Duty Land Tax, Court fees, barrister's and experts' fees. 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'. We will require a payment in advance from you in respect of any search fees payable on your transactions, and we may also require payment in advance of any other expenses to be incurred on your behalf.
- 5.7 Where we make a payment to you or to a third party on your behalf by bank telegraphic transfer or BACS we will charge you any fee charged to us by the bank and an administrative fee for ourselves, details of which will appear in our fee note. VAT will be charged on both fees.
- 5.8 Where we make a foreign payment to you or to a third party on your behalf, we will charge you an administrative fee details of which will appear in our fee note. VAT will be charged on this fee. Any fees charged by the Bank will be dealt with separately.
- 5.9 If, for any reason, this matter does not proceed to completion, we will be entitled to charge you for work done on a time spent basis at the above rates and for all expenses incurred.

6. PAYMENT ARRANGEMENTS

- 6.1 Residential property transactions. We will normally send you our bill following the exchange of contracts and payment is required prior to completion on a purchase, and at completion, on a sale. If sufficient funds are available on completion, and we have sent you a bill, we will deduct our charges and expenses from the funds.
- 6.2 Administration of estates. We will normally submit an interim bill at regular stages during the administration, starting with the obtaining of a Grant. The final account will be prepared when the Estate Accounts are ready for approval.
- 6.3 Other cases or transactions. It is normal practice to ask clients to pay interim bills and sums of money from time to time on account of the charges and expenses which are expected in the following weeks or months. 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, delay in the progress of a matter may result. In the unlikely event of any bill or request for payment not being met, we reserve the right to stop acting for you further.
- 6.4 Payment is due to us within 30 days of our sending you a bill. Interest will be charged on a daily basis at 8% pa from the date of the bill in cases where payment is not made within 30 days of delivery by us of the bill.
- 6.5 **To comply with SRA Accounts Rules any monies held on your behalf will be transferred for the settlement of an invoice within 14 days of the bill being rendered. If you have any queries regarding our invoice you must therefore inform us in writing prior to the expiry of this period.**
- 6.6 Common law entitles us to retain any money, papers or other property belonging to you which properly come into our possession pending payment of our costs, whether or not the property is acquired in connection with the matter for which the costs were incurred. This is known as a "general lien". We are not entitled to sell property held under a lien but we are entitled to hold property, other than money, even if the value of it greatly exceeds the amount due to us in respect of costs.
- 6.7 If we are conducting litigation for you, we have additional rights in any property recovered or preserved for you whether it is in our possession or not and in respect of all costs, disbursement and expenses incurred, whether billed or unbilled. We also have a right to ask the Court to make a charging order in our favour for any assessed costs.
- 6.8 We do not accept payments to us in cash in excess of £500. Monies due to you from us will be paid by cheque or bank transfer, but not in cash, and will not be made payable to a third party. See above as to the fees charged for such transfers.
- 6.9 Payment of our bills can be made by debit or credit card; in this event we will add to our fees a sum equal to the charge made by the credit card company or bank conducting the transaction. Such charge will be subject to VAT.

7. OTHER PARTIES' CHARGES AND EXPENSES

- 7.1 In some cases and transactions a client may be entitled to receive 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 Community Legal Funding (formerly known as legal aid) no costs are likely to be recovered.
- 7.2 The other person will not be liable to pay the VAT element of your costs if you are able to recover the VAT yourself.
- 7.3 If you are successful in litigation and a Court or Tribunal orders another party to pay some or all of your charges and expenses, interest on them can be claimed from the other party from the date of the 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.
- 7.4 You will also be responsible for paying our charges and expenses of seeking to recover any costs that the Court or Tribunal orders the other party to pay to you.
- 7.5 A client who is unsuccessful in a case before a Court or Tribunal 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. Arrangements can sometimes be made to take out "after the event" insurance to cover liability for such legal expenses. Please discuss this with us if you are interested in this possibility.

8. BANKING and CLIENT ACCOUNT

- 8.1 Unless we tell you otherwise, all monies which we receive on your behalf will be credited immediately to our Client Account with either National Westminster Bank plc, Barclays Bank plc, HSBC Bank plc, Lloyds Bank plc, Santander UK plc or such other bank as we shall from time to time determine.
- 8.2 In the event that the bank with which we place your money were to fail, we accept no responsibility for any loss and it is unlikely that we shall be liable for any loss.
- 8.3 The Financial Services Compensation Scheme ("FSCS") provides compensation in the event of a failure of a bank but compensation is limited to a sum of £85,000.00 per individual. That limit will apply to each individual client holding sums in our client account, so that if a client holds other personal monies themselves in the same bank as the client account, the limit remains £85,000.00 in total.
- 8.4 If we make a claim under the FSCS in respect of money on your behalf, we will, subject to your consent, give certain client information to the FSCS to help them identify clients and the amounts to which they are entitled.
- 8.5 The FSCS does not provide compensation for any corporate body which the FSCS does not consider to be a small company.
- 8.6 Some deposit taking institutions have several brands, i.e. where the same institution is trading under different names. You should check either with your bank, the FSA or a financial adviser for more information.
- 8.7 From time to time we deposit client monies in client accounts with more than one bank. When this applies, monies held on your behalf will be deemed to be deposited in all the separate client accounts in which the firm has client account money deposited at that time and divided between them in the same proportions in which at any point in time the total of client monies held by us is divided between such client accounts.
- 8.8 Your continued instructions to act for you will constitute your consent for the disclosure of your details to FSCS in the event of a bank failure.
- 8.9 Please note that no payment is to be sent by Telegraphic Transfer unless written confirmation is received by us from you. It will be necessary for you to complete a specific instruction form if you should wish any funds to be sent on your behalf in a foreign currency.

9. INTEREST PAYMENT

- Any money received from you or on your behalf will be held in our firm's Client Account. Interest will be calculated and paid to you on the following basis; No interest will be paid where the gross amount of interest is £20 or less
- Balances of £1,000 or more held for more than one week - at a rate equal to 20% of the official bank rate published from time to time by the Bank of England ("base rate")
- Balances of £50,000 or more held for more than eight weeks - at a rate equal to 40% of base rate
- Balances of £100,000 or more held for more than eight weeks - at a rate equal to 70% of base rate
- Where interest is payable, it will be paid in respect of the whole period during which it is held, starting with the date on which funds are cleared into our client account and ending on the date of issue of any cheque or the date of any payment from our Client Account
- The rates of interest referred to above will be reviewed from time to time against a selection of interest rates paid by high street Banks and leading Building Societies in respect of deposits held on instant access terms.

10. MORTGAGE ADVANCES

10.1 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 4 working days prior to the completion date. If the money can be telegraphed, we will request that we receive it the day before completion. This will enable us to ensure that the necessary funds are available in time for 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.

11. PROPERTY DISCLAIMERS

11.1 It is not our responsibility, nor our normal practice, to carry out a physical inspection of the property, but if you wish us to do this for any reason, please make a specific written request. We shall not advise on the valuation of the property, the contents of your survey nor the suitability of your mortgage nor any other financial arrangements. We shall not advise on environmental liabilities. We shall not involve ourselves in respect of any negotiations on purchase price nor on any payment for fixtures. We shall assume, unless you tell us to the contrary in writing, that you are making your own arrangements for any appropriate environmental survey or investigations. We may, however, need to obtain on behalf of your lender, at your expense, an environmental search.

11.2 During the course of your conveyancing transaction we may arrange on your or your mortgage lenders behalf an indemnity insurance policy. In doing so we will seek cover from one of a limited number of insurers. It is your responsibility to ensure you understand the terms and conditions of any policy we arrange. We accept no liability in the event that the policy is un-enforceable due to any fact of which we were not aware or due to any act or omission on your or a third parties behalf.

12. STORAGE OF PAPERS AND DOCUMENTS

12.1 After completing the work, we are entitled to keep all your papers and documents while there is money owing to us for our charges and expenses. In addition, we will keep your file of papers for you in storage for not less than 1 year. After that, storage is on the clear understanding that we have the right to destroy it after such period as we consider reasonable or to make a charge for storage if we ask you to collect your papers and you fail to do so. We will not, of course, destroy any documents such as Wills, Deeds, and other securities, which you ask us to hold in safe custody. No charge will be made to you for such storage unless prior notice in writing is given to you of a charge to be made from a future date which may be specified in that notice.

12.2 If we retrieve papers or documents from storage in relation to continuing or new instructions to act in connection with your affairs, we will not normally charge for such retrieval. However, we may make a charge based on time spent at the trainee solicitor's hourly rate for producing stored papers or documents to you or another at your request. We may also charge at the appropriate rate for reading, correspondence, or other work necessary to comply with your instructions.

13. FINANCIAL SERVICES AND INSURANCE CONTRACTS

13.1 If, while we are acting for you, 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 we are doing for you.

14. TERMINATION

14.1 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 this clearly in writing as soon as possible.

14.2 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.

14.3 Under the Consumer Protection (Distance Selling) Regulations 2000, for some non-business instructions, you may have the right to withdraw, without charge, within 7 working days of the date on which you asked us to act for you. However, if we start work with your consent within that period, you lose that right to withdraw. Your continued instructions to act for you will amount to such a consent. If you seek to withdraw instructions, you should give notice by telephone, email or letter to the person named in your initial letter from us as being responsible for your work. In accordance with the Regulations we hereby inform you that the work involved is likely to take more than 30 days.

15. LIMITED COMPANIES

15.1 When accepting instructions to act on behalf of a limited company, or at any time thereafter, we may require a Director and/or a 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.

16. TAX ADVICE

16.1 Any work that we do for you may involve tax implications or necessitate the consideration of tax planning strategies. We may not be qualified to advise you, and unless expressly and specifically agreed otherwise in writing as part of our instructions, it will not be part of our duty to you to advise you on the tax implications of a transaction that you instruct us to carry out. In such circumstances you should take separate tax advice.

17. TOWN AND COUNTRY PLANNING ADVICE

17.1 We will not advise you on the Town and Country Planning implications of any 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 authority search.

17.2 If you have any concerns in this respect, please raise them with us immediately. If we can undertake the research necessary to resolve the issue, we will do so and advise you accordingly. If we cannot, we may be able to identify a source of assistance for you.

18. IDENTITY, DISCLOSURE AND CONFIDENTIALITY REQUIREMENTS

18.1 The firm operates systems and procedures to comply with money laundering legislation. We therefore require all our clients (including those already known to us) to provide evidence of their identity and address (usually by means of passport or driving licence containing a photograph, together with a utility bill) and also where they are acting as agent for a third party, similar documentation for that third party. Where such evidence cannot be provided promptly we may decline to act.

18.2 We will not normally accept funds from third parties unless agreed in advance. However when we agree to accept funds from third parties on your behalf, then we reserve the right to request in advance evidence of their identity and address. Where such evidence is not or cannot be provided promptly we reserve the right to decline receipt of funds.

18.3 Your instructions to us authorise us to disclose to the other parties in the transaction and, if applicable, to all other parties in the chain of transactions and their agents and advisers, all information which we have in relation to your involvement in the transaction including any related sale or mortgage and other financial arrangements and wishes as to dates for exchange and completion. You may withdraw this authority at any time but if you do so you should appreciate that we will inform the other party or parties and their agents or advisers that this authority has been withdrawn.

18.4 Solicitors are under a professional and legal obligation to keep the affairs of the client confidential. This obligation, however, is subject to certain statutory exceptions: Legislation on money laundering and terrorist financing has placed solicitors under a legal duty in certain circumstances to disclose information to the Serious Organised Crime Agency. Where a solicitor knows or suspects that a transaction on behalf of a client involves a financial crime and/or money laundering, the solicitor may be required to make a disclosure. Our duties under the Proceeds of Crime Act 2002 take precedence over all our professional and contractual duties to you. Accordingly by instructing us, you accept that we will not be liable for any loss you may suffer because we have made a report under the Act or have ceased work on your matter while we await authority to proceed. If, while we are acting for you, it becomes necessary to make such a disclosure, we will not be able to inform you that it has been made, or of the reasons for it, because the law prohibits unauthorised disclosure or 'tipping-off'. Where the law permits us, we will tell you about any potential money laundering problem and explain what action we may need to take.

18.5 Our firm may be subject to audit or quality/regulatory checks by external firms or organisations. We may also outsource work. This might be, for example, typing or photocopying or costings or research and preparation to assist with your matter. Information from your file may therefore be made available to third parties in such circumstances. We will always aim to obtain a confidentiality agreement with the third party.

18.6 In the past our firm had the Legal Services Quality Standard and it is hoped that we will achieve the Conveyance Quality Standard of the Law Society. As a result of this, we are subject to periodic checks by outside assessors. This could mean that your file is selected for checking, in which case we would need your consent for inspection to occur. All inspections are, of course, conducted in confidence. If you prefer to withhold consent, work on your file will not be affected in any way. Since very few of our clients do object to this we propose to assume that we do have your consent unless you notify us to the contrary. We will also assume, unless you indicate otherwise, that consent on this occasion will extend to all future matters which we conduct on your behalf. Please contact us if we can explain this further or if you would like us to mark your file as not to be inspected.

18.7 In order to comply with Court and Tribunal rules, all documentation relevant to any issues in litigation, however potentially damaging to your case, have to be preserved and may be required to be made available to the other side. This aspect of proceedings is known as "disclosure". Subject to this, we will not reveal confidential information about your case except as provided by these Terms of Business or as required by law or where, for example, your opponent is ordered to pay your costs, we have to meet obligations to reveal details of the case to them and to the Court or Tribunal.

19. COMMUNICATION BETWEEN YOU AND US

19.1 Our aim is to offer all our clients an efficient and effective service at all times, and we hope that you will be pleased with the work we do for you. However, should there be any aspect of our service with which you are unhappy, please raise your concern in the first place with the person at C&R Legal Limited who is dealing with your matter. If you still have queries or concerns, please contact the person whose name appears in the letter accompanying these terms and conditions.

19.2 We will aim to communicate with you by such a method as you may request. It is our policy that we will correspond with you by email by default, unless you withdraw consent, but we cannot be responsible for the security of correspondence and documents sent by email or fax. We may need to virus check discs or email.

19.3 We take reasonable steps to ensure that no viruses are present in our e-mails by scanning all our incoming and outgoing electronic correspondence and documents and recommend that you subject all electronic mail received from us to similar checks. We do not accept any liability for loss damage or disruption caused by our e-mails or any attachments they may contain.

19.4 The Data Protection Act requires us to notify you that your particulars are held on our database. These Terms and Conditions are that notification. We may, from time to time, use these details to send you information which we think might be of interest to you.

19.5 Where we act for two or more clients jointly, it is on the clear understanding that we are authorised to act on instructions from either, both or any one of them.

20. WHAT IF SOMETHING GOES WRONG?

- 20.1 We sincerely hope that you will be entirely satisfied with the service we provide. However if you are not, you should initially contact the person at C&R Legal Limited who is dealing with your matter and if that does not resolve the matter, then the person whose name appears in the letter accompanying these Terms and Conditions.
- 20.2 You have the right to complain should you be dissatisfied with the way your matter has been handled or you have a complaint relating to our firms bill. Should you wish to make a formal complaint, we can provide you with a copy of the firm's internal complaints procedure at your request, which will detail to whom you should complain, as well as how complaints are handled. If, after following the firm's internal complaints procedure, and within six months of our final response to you, you are still dissatisfied, you can complain to the Legal Ombudsman verbally on 0300 555 0333, minicom on 0300 555 1777, in writing to Legal Ombudsman, PO Box 6806, Wolverhampton, WV1 9WJ or by email enquiries@legalombudsman.org.uk. Any complaints to the Legal Ombudsman should be made within 12 months of your initial notification of the complaint. The Legal Ombudsman is there for advice to all clients but this particular route may not be available to some organisations. If the complaint is in relation to our firm's bill, you may be able to apply to the Court for an assessment of the bill under Part III of the Solicitors act 1974. We must, however, inform you that if all or part of a bill remains unpaid, the firm may be entitled to charge interest on the outstanding amount.
- 20.3 Please note that the ordinary timescale to make such a complaint to the Legal Ombudsman should be no later than 6 months after the date of the final letter relating to our internal complaints procedure.
- 20.4 The firm maintains a policy of insurance which is sufficient to cover any liability on our part to you up to the limit of liability agreed by you under these Terms and Conditions.
- 20.5 The Solicitors Regulation Authority can help if you are concerned about our behaviour. This could be for things like dishonesty, taking or losing your money or treating you unfairly because of your age, a disability or other characteristic. Visit their website to see how you can raise your concerns with the Solicitors Regulation Authority - <https://www.sra.org.uk/consumers/instructing/your-right-to-complain>

21. TERMS AND CONDITIONS OF BUSINESS

- 21.1 Unless otherwise agreed, and subject to the application of the then current hourly rates, these Terms and Conditions of Business shall apply to any future instructions given by you to this firm.
- 21.2 **Your continuing instructions in this matter will amount to an acceptance of these Terms and Conditions of Business, including in particular paragraphs 11 ("Property Disclaimer"), 16 ("Tax Advice") and 17 ("Town and Country Planning Advice") and paragraph 2 ("Liability"). In particular, you agree that our liability to you is limited in the manner set out in paragraph 2 of these Terms and Conditions and cannot exceed £2,000,000.**