

Mullis & Peake LLP Terms of Business – October 2011 Version

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This document sets out the terms and conditions upon which Mullis & Peake LLP accepts your instructions to act. These terms may be varied or added to in correspondence at the time when your instructions are accepted by Mullis & Peake LLP.

In these terms of business the following definitions shall apply:

“We” Mullis & Peake LLP and any practice succeeding it
“You” The client

If for whatever reason you do not accept or understand these terms you should tell the member responsible for your matter immediately. His or her name appears in the accompanying letter.

1. General

- 1.1** It is our professional duty to give your affairs proper care, skill and attention.
- 1.2** We shall throughout the handling of your matter rely on you to supply in a timely manner all information needed to act on your behalf and to tell us promptly of any relevant change in circumstances. We shall not be under any obligation to verify or check the accuracy of such information unless it is specifically agreed in writing that we should do so.
- 1.3** Our main office is at 8-10 Eastern Road Romford RM1 3PJ where a list of members can be found. Details of the location of our offices and the services we provide can also be found on our website www.mplaw.co.uk.
- 1.4** These terms, including the limits on our liability in clause 11, shall apply to work done by us for you including any future work unless we agree different terms with you in writing.
- 1.5** We may in some cases consult credit reference or fraud prevention agencies in order to assess your creditworthiness or verify your identity. If you are an individual, we require your consent before we do this. The agencies will record the details of the search whether or not you continue to instruct us and may share this record with others. We may ask you to provide at least one original document of confirmation of your identity, address or both which we will use along with any electronic checks we may perform using the services of a credit reference or fraud

prevention agency. Any documents provided to us will be recorded and copied for audit purposes as part of our Anti Money Laundering requirements. You can contact us for details of the credit agency we use. We appropriately authorise and train personnel to safeguard such information against accidental loss or unauthorised disclosure. Subject to the requirements of the Data Protection Act 1998 and any other relevant legislation and/or any order of the court which from time to time requires us to disclose it, we will keep that information strictly confidential.

- 1.6** Certain types of work eg: conveyancing, family, probate and company work may involve investments. As we are authorised and 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.

This firm is not authorised by the Financial Services Authority to advise on or carry on investment business. 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 authorised and regulated by the Solicitors Regulation Authority. The register can be accessed via the Financial Services Authority website at www.fsa.gov.uk/register.

- 1.7** This firm is authorised and regulated by the Solicitors Regulation Authority in the UK ID no.508159. A copy of our professional rules can be found at <http://www.sra.org.uk/solicitors/code-of-conduct.page>

- 1.8** Mullis & Peake LLP maintains a policy of worldwide professional indemnity insurance with QBE Insurance (Europe), whose registered place of business is at Plantation Place, 30 Fenchurch Street, London, EC3N 3BD. We will provide full details on request from our Office Manager – Diane Gardner Tel: 01708 784000 or Email: dianegardner@mplaw.co.uk.

2. Fees

- 2.1** The basis of our charges is set out in the accompanying engagement letter. Fee rates are reviewed in April of every year and we shall notify you, in writing, of any changes.

2.2 Fixed Fee Service

Where our engagement letter states we are charging on a fixed fee basis, additional services may be provided on request at our standard hourly rates plus expenses (if any) and VAT

2.3 Hourly Rate Services

Where our engagement letter states we are charging on an hourly basis, time is charged at an hourly rate, which varies according to the experience and seniority of the person dealing with the case and in some cases the need to work outside the normal working hours. The rates which apply to each matter are set out in the letter of engagement and accompanying documents. Our charges are based on a number of factors which can include the speed of response required, the size, value, complexity and commonality of the matter together with any specialist knowledge required.

Time spent on your matter includes meetings with you and others, travelling, waiting researching and considering the law, preparing and working on papers and making file notes. Short correspondence and calls will each be charged in accordance with our usual practice of recording time in units of six minutes.

2.4 Expenses

Sums incurred by us on your behalf (such as stamp duty, search fees, Counsel's fees and all other expenses) will be chargeable in addition, as will substantial expenses incurred on faxes, couriers, telephone calls and copying.

From time to time we may arrange for some of the work to be carried out by persons not directly employed by us. For all such work, our charges will be calculated at an hourly rate equal to the person having overall conduct of your matter.

2.5 VAT

VAT at the applicable rate is chargeable in addition. Our VAT number is 246 5073 62

2.6 Litigation Funding

In Litigation cases if you are a party in a court action involving a claim for personal injury you may be entitled to fund that action under the terms of a Conditional Fee Agreement ("CFA"). Such an Agreement would mean that you do not pay us our legal fees/costs (except, in some cases, you may be liable to pay expenses) unless you win. If you win the costs including any additional liabilities such as success fees may exceed our costs outlined in our engagement letter. Part of our costs may, however, be recoverable from your opponent. If you lose you will still be responsible for paying your opponent's costs unless you have insurance. Each case that we take on under a CFA is individually assessed. If you wish to explore the availability of funding a court case by a CFA you should ask us to assess your case and say whether we would be prepared to conduct it on that basis and, if so, on what terms.

2.7 Estimates

Estimates of costs are given for guidance only on the basis of information then known to us and are not to be regarded as quotations. Please note that often it is not possible to estimate costs accurately in advance.

2.8 Interim Bills

Interim bills may be submitted at appropriate intervals during the course of a matter at our discretion. We shall keep you informed of costs incurred in a matter at least every six months.

2.9 Fee limits

You have the right to give us written notice to set a limit on the fees which may be incurred. If that limit is reached, we shall then cease work, notify you and await your further instructions. Please understand that, particularly in relation to contentious work, it may not be possible to limit your liability in relation to the other side's costs.

2.10 Dissatisfaction with our service

2.10.1 If you are not satisfied with the amount of our fee you have the right to ask us to present the bill of costs to the Court for a detailed assessment.

2.10.2 If you want to ask the Court to assess your costs you should do so within 1 month of delivery of the bill, (although the Court has power to tax a bill on our application or yours made after one month but within 12 months from the delivery of the bill. After 12 months, or if you have paid the bill, the Court will accept your application only in special circumstances. The Court has no jurisdiction under the Act to assess the bill after 12 months from you having paid them. The Act

contains other detailed provisions about the procedures and costs of the taxation of bills and the rights of third parties.

3. Payment

3.1 We may at any time require from you reasonable sums on account of anticipated costs and expenses. We shall have the right to appropriate such sums to defray expenses incurred on your behalf or to pay interim bills which are overdue. However, such sums are, in the normal way, to be held against payment of the final account to be rendered to you and you are expected to settle interim bills without resort to such sums.

3.2 Our bills are due and payable on delivery. We are entitled to charge interest on any sum unpaid one month after the date of delivery of a bill at the rate of 4 % per annum over the base lending rate of Barclays Bank plc calculated from day to day.

4. Litigation

This paragraph applies only to Litigation matters.

4.1 If you are successful, it may be that you will be entitled to an order for the payment of your costs by another party. Such an award is at the discretion of the Court. You will be personally liable to us for your costs regardless of any order made against your opponent. If you lose proceedings, you will probably have to pay your opponent's costs as well as your own. Even if you win, your opponent will probably not be ordered to pay the full amount of the costs you have to pay us. If your opponent is Publicly Funded, you are unlikely to recover any costs even if you are successful. Even if you win, your opponent may fail to pay either the sum for which you have been given judgment or the costs he has been ordered to pay.

4.2 It is not our practice to do work under the "Legal Aid Scheme". Consequently, if you become eligible for public funding during the course of a matter, we may have to terminate the retainer.

4.3 If you obtain interest under an order for costs against your opponent, we are entitled to retain such interest to the extent that any of their fees have not been paid on account.

5. File Storage

At the end of a matter, the file will be scanned by an external data archiving company on our behalf onto CD and then kept electronically on our archive server. The original file of papers will then be destroyed. Wills and deeds will be stored indefinitely. A charge may be made for reinstating the file from storage media at your request and for supplying copies of any documents. By signing and returning these Terms of Business you are signifying that you agree to this procedure.

6. Quality Control

As part of our ongoing commitment to providing a quality service, our files are periodically subject to an independent regulatory or quality review. Our reviewers are highly experienced and professional people and are, of course, bound by the same requirements of confidentiality as our principals and staff. 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 in such circumstances. We will always aim to obtain a confidentiality agreement with the third party.

If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please let us know, by telephoning the

member in charge of your matter. If that does not remedy any concerns you have, please contact Peter Connell who is the member and solicitor with responsibility for resolving such matters.

We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If you feel that we have given you a less than satisfactory service, we undertake to do everything reasonable to address your concerns.

7. Applicable Law

These terms of business and accompanying engagement letter and other documents shall be governed by, and construed in accordance with English law. The courts of England and Wales shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning this agreement and any matters arising from it. Each party irrevocably waives any right it may have to object to an action being brought in those courts, to claim that the action has been brought in an inconvenient forum, or to claim that those courts do not have jurisdiction. We do not (unless expressly agreed with you in writing) advise on the law of jurisdictions other than England and Wales (which for these purposes includes the law of the European Union as applied in England and Wales).

8. Data Protection Act 1998

We may obtain, use, process and disclose personal data about you in order that we may discharge the services agreed under these terms of business and accompanying engagement letter, and for other related purposes including updating and enhancing client records, analysis for management purposes and statutory returns, crime prevention, legal and regulatory compliance and external audit and review. You have a right of access, under data protection legislation, to the personal data that we hold about you. We confirm that when processing data on your behalf we will comply with the provisions of the Data Protection Act 1998. For the purposes of the Data Protection Act 1998, Mullis & Peake LLP is the Data Controller in relation to data supplied about you.

9. Contracts (Rights of Third Parties) Act 1999

Persons who are not party to this agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

The advice that we give to you is for your sole use and does not constitute advice to any third party to whom you may communicate it. We accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

10. Money Laundering

10.1 In common with all accountancy and legal practices this firm is required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2003 and 2007 to:

- Maintain identification procedures for all new clients;
- Maintain records of identification evidence obtained; and
- Report, in accordance with the relevant legislation and regulations.

10.2 We have a duty under s.330 of the Proceeds of Crime Act 2002 to report to the Serious Organised Crime Agency (SOCA) if we know, or have reasonable cause to suspect, that you, or anyone connected with your business, are or have been involved in money laundering. Failure on our part to make a report where we have knowledge or reasonable grounds for suspicion would constitute a criminal offence.

10.3 The offence of money laundering is defined by s.340(II) of the Proceeds of Crime Act 2002 and includes concealing, converting, using or possessing the benefits of any activity that constitutes a criminal offence in the UK. It also includes involvement in any arrangement that facilitates the acquisition, retention, use or control of such a benefit.

This definition is very wide and would include such crimes as:

- Deliberate tax evasion;
- Deliberate failure to inform the tax authorities of known underpayments or excessive repayments;
- Fraudulent claiming of benefits or grants; or
- Obtaining a contract through bribery.

Clearly this list is by no means exhaustive.

10.4 We are obliged by law to report any instances of money laundering to SOCA without your knowledge or consent. In fact, we may commit a criminal offence of “tipping off” under s.333 of the Proceeds of Crime Act 2002 if we were to inform you that a report had been made. In consequence, neither the firm’s principals nor staff may enter into any correspondence or discussions with you regarding such matters.

10.5 We are not required to undertake work for the sole purpose of identifying suspicions of money laundering. We shall fulfil our obligations under the Proceeds of Crime Act 2002 in accordance with the guidance published by The Law Society.

11. Limitation of Liability

11.1 We believe that the limitations on our liability as set out in this agreement are reasonable having regard to the availability and cost of professional indemnity insurance and possible charges in its availability and costs. We are, however, happy to discuss this limit with you if you consider it insufficient for your purposes and will investigate options for providing further cover which may be at extra cost.

11.2 We will perform our obligations to you with reasonable skill and care.

11.3 We accept liability without limit for the consequences of fraud by this firm or any of its members or employees within the course of practice and for any other liability which we are not permitted by law or rules of professional conduct to limit or exclude. If any part of this agreement (including provisions as to amount or time limits) which seeks to exclude, limit or restrict liability is found by a court to be void or ineffective on the grounds that it is unreasonable or does not accord with any professional obligation, the remaining provisions shall continue to be effective. We do not seek to reduce our liability below the minimum prescribed by The Solicitors Regulation Authority, which is £3 million.

11.4 We will not be liable to the extent caused by the provision of false, misleading or incomplete information or documentation or due to the acts or omissions of any person other than us, except where, on the basis of the enquiries normally undertaken by solicitors within the scope of this agreement, it would have been reasonable for the solicitor to discover such defects.

11.5 Subject to clause 11.3, the total aggregate liability of this firm, its members or employees to you (and where we are instructed jointly by more than one party, all of you collectively and in total and also including anyone claiming through you) arising from or in connection with this agreement (including addition or variation to the same) shall not exceed £3 million.

- 11.6** You agree that you will not bring any claims or proceedings against our individual members or employees. This clause shall not operate so as to exclude any liability which a member, or employee is not permitted by law or rules of professional conduct to limit or exclude. This clause is intended to benefit such members and employees who may enforce this clause pursuant to the Contracts (Rights of Third Parties) Act 1999 ("the Act"). Notwithstanding any benefits or rights conferred by this agreement on any third party by virtue of the Act, the parties to this agreement may agree to vary or rescind this agreement without any third party's consent. Other than as expressly provided in this agreement, the provisions of the Act are excluded.
- 11.7** Proceedings in respect of any claims against us must be commenced within 3 years after you first had (or ought reasonably to have had) both the knowledge for bringing an action for damages and the knowledge that you had a right to bring such an action and in any event no later than 6 years after any alleged breach of contract, negligence or other cause of action. This provision expressly overrides any statutory provision which would otherwise apply; it will not increase the time within which proceedings may be commenced and may reduce it.
- 11.8** If we are liable to you either jointly or jointly and severally with any other party:
- a) we shall only be liable to pay you the portion which, due to our fault, is found to be fair and reasonable. We shall not be liable to pay you the portion which is due to the fault of another party (irrespective of any limitation provision which may apply to the liability of such other party); and
 - b) any sum due from us to you shall be reduced by the proportion for which another party would have been found liable if either:
 - (i) you had also brought proceedings or made a claim against them; or
 - (ii) we had brought proceedings or made a claim against them under the Civil Liability (Contribution) Act 1978 or any similar enactment under any other relevant jurisdiction.
- 11.9** We shall not be liable for any loss arising from or connected with our compliance with any statutory obligation which we may have, or reasonably believe we may have to report matters to the relevant authorities under the provisions of any anti-money laundering or other legislation which may apply from time to time.

12 Internet Communication

Internet communications are capable of data corruption and therefore we do not accept any responsibility for changes made to such communications after their despatch. It may therefore be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it. We do not accept responsibility for any errors or problems that may arise through the use of internet communication and all risks connected with sending commercially sensitive information relating to your business are borne by you. If you do not agree to accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication

It is the responsibility of the recipient to carry out a virus check on any attachments received.

13. Copyright

- 13.1** Unless we agree otherwise, all copyright subsisting in the documents and other materials that we create whilst carrying out work for you will remain the property of this firm. You will have the right to use such documents and materials for the purposes for which they are created.

13.2 You agree not to make our work, documents or materials available to third parties without our prior written permission and we accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

14. Termination

14.1 We shall have the right to cease work and determine the retainer by giving you written notice at your last known address in the event that inter alia:

14.1.1 any bill remains unpaid for more than one month after delivery;

14.1.2 you fail to pay any sums requested pursuant to paragraph 2 of these terms of business within 14 days or such lesser period as may in the circumstances be reasonable of such a request being made;

14.1.3 you fail without reasonable cause to give us instructions for a period of one month;

14.1.4 you fail to provide appropriate identification evidence; or

14.1.5 you become eligible and wish to apply for Public Funding.

14.2 You may terminate your instructions to us in writing at any time but we will be entitled to keep all your papers, documents and deeds while there is money owing to us (including costs which we have not yet been billed).

14.3 If your matter does not proceed to completion, or we are prevented by professional or other reasons from continuing to act, we will charge you for any work done and expenses incurred to date on the hourly basis or as otherwise set out in the engagement letter or accompanying documents (but not exceeding any agreed fixed fee).

14.4 If any account is unpaid for 7 days we may cease acting for you. We may cease acting for you if you do not pay an amount which we have requested on account of costs within 7 days of a request, or sooner if specified in the request.

14.5 If we cease acting for you we shall, where relevant, apply at your expense to remove ourselves from the court or employment tribunal record.

14.6 In certain circumstances you may terminate our retainer under the Consumer Protection (Distance Selling) Regulations 2000.