

LEATHES PRIOR  
TERMS OF ENGAGEMENT

## **1. Welcome**

Thank you for instructing Leathes Prior.

These terms of engagement and any engagement letter we provide in relation to your matter state the terms on which we accept your instructions and charge for our services ("the Engagement").

## **2. Our commitment to you**

We will:

- represent your best interests;
- communicate with you in plain English;
- confirm to you who will be responsible for your work;
- advise you of the costs and estimated timescale; and
- keep you informed of progress and the work that we are doing for you.

## **3. Methods of communication**

We will aim to communicate with you by such method as you request. Unless you object, we will communicate with you and others when appropriate by email, (but we are not responsible for the security of correspondence and documents sent by email).

## **4. Identity checks and anti-money laundering**

The law requires solicitors to obtain evidence of the identity of their clients and sometimes people related to them, just like a bank or building society, and for this evidence to be reviewed regularly.

We therefore need to obtain evidence of your identity as soon as possible. We have an electronic search provider that can confirm your identity using your passport or driving licence, but we can offer other options if this is not viable for you.

## **5. Confidentiality**

We will keep all information which you pass to us confidential and will not disclose it to third parties except:

- as authorised by you;
- where we are required to by a legal or professional obligation (including to our professional indemnity insurers or our regulator);
- as otherwise stated in these terms.

## **6. Joint clients**

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

## **7. Costs – general**

We know that how much our assistance is going to cost is an important consideration for you, so in the

following sections we provide you with further details on costs.

When we refer to "fees", we mean our legal fees. When we refer to "disbursements", we mean expenses such as travel and stamp duty, and "costs" references both of those things together.

## **8. Cost estimates**

We will do our best to give you an estimate of what the costs for the work are likely to amount to, including our fees, VAT (which is also payable at the applicable rate) and disbursements.

Estimates can only be based on information available to us at the time of providing the estimate and there may be circumstances in which such estimates are exceeded.

Where it is not possible to give you an estimate immediately, we will aim to give you the best possible information on your likely costs until we are in a position to give you an estimate. In these circumstances you may wish to suggest a costs ceiling which we will not exceed without your further instructions.

An estimate is not the same as a fixed fee and is liable to change.

## **9. Fixed fees**

In some cases we might be able to agree a fixed fee, in which case you will be charged that amount for the fixed fee work as agreed with you.

Any work which is different from or supplemental to the fixed fee work will be charged in addition to the fixed fee. Where possible, we will notify you in advance of what this will involve and any different terms that might apply to such work, as well as the costs we would intend to charge.

As fixed fees are set at the outset, these are based on our experience of similar types of work.

## **10. Our fees – general**

Our fees (including fixed fees) are calculated mainly by reference to the time that is spent in dealing with your matter.

Where we are charging on an hourly rate, different hourly rates may be charged for different types of work and according to the seniority of the person who handles it for you.

Time spent on dealing with your matter will include, but is not limited to: meetings with you (and perhaps others), negotiating with others on your behalf in meetings, by letter, email, and by telephone, considering, preparing and working on documents, preparing for court or tribunal hearings, including

travelling and waiting time, instructing third parties on your behalf, research, correspondence and communications sent and received, making and receiving telephone calls and preparing detailed costs calculations.

Where we are acting for you on an hourly rate basis, our time is generally recorded in units of six minutes for all work undertaken on your behalf. Any time recorded is rounded up to the nearest whole unit. We will then charge you for an appropriate amount of the time recorded in relation to your matter.

Sometimes we may calculate our fixed fee or estimate and subsequent fees by taking into account additional factors other than time spent.

Such factors may include the complexity of the issues, the speed at which action must be taken, the expertise or specialist knowledge which the case requires, the use of precedent documents (which have been carefully drafted and regularly reviewed to ensure we provide the best quality documents swiftly), or, if appropriate, the value of the property or subject matter involved.

Our hourly rates are usually reviewed annually on 1 May in each year. New hourly rates will only apply to work undertaken after the review date. Any change in hourly rates will be communicated to you prior to being implemented.

## **11. Disbursements**

We will charge you for any disbursements we incur on your behalf such as barrister fees, court fees and search fees.

Minor expenses e.g. postage and telephone calls are included in our fees. No charge is made for secretarial or typing services, but we may charge for photocopying.

## **12. Money on account**

We may ask you to pay us a reasonable sum on account of our fees and will usually ask for monies on account for disbursements, unless agreed otherwise.

We may use your money held on account to pay disbursements incurred on your behalf even though not yet invoiced to you. This might involve payments for things like stamp duty or court fees, for example. We will not be liable to pay any disbursement on your behalf unless you (or your insurers, where appropriate) have put us in funds to do so when this has been requested.

## **13. Invoicing**

If work is completed within a short period of time, it will normally be invoiced in full on completion. Otherwise, interim invoices will be raised at regular intervals as work progresses – generally monthly or as otherwise indicated in our correspondence to you.

Where we are holding money due to you, for example on completion of the sale of a property, our fees and disbursements may be deducted from the balance due.

Unless indicated to the contrary, invoices will be for all work done during the relevant period. All invoices are payable on delivery.

If an invoice is not paid within 28 days, we may charge interest on the balance outstanding at the rate of 8% per annum.

In the event of our contract being with more than one individual or company, the liability for our costs will be joint and several.

Our normal practice is to issue invoices electronically rather than by post. We propose to issue invoices to you using the email address that you have supplied, but if you would prefer us to send out signed invoices by post please let us know.

## **14. Payments to us**

Payment for our fees may be made by cash, cheque, bank transfer or by Visa or Mastercard. Payment for disbursements or any other third party payment (such as completion monies or damages) may usually only be made by cash, cheque or bank transfer.

Our policy is only to accept one payment in cash per matter, of up to £1,000. If you try to avoid this policy by depositing more cash directly with our bank, we may decide to charge you for any additional checks we deem are necessary to prove the source of the funds.

Since we are not allowed to use the funds of one client to finance another, we must have cleared funds from you for any completion monies or other payments to be made.

Payment by cheque or credit/debit card will need to be made to us three days prior to the date on which we are required to pay the third party.

Our obligation to make payment of any monies in our possession due to you shall be satisfied once we have instructed our bankers to transfer the monies to an account nominated by you. We shall have no responsibility for any delay or failure by your bank or any other third party in relation to receipt of those funds, and any such payment will be subject always to the availability of the electronic banking system.

## **15. Costs and third parties**

In some cases, and transactions, you may be entitled to payment of your costs by some other person. It is important that you understand that in such circumstances it is unlikely that the other person will be required to pay all the costs which you incur. You have to pay our costs 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 legal aid it is unlikely that any costs will be recovered.

If you are successful and a court orders another party to pay some or all of your costs, 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 costs on account, but we are entitled to the rest of that interest. You will also be responsible for paying our costs of seeking to recover any costs that the court orders the other party to pay to you.

A client who is unsuccessful in a court case may be ordered to pay the other party's legal costs and expenses. That money would be payable in addition to our costs.

Arrangements can sometimes 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.

## 16. Client account and interest

Client money will be held in a general client account to facilitate your transaction.

To keep our administration costs and overheads as low as possible we will not generally account for interest in the following circumstances, and in any event shall apply the following criteria which we believe to be fair to all:

- where money is held for seven days or less, we shall not account for interest; and
- where the sum involved does not exceed £50 (fifty pounds) we shall not account for interest.

Where we recover monies on your behalf, our policy is to pay to you the sums due as soon as the funds are cleared.

In some other cases, we may need to hold funds for a longer period and shall pay a sum in lieu of interest which will be calculated as follows:

- we will apply to the monies held the interest rate which such sums would receive if lodged with Barclays Bank plc in an instant access account;
- the sum in lieu of interest will be calculated on a quarterly basis, or when the funds are paid to you; and
- the minimum threshold of £50 (fifty pounds) will apply.

We believe this policy is fair and reasonable, and we keep it under review in light of changing interest rates. Please bear in mind that the rates of interest we apply will be based on an instant access account and will be lower than might otherwise be achieved because of the need for us to have instant access to funds in most cases.

The money we hold for you will be held at one of a number of financial institutions where we deposit money, including Barclays and Santander. We will endeavour to deposit client monies with recognised domestic banks but because we have no control over the financial stability of these institutions we cannot be responsible for their failure, if they are unable to repay depositors in full, or for any monies lost as a consequence of their failure. In such circumstances you may be entitled to compensation under the Financial Services Compensation Scheme (FSCS). You should check with the Financial Conduct Authority to find out whether you would be entitled to compensation.

The FSCS is the UK's statutory fund of last resort for customers of banking institutions. The FSCS can pay compensation of up to £85,000 if a banking institution is unable, or likely, to pay claims against it.

The limit is £85,000 per banking institution. If you hold other personal money in the same banking institution(s) as our client account, the limit remains £85,000 in total and so please check the balance of any funds you also hold in Barclays or Santander to assess your maximum losses in the event of a banking collapse.

## 17. Limitation of our liability

Your attention is specifically drawn to this section and the following section. Whilst we strive to ensure that you are happy with everything we do for you from start to finish, these sections contain limitations and exclusions of our liability to you in the event that you want to make a claim against us. Please ask if you would like us to explain any of the terms. If anything under these headings is unacceptable to you please raise this with us immediately.

**Save as otherwise expressly agreed in writing, and subject as below, our total aggregate liability to you (whether in contract, tort (including negligence), for breach of statutory duty or otherwise) under or in relation to the Engagement and any matter ancillary to the Engagement shall not exceed £2 million (including interest and legal and other costs).**

This cap is considered by us and by you to be reasonable taking into account: the level of our fees and the nature of the work to be carried out; and the availability and cost of professional indemnity insurance and possible changes in its availability and cost in the future. Agreeing a higher limit on our liability may result in us seeking an increase in our fees for handling your matter.

If we are acting for more than one person then the cap represents our total liability to you all. It will be a matter for you, the court or any arbitrator to decide how the cap will be divided. Our liability to you will

also be limited to that proportion of the loss or damage (including interest and costs) suffered by you, as awarded by a court, after taking account of the extent to which any other person is also liable for and/or has contributed to the same loss or damage.

Subject as below, we shall not be liable (whether in contract, tort (including negligence), for breach of statutory duty or otherwise) for any loss of profit, loss of business, loss of business opportunity, indirect loss or consequential loss, damage to goodwill or loss of data, in each case whether or not such loss might have been foreseeable at the start of the matter.

We can only limit our liability to the extent the law and our professional rules allow. The limitations and exclusions contained in this section and the one below will not limit or exclude our liability for death or personal injury caused by our negligence, for fraud or for any other liability which cannot lawfully be excluded.

### **18. Exclusions of our liability**

We provide advice solely on matters that are governed by the laws of England and Wales. We are not experts in the laws of any other jurisdiction, and you should not rely on any advice we provide as being applicable in any other jurisdiction.

If you need advice on the laws of other jurisdictions, we will, with your agreement, seek to instruct lawyers practising such laws to give advice on the same basis as we engage other third parties on your behalf.

We shall not be liable for any advice or document subject to the laws of a jurisdiction outside England and Wales.

Unless expressly agreed in writing, our services will not include advice on tax related issues, the tax implications of any transaction, pensions or pension related issues.

The scope of our work will not include advising on: the business implications or the commercial viability or wisdom of the proposed matter; financial or accounting issues; the adequacy of any insurance arrangement; or the value or physical condition of any asset.

We shall not be liable for any advice or opinion given to you by any third party (whether or not nominated or recommended by us).

Our advice is particular to your circumstances. We do not accept liability to any person or organisation to whom our advice is not addressed, and the provisions of the Contracts (Rights of Third Parties) Act 1999 are to this extent excluded. No third party may rely on our advice to you without our express written permission.

We shall have no liability to you if we are prevented from, or delayed in performing, our obligations or from carrying on our business by acts, events, omissions or accidents beyond our reasonable control.

### **19. Complaints**

Our aim is to ensure that you are happy with the work that we carry out for you. However, if you have any issues with any aspect of our work or our fees, please let us know. Initially, you should raise your concerns with our Risk and Compliance Manager, [Adrian Baker](mailto:clientrelations@leathesprior.co.uk), on [clientrelations@leathesprior.co.uk](mailto:clientrelations@leathesprior.co.uk). He will either investigate personally or appoint a Partner to do so and report the outcome to you. A copy of our Complaints Handling Procedure is available on request. You may have the right to complain to the Legal Ombudsman at the conclusion of our internal complaints process. Complaints to the Legal Ombudsman should ordinarily be made within six months of our written response to your complaint.

In addition, you should be aware that the Legal Ombudsman will be unlikely to accept your complaint if:

- more than one year has elapsed from the date of the act or omission giving rise to the complaint; or
- more than one year has elapsed from the time when you should have known about the complaint.

Contact details for the Legal Ombudsman are as follows:

Website: [www.legalombudsman.org.uk](http://www.legalombudsman.org.uk)

Tel: 0300 555 0333

Minicom: 0300 555 1777

Email: [enquiries@legalombudsman.org.uk](mailto:enquiries@legalombudsman.org.uk)

Address: PO Box 6806, Wolverhampton WV1 9WJ

You may also be able to object to our bill by applying to the Court for an assessment under Part III of the Solicitors Act 1974.

### **20. Data protection and privacy**

We value the personal information that is entrusted to us by our clients and recognise that it is extremely important that we uphold that trust in the way in which we handle, use, store and protect personal data. Further details of how we process and handle personal data can be found in our firm's Privacy Policy which is available at:

[www.leathesprior.co.uk/legal/privacy-policy](http://www.leathesprior.co.uk/legal/privacy-policy)

We will only process personal data in accordance with the terms of our Privacy Policy and in accordance with applicable data protection legislation.

If the courts or a law enforcement body subject us to a notice, order or search warrant for information or documents relating to you, we are required to comply in full insofar as we are obliged to do so by law. Our obligation to comply may be limited by our obligation to you to maintain privilege, but an order from the court may override confidentiality.

We are entitled to charge you for complying with a notice, order or search warrant, at the standard hourly rates set out in your Engagement Letter (if applicable), or such hourly rates as are reasonable in the circumstances. We may be legally prohibited from being able to discuss compliance of the notice with you.

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.

External firms or organisations may conduct audit checks on our practice from time to time. They may wish to audit your file and related papers for this purpose. It is a specific requirement imposed by us that these external firms or organisations fully maintain confidentiality in relation to any files and papers which are audited by them.

If our work on your matter is being paid for by your insurer, we may also be required to share certain information with your insurer.

## **21. Cyber crime**

Please be aware that we do not notify changes to important business information, such as bank account details, by email.

An email which appears to come from us may instead come from a fraudster. If you receive bank details from us by email, you should call us on 01603 610911 to check to make sure the details are accurate.

We will not be liable for any money that is lost as a result of you using incorrect bank details.

## **22. Storage of files and documents**

After completing your matter, we will be entitled to keep all your papers and documents while there is still money owed to us for fees or expenses. Except for those papers that you ask to be returned, we will normally keep our file of your documents for up to seven years although this period can be longer for some types of matter. We keep files on the understanding that we can destroy them seven years after the date of the final bill. We will not destroy documents you ask us to deposit in safe custody.

If we take papers or documents out of storage in relation to continuing or new instructions to act for you, we will not normally charge for such retrieval.

However, we may charge you for:

- time spent producing stored papers that are requested, and
- reading correspondence or other work necessary to comply with your instructions in relation to the retrieved papers.

Copyright in all documents drafted by us in connection with your matter will remain our property.

## **23. How you can help us**

You can help us by:

- giving us clear and timely instructions;
- providing important documents;
- letting us know if you are unsure over any aspect of your matter;
- telling us about any important time limits that you have; and
- responding promptly to any questions that arise.

Failing to comply with these requirements could, in some cases, mean we can no longer act for you (see next section).

## **24. Termination of our services**

You may end your instructions to us in writing at any time, but we can keep all your papers and documents while there is still money owed to us for fees or expenses.

We may decide to stop acting for you only with good reason, e.g. if:

- there is a conflict of interests;
- you do not co-operate with our identity checking requirements;
- you do not give us proper instructions or co-operate with us;
- you do not pay a bill or provide enough money on account;
- you ask us to work in an improper or unreasonable way;
- trust and confidence has broken down;
- it would be unethical or unlawful for us to continue to act; or
- you seek to mislead us or another party involved in your matter.

We will give you reasonable notice that we will stop acting for you.

If you or we decide that we should stop acting for you, you will pay our fees up until that point. These may be calculated on an hourly rate basis or as a proportion of the agreed fixed fee (plus disbursements).

## **25. Your rights to cancel**

If you are a client instructing us other than in the course of business, the provisions of the Consumer Contracts Regulations 2013 might apply to your matter.

If such provisions do apply (please let us know if you are at all unsure), and your instructions have not been given to us at a face-to-face meeting at our offices, you have the right to cancel your instructions to us within 14 working days of the date you enter into a contract with us to provide services based on those instructions.

You can cancel your instructions by contacting us by post or by email marked for the attention of the individual responsible for your matter.

## **26. About us**

Leathes Prior Solicitors is a partnership. The names of our partners are on our letterhead paper, email footer and available by request from our main office at 74 The Close, Norwich, Norfolk NR1 4DR or by telephone (01603 610911).

## **27. Professional regulation**

We are authorised and regulated by the Solicitors Regulation Authority (SRA): registration number 53782.

The SRA's rules can be found on their website at [www.sra.org.uk/solicitors/standards-regulations](http://www.sra.org.uk/solicitors/standards-regulations).

In accordance with their rules we maintain professional indemnity insurance. A copy of the policy may be inspected at our offices.

We are registered for VAT under registration number 104911405.

## **28. Financial services**

We are not authorised under the Financial Services and Markets Act 2000, nor are we regulated by the Financial Conduct Authority. If, while we are acting for you, you need advice on investments, we may have to refer you to someone who is authorised to provide the necessary advice. However, we may provide certain limited investment advice services where these are closely linked to the legal work we are doing for you. This is because we are members of the Law Society of England and Wales, which is a designated professional body for the purposes of the Financial Services and Markets Act 2000.

The SRA is the independent regulatory arm of the Law Society. The Legal Ombudsman provides an independent complaints review process for most clients of solicitors' firms. If you are unhappy with any investment advice you receive from us, you should raise your concerns with either of these bodies.

## **29. Insurance distribution activity**

Subject to the above section, we are however included on the register maintained by the Financial Conduct Authority so that we may carry on insurance distribution activity, which is advising on, selling and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by the SRA. The register can be accessed via the Financial Conduct Authority website at <https://register.fca.org.uk/s/>.

If you are unhappy with any insurance advice you receive from us, you should raise your concerns with either the SRA or the Legal Ombudsman whose address details appear under "Complaints" above. Please also note that we act as an ancillary insurance mediator only in this regard and not as an insurance provider.

## **30. Assignment**

We may at any time assign or subcontract any or all of our rights and obligations under our agreement with you to a successor limited liability partnership or limited company.

## **31. Severance**

If any provision of these terms shall be found by any court or administrative body having competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of these terms which shall remain in full force and effect.

## **32. Law and jurisdiction**

Any dispute or legal issue arising from our Terms of Engagement will be determined by the law of England and Wales and considered exclusively by the courts of England and Wales.

## **33. Acceptance of these terms**

These Terms of Engagement will be deemed to have been accepted by you upon our subsequent receipt from you or your agent of any instructions, verbal or written, in any matter. Unless otherwise agreed, these terms apply to any future instructions you give to us.

**We look forward to working with you now and in the future.**