

STOCKDALE & REID LIMITED
("The Practice")

PROFESSIONAL TERMS AND CONDITIONS

2010

1. Charging Rates

- 1.1 Charges shall be made upon the basis of the Practice's Charge Rates from time to time. The particular Charge Rate applying in any particular case will be determined by the grade of fee earner employed in the matter (particulars of the Practice's current Charge Rates are set out overleaf).
- 1.2 Actual fees incurred will be charged to the client at the relevant Charge Rate plus an uplift in the exceptional circumstances as provided for in clause 5
- 1.3 Property transactions including leasehold work if not the subject of a written estimate may be charged by reference to a percentage of the value of the property (capitalised in the case of leasehold) plus work done on an hourly basis together with an uplift if relevant.
- 1.4 Probate matters may be charged at 1% of the gross value of the estate (excluding any residence in which the deceased resided where the rate will be half of 1%) unless one or more of the directors is an executor whereby the percentages will be increased to 1½% and three quarters of 1% respectively plus work done on an hourly basis together with uplift if relevant.

2. Bills of Costs

- 2.1 Any bill of costs is due for payment one month after delivery.
- 2.2 The Practice reserves the right to deliver interim bills in respect of any matters continuing beyond any quarterly billing period (quarterly billing periods are defined as ending at three monthly periods after the date of instruction). Generally only one interim bill will be delivered per quarterly billing period (but see below as to disbursements).
- 2.3 In the event that any bill is outstanding for more than one month the Practice may charge interest at the current rate payable on judgments of the High Court.

- 2.4 In the event that any bill remains outstanding for more than one month after delivery and the matter is still continuing, the Practice reserves the right to determine the solicitor and client retainer and to take such steps as are necessary to have the Practice's name removed from the court record. The costs, fees, disbursements and expenses of such application will be charged to the client and will be recoverable upon an indemnity basis.
- 2.5 All interim bills shall be treated as a final or statute bill in respect of the work undertaken up to the point mentioned in the bill and the Practice will levy no further charges in respect of such work unless expressed to be 'interim bill on account'
- 2.6 Nothing herein shall affect the client's right to require the Practice to:-
- 2.6.1 In the case of non-contentious work to apply for a remuneration certificate on behalf of the client from the Law Society provided always that such request is made within one month of the date of delivery of the bill.
- 2.6.2 In the case of contentious work to require the Practice to have their bill assessed by the court provided always that such request is made within one month of the date of delivery of the bill.
- 2.7 In the event that the solicitor and client retainer is determined by reason of the client's default in settling any interim or other bill or in failing to make any payment on account of costs and/or disbursements (see below), no liability shall attach to the Practice in respect of any alleged loss or consequential loss following from the cessation of the relationship. The Practice shall be under no obligation to hand over papers, documents or other property in the Practice's custody until such costs have been paid in full and nothing herein affects the solicitors' common law lien in respect of such property.

3. Disbursements and Payments on Account of Costs

- 3.1 The Practice may either at the outset or at any stage during the conduct of any matter request from the client a payment on account of costs and disbursements in such sum as is fair and reasonable having regard to the particular circumstances of the matter.

- 3.2 If such a request is made then the said payment on account of costs and disbursements shall be paid by the client to the Practice within 7 days unless such period is extended by the Practice in writing.
- 3.3 In the event of the client failing to make payment within the appropriate time limit, the Practice shall be entitled to treat the retainer as having been determined and may deliver a final statute bill for work done to date which shall be payable forthwith.
- 3.4 Counsel's fees: Shall be paid by the client to the Practice within one month of the solicitor delivering to the client a copy of counsel's fee note.
- 3.5 Expert's fees: Unless otherwise agreed expert's fees shall be estimated by the Practice and paid in advance by the client to the Practice. The client will be given credit for any excess paid. In the event of the said fees being underestimated then the Practice shall be entitled to require the client to pay any balance due within 7 days of the actual figure being made known

4. Our liability

- 4.1 We will perform the work which we do for you with reasonable skill and care and we acknowledge that we will be liable to you for losses, damages, costs or expenses (Losses) caused by our negligence or willful default, subject to the following provisions.
- 4.1.1 The Practice will not be so liable if such losses are due to the provision of false, misleading or incomplete information or documentation or due to the acts or omissions of any person other than the Practice.
- 4.1.2 The aggregate liability, whether to you or any third party, or whatever nature, whether in contract, tort or otherwise, of the Practice for any losses whatsoever and howsoever caused arising from or in any way connected with each matter upon which we are instructed and/or advice on it, shall not exceed £5 million.
- 4.1.3 Your rights in respect of any breach on our part of this engagement shall only be enforceable if notice in writing giving all material details of any claim shall have been given to us on or before the second anniversary of the date of our engagement.

- 4.2 Our liability, whether to you or any third party, in contract or tort or under statute or otherwise shall exclude, any indirect or consequential economic loss or damage (including loss of profits) suffered by you or any third party arising from, or in connection with, the matter on which we are instructed and/or advice on it, however the indirect or consequential economic loss or damage is caused, including our negligence but not our willful default.
- 4.3 Nothing in this section of these terms shall impose on the Practice any liability of any kind or for any amount which we would not have but for this section.
- 4.4 Nothing in this section of these terms shall have the effect of restricting our liability in respect of our liability for death or personal injury caused by our negligence or any kind of loss, damage or liability which cannot or must not be excluded or limited under English Law.

5. Miscellaneous

- 5.1 Value Added Tax: The Practice VAT number is 176414751. All professional fees and disbursements shall, unless otherwise stated, be deemed to be exclusive of value added tax and value added tax will be charged.
- 5.2 Insurance: In accordance with the disclosure requirements of The Provision of Services Regulations 2009, our professional insurer is XL Insurance Company Limited XL House 70 Gracechurch Street London EC3V0XL. The territorial coverage of our policy is worldwide.
- 5.2 Notices etc.: Any bill, letter or other written communication shall be deemed to have been received by the client within 7 days after posting by the Practice to the client's last known residence or place of business.
- 5.3 Legal Aid: Nothing herein shall affect the obligations of the Practice as solicitors under the provisions of the Legal Aid Acts and/or statutory or re-enactment or modification thereof and/or regulations made thereunder.
- 5.4 Estimates: Written estimates of fees will be provided upon request. However, it is emphasised that in the case of litigation it is very often impossible to estimate with any degree of accuracy the likely final bill of costs total. To assist the client the Practice will from time to time but no more frequently than every 3 months upon request, provide the client with an estimate of future fees in relation to any particular matter.

- 5.5 Quotations: Nothing shall prevent the Practice from agreeing a fixed fee of a reasonable amount with the client and in the event of such fee being agreed the Practice shall not be entitled to charge any greater sum, such agreed fees shall not be binding upon the Practice unless confirmed in writing by a director.
- 5.6 Where as part of the transaction monies are transferred by us on your behalf by chaps transfer we make a charge of £25.00 plus VAT for this service. This includes the Bank charges to us and a costs charge for the work undertaken in arranging and completing the chaps transfer. Where the practice carries out Company Searches on behalf of a client at Companies House Direct a charge will be made as costs which includes any direct charge made by Companies House and a charge by this Practice for carrying out the Search.
- 5.7 Forbearance: The provisions of these terms and conditions shall remain in full force and effect notwithstanding any waiver, release or indulgence granted from time to time by the directors.
- 5.8 These terms and conditions shall be subject to the Law Society's Rules of Professional Conduct.

6. Charging Rates – November 2009

The following are the basic time applicable to each of the following fee earners of Stockdale & Reid reviewable in January each year.

John D Reid	£205.00
Peter W Amos	£205.00
Christopher C Sheppard	£190.00
Dwayne E Hills	£180.00

- 6.1 An uplift may be applied to the Charging Rate in a matter which required exceptional care and attention, exceptional expedition and or exceptional expertise on the part of the fee earner a lift of 33.3% will be applied.
- 6.2 Where in accordance with our professional terms a percentage is charged in relation to the value of the transaction an uplift will not normally be charged but the right to charge an uplift is reserved if the circumstances are justifiable.
- 6.3 No uplift will normally be added to time charged for travelling, however where

undertaken outside usual office hours, the right to do so is reserved.

7. Service Standards and Hours of Business

- 7.1 We will update you as appropriate with progress on your matter regularly
- 7.2 We will communicate with you in plain language
- 7.3 We will provide you with a costs update at least every six months during the course of this matter or at any time upon request
- 7.4 We will update you on whether the likely outcomes still justify the likely costs and risks associated with your matter whenever there is a material change in circumstances
- 7.5 We will update you on the likely timescales for each stage of this matter and any important changes in those estimates
- 7.6 The Practice's opening hours are between 9.00am and 5.00pm Monday to Friday.
- 7.7 Appointments may be arranged away from the Practice's offices when appropriate to do so at the sole discretion of the Practice

8. Equality and Diversity

- 8.1 Stockdale & Reid Limited 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.

9. Data Protection

- 9.1 We are bound by the requirements of the Data Protection Act 1998
- 9.2 We use the information you provide primarily for the provision of legal services and for:
 - Updating and enhancing client records.
 - Analysis to help us manage our practice
 - Legal/regulatory compliance

10. Storage of files

- 10.1 We will store your file for a period of 6 years (or longer if we are required to do so due to the nature of the matter for which you have instructed us)
- 10.2 We keep files on the understanding that we can destroy them after this period of time has expired

- 10.3 If we take documents out of storage in relation to continuing or new instructions from you we will not charge you for doing so

11. Interest on client account funds

- 11.1 Any money received on your behalf will be held in our client account.
- 11.2 Interest will be calculated and paid to you at the rate set by Lloyds TSB Bank Plc (though this is of course subject to change)
- 11.3 The period for which interest will be paid normally runs from the date(s) when funds are received by us until the date(s) on the cheque(s) issued to you. The payment of interest is subject to certain minimum amounts and periods of time set out in the Solicitor's Accounts Rules 1998

12. Financial Services

- 12.1 This practice is not regulated by the Financial Services Authority. If, while we are acting for you, you need advice on investments we may refer you to someone who is authorized to provide the necessary advice
- 12.2 We are permitted to 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 & Wales which is a designated professional body for the purposes of the Financial Services & Markets Act 2000
- 12.3 The Solicitors Regulation Authority is the independent regulatory arm of the Law Society. The Legal Complaints Service is the independent complaints handling arm of the Law Society. If you are unhappy with any investment advice you receive from us, you should raise your concerns with either of these bodies.