

## TERMS AND CONDITIONS OF BUSINESS

### OUR AIM

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

### OUR COMMITMENT TO YOU

We will:-

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

### OUR HOURS OF BUSINESS

- The normal hours of opening at our offices are between 9.00am and 5.00pm on weekdays. Messages can be left on the answerphone outside those hours and appointments can be arranged at other times when this is essential.

### PEOPLE RESPONSIBLE FOR YOUR WORK

- You will be notified in writing at the commencement of each new matter, the Partner, Solicitor or other member of staff who will deal with your matter. During the course of any matter and to help progress during holidays or extremely high levels of work your matter may be dealt with by someone other than the person notified to you and they may have different qualifications. They will always be judged by the firm to be competent in handling that part of the matter to which they are assigned.

### CHARGES AND EXPENSES

- 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 will include, amongst other items, meetings with you and perhaps others, reading and working on papers, correspondence, preparation of any detailed costs calculations, and time spent travelling away from the office when this is necessary.
- All time is charged as 6 minute units of time including the time spent on making and taking telephone calls, answering e-mails and considering incoming correspondence. For the sake of clarity e-mails will be treated as correspondence.
- In providing us with instructions to act on your behalf you accept that you are subject to a minimum charge of £100 + VAT. This is to reimburse the firm for its costs in opening a file and dealing with the various compliance issues that will arise. The firm may also incur costs in verifying your identity or that of your company which we may also seek to recover.
- The current normal hourly rates are set out below. We will add VAT to these at the rate that applies when the work is done. At present VAT is [SQL: select dbo.fn\_Format\_VATRate()]%.

	Birmingham City	Other offices
Partners and Solicitors (8 years post qualification)	£247	£231
Solicitors\Associates and FILEX(4 years post qualification)	£221	£202
Junior Solicitors and FILEX	£182	£173
Trainee Solicitors and paralegals	£147	£134

These are the rates applicable to private work. They do not apply to litigious work carried out in the following circumstances:-

- i) Under a Certificate of Public Funding Form or Legal Help Form where the LSC rates set out in the engagement letter applied;
- ii) Under Legal Expenses Insurance where the rates set out in the engagement letter apply;
- iii) Under a Conditional Fee Agreement where the rates set out in the CFA apply.

- In a litigious matter, even if you are successful, your opponent may be ordered to pay only a proportion of your costs. If this happens you will still have to pay our charges in full, and in signing these terms and conditions you are giving us authority to charge you (where appropriate) costs in addition to any sums recovered from your opponent. Any costs actually paid by your opponent will be credited to you.
- If you wish, we are happy to give an estimate of charges on request, but this will usually be an approximation rather than a quotation. Estimates are given on the assumption that the matter is not, or does not, become unusually urgent, complicated or time consuming.
- Certain work can be undertaken at a fixed price. We are always happy to discuss your requirements in this context. If you require a fixed price then a figure will be confirmed to you in writing before the commencement of the work in question.
- These hourly rates have to be reviewed periodically to reflect increases in overhead costs and inflation. Normally the rates are reviewed with effect from 1 October each year. If a review is carried out before this matter has been concluded, we will inform you of any variation in the rate before it takes effect.
- In addition to the time spent, we may take into account a number of factors including any need to carry out work outside our normal office hours, the complexity of the issues, the speed at which action has to be taken and any particular specialist expertise which the case may demand. In particular, in property transactions, the administration of estates or in matters involving substantial financial value or benefit to a client a charge reflecting the value of the financial benefit may be considered. It is not always possible to indicate how these aspects may arise but on present information we would expect them in a litigious matter to be sufficiently taken into account in the rates which we have quoted. In probate matters where a solicitor or consultant within

this firm is an Executor/Trustee it is usual to charge a value element based on 1½% of the value of the personal estate and ¾ % on the value of the real estate. Where there is no Solicitor Executor/Trustee those charges are 1% and ½% respectively. Where a charge reflecting any value element is to be added we will explain this to you. To our charges may be added expenses such as travelling, subsistence, photocopying, word processing, fax, postages and telephone charges.

- Solicitors have to pay out various other expenses on behalf of clients ranging from Land or Probate Registry fees, court fees, barristers' fees, experts' fees, identity checks and so on. We have no obligation to incur liability for 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 third party payments and other payments.
- In the event that a cheque is sent to you by the firm and is returned to our bank as unpresented, we reserve the right to levy an administration fee of up to £50.00 plus VAT for reissuing the cheque.
- In some instances, notably property transactions, the matter may not proceed to completion. In such circumstances, we will be entitled to charge you for work done and expenses incurred unless we have confirmed otherwise to you in writing. These charges will be proportionate to the work undertaken and in any case subject to our minimum charges as above. You should be aware that where we have obligations to mortgagees, their instructions may be in conflict with your own.
- If you ask us in writing, we will place a limit on the amount of charges which may be incurred without your prior approval, provided that the limit is realistic.
- The common law entitles us to retain any money, papers or other property belonging to you which properly come into our possession pending payment of 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 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.
- 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 incurred, whether billed or unbilled. We also have the right to ask the court to make a charging order in our favour for any assessed costs.

#### PAYMENT ARRANGEMENTS

- Litigation Matters. Unless you have a previously agreed credit limit with this firm you will be required to place money on account equal to three months charges as estimated by the fee earner with whom you deal subject to a minimum of £250. If you have applied for a credit limit with this firm then a figure of £250 will be required until such time as the credit limit is agreed. In any large transaction there may be a number of payments that the firm has to make to third parties before completion or an accounting period. You will supply to the firm an amount of money to be held in our client account to fund such payments in advance of the requirement to pay third parties ('monies on account'). A estimate of monies required will be sent to you at the start of the matter and a statement will be sent at the end of each accounting period. You may at the time of accounting be asked for additional monies on account subject to the nature of the matter. For the purposes of the Solicitors Accounts Rules 1998, we will be entitled to retain any interest earned on monies paid on account of costs. Payment may be made by credit card if you so wish. Such payments will incur an additional 3% charge.
- Property transactions. We will normally send you our bill following the exchange of contracts and payment is required on a purchase prior to completion. On a sale payment will be required at completion. If sufficient funds are available on completion and we have sent you a bill, we will deduct our charges and expenses from the funds.
- 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 normally be prepared when the Estate Accounts are ready for approval.
- Ongoing matters will normally be billed on a quarterly basis during the last week of March, June, September and December each year the 'Accounting Period'. At that time monies held on account will be credited to any outstanding bill and you may be asked for further money to cover ongoing charges. This excludes monies held as deposit or as payment for specific disbursements. Should these bills remain unpaid for 14 days then we reserve the right to suspend work until such time as the account is settled unless, in our opinion, due to the nature of the matter we consider a shorter period to be appropriate.
- Payment is due to us within 14 days of our sending you a bill. Interest will be charged on a daily basis at 4% over National Westminster Bank Plc's base rate from time to time from the date of the bill in cases where payment is not made within 14 days of delivery by us of the bill.
- You are responsible for payment of our bills even if someone else has agreed to pay a bill or we have agreed to send a bill to a third party for payment on your behalf or you have the benefit of legal expenses insurance.
- Where we are acting on any matter for two or more persons such persons shall be jointly and severally liable to us for payment of our bills and disbursements. The term "persons" includes bodies corporate, unincorporated associations and partnerships.

#### OTHER PARTIES CHARGES AND EXPENSES

- In some cases and transactions a client may be entitled to payment of costs by some other person. It is important that you understand that in such circumstances, the other person may not be required to pay all the charges and expenses which you incur with us. You have to pay our charges and expenses in the first place and any amounts which can be recovered will be a contribution towards them. If the other party is in receipt of legal aid no costs are likely to be recovered.
- If you are successful and a court orders another party to pay some or all of your charges and expenses, it may be possible to claim interest on those charges and expenses from the other party from the date of the court order. If interest on charges and expenses is awarded and paid, we will account to you for such interest to the extent that you have paid our charges or expenses on account, but we are entitled to the rest of that interest.
- You will also be responsible for paying our charges and expenses in 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 charges and expenses. That money would be payable in addition to our charges and expenses. Arrangements can be made to take out insurance to cover liability for such legal expenses. Please discuss this with us if you are interested in this possibility.

## INTEREST PAYMENT

- Any money received on your behalf will be held in our Client Account. Subject to certain minimum amounts and periods of time set out in the Solicitors' Accounts Rules 1998, interest will be calculated and paid to you at the rate from time to time payable on National Westminster Bank Plc's Solicitors Reserve Account. The period over which interest will be paid will normally run from the date(s) on which cleared funds are received by us until the date(s) of issue of any cheque(s) from our Client Account.
- 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 the issue of their loan cheque or the telegraphing of the payment.

## FINANCIAL SERVICES

- Challinors is not authorised by the Financial Services Authority. 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 regulated by the Solicitors Regulation Authority. The register can be accessed via the Financial Services Authority website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register).
- The Law Society is a designated professional body for the purposes of the Financial Services and Markets Act 2000 but responsibility for regulation and complaints handling has been separated from the Law Society's representative functions. The Solicitors Regulation Authority is the independent regulatory body of the Law Society and the Legal Complaints Service is the independent complaints handling body of the Law Society
- If you need advice on investments, we may have to refer you to someone who is authorized 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 you with certain limited investment services where these are closely linked and incidental to the legal work we are doing for you.

## STORAGE OF PAPERS AND DOCUMENTS

- After completing the work or instructions being transferred to another solicitor, we are entitled to keep all your papers and documents while there is money owing to us for our charges and expenses (see charges above). In addition, we will keep your file of papers for you in storage for not less than 6 months. Where we have a statutory duty to retain copies they shall be stored electronically and may be retained beyond any such requirement. After that, storage is on the clear understanding that we have the right to destroy your file of papers 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.
- 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 for producing stored papers or documents to you or another at your request at a rate of £80.00 per hour. We may also charge for reading, or responding to correspondence, or other work necessary to comply with your instructions.

## TERMINATION

- You may terminate your instructions to us in writing at any time but we will be entitled to keep all your papers and documents while there is money owing to us for our charges and expenses. If at any stage you do not wish us to continue doing work and/or incurring charges and expenses on your behalf, you must tell us this clearly in writing and on receipt of your written notice to us our retainer will terminate.
- Our retainer will only continue until such time as we have completed the work which we have expressly agreed to carry out on your behalf. You accept and agree that our retainer will not, by implication, extend to work which has not been expressly agreed.
- We may decide to stop acting for you only with good reason, (e.g., if you do not pay any bill within 28 days from the date of the bill, or, in **contentious business, (i.e. court cases) you fail to pay a reasonable sum on account of the costs to be incurred in the conduct of that business and you refuse or fail within a reasonable time to make that payment, or if there is a conflict of interest.**) We will inform you in writing if we decide to stop acting for you and on receipt of our notice to you our retainer will terminate.
- If you end your instructions with us or we decide that we should stop acting for you, you will pay our charges and third party payments due up until that point.
- If we stop acting for you, or you end your instructions with us, you agree that you, and not us, will be liable to meet any deadlines whether transactional, court based or otherwise. We will no longer represent you in any way.
- In the event that the matter is to be transferred to another firm of solicitors we will retain all papers until such time that all monies due to us are paid. Our retainer will terminate on receipt of the request for your matter to be transferred. You will not be entitled to any discount or rebate formerly agreed. We will also add to our charges the time spent in preparation of the papers for transfer and copying charges for the reproduction of all papers.

## LIMITATION OF LIABILITY

- This paragraph shall apply to any claim--
  - a. by you
  - b. and, if any duties are held to be owed to them, any related or associated individuals companies to you, and any officers, employees or consultants of any of these entities;
  - c. against the firm (which for the purpose of this clause includes any successor practice), any past, present or future partners of the firm, and/or any past, present or future employees of the firm.Such claim shall be limited to such amount, not being less than £2,000,000 each and every claim, including claimants' costs, as is referred to in our engagement letter. All claims, whether made by one or more of the parties referred to in subparagraphs (a) and (b) or by a third party, arising from the same act or omission, or from a series of related acts or omissions, shall be regarded as one claim.

If we notify you of any applicable limit on our indemnity cover, we shall in no circumstances be liable to you beyond the limits of such cover.

#### LIMITED COMPANIES

- When acting on behalf of a limited company, we may require a director and/or controlling shareholder to sign a form of personal guarantee in respect of the charges and expenses of this firm. If such a request is refused, we will be entitled to stop acting and to require immediate payment of our charges on an hourly basis and expenses as set out earlier.

#### COMMUNICATION BETWEEN YOU AND US

- Our aim is to offer all our clients an efficient and effective service at all times. We hope that you will be pleased with the work we do for you. If you have queries or concerns, please contact us at the address shown above.
- In your matter we will not be offering advice on taxation unless we expressly confirm to you in writing we are doing so. Please make sure you consult your accountant for any issue in relation to tax liabilities either personal or corporate.
- In your matter we will not be offering advice on planning and you should consult an expert in this area nor can we be responsible for any liabilities arising from a search.
- We will aim to communicate with you by such a method as you may request. We may need to virus check discs or e-mail. Unless you withdraw consent we will communicate with others when appropriate by e-mail or fax but we cannot be responsible for the security of correspondence and documents sent by e-mail and fax.
- 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 of them.

#### COMPLAINTS PROCEDURE

- If you have queries or concerns relating to the manner in which a matter is being conducted, please contact the person dealing with your case or the person responsible for supervising your case, who is identified in your Engagement Letter, who will try to resolve any problems. However, if you continue to feel dissatisfied and wish to refer the problem to someone else for further investigation, you should contact our Complaints Officer, Terry Ryan who is based at our West Bromwich office at Guardian House, Cronehills Linkway, West Bromwich, West Midlands, B70 8SW. She can be contacted on telephone number 0121 553 3211.
- All solicitors must attempt to resolve client problems as quickly as possible and we are committed to following the Law Society's Client Care Guidelines on this subject. It is important that you raise any concerns with us immediately they arise.
- In the event that you remain unhappy with the outcome of our handling of your complaint, you may wish to contact the Legal Ombudsman whose address is PO Box 15870 Birmingham B30 9EB. You can get in touch with them by telephone on 0300 555 0333 or via email on enquiries@legalombudsman.org.uk. The Legal Ombudsman is able to deal with complaints raised by members of the public, very small businesses, charities, clubs and trusts. Normally, you will need to bring a complaint to the Legal Ombudsman within six months of receiving a final response from us about your complaint.
- A copy of our Complaints Procedure will be provided to you upon request.

#### DATA PROTECTION ACT

- In order to facilitate our communications with clients and our administration of their affairs we seek consent from clients to our recording relevant personal information on our firm's computer system. By signing these terms and conditions you give us your authority to do so. We will supply to clients, at their request, a copy of the data relating to themselves and will provide them with a description of the data and the purposes for which it is processed and with details of the source of the data and any potential recipients of the data.
- It may be necessary from time to time to seek a personal search from a credit referencing agency. By signing these terms and conditions you are agreeing to allow this firm to make such a search. If you are signing as a company director you are also providing us with the authority to search from time to time not only details about yourself but also your fellow directors.
- For clients who have instructed us in the sale and purchase of a domestic property it may be that from time to time we share information regarding the progress of this matter with third parties such as estate agents via correspondence, email, the telephone, and private internet reports. By signing these terms and conditions you give us your authority to do so.
- We may also share your information with our business partners or successors for marketing purposes. We or they may contact you by email, telephone, fax or other electronic messaging means with offers of goods or services or information that they may feel are of interest to you. By providing us with your address, fax number, telephone numbers or email address you consent to being contacted by those methods for these purposes. If you do not wish to receive marketing information of this nature, please tick the box.
- If you provide us with information concerning another person, eg an employee, you confirm that you have their authority to do so, that you have their consent to the processing of their personal data and that you have informed them of our identity and the purpose for which their personal data will be processed.
- For security, safety, quality control, training and the purpose of accurate record keeping we may monitor or record your communications with or visits to us.

#### CONFIDENTIALITY

- Solicitors are under a professional and legal obligation to keep the affairs of clients confidential. This obligation, however, is subject to a statutory exception: recent legislation on money laundering and terrorist financing has placed solicitors under a legal duty in certain circumstances to disclose information to the Serious and Organised Crime Agency. Where a solicitor knows or suspects that a transaction on behalf of a client involves money laundering, the solicitor may be required to make a money laundering disclosure.

If, while we are acting for you, it becomes necessary to make a money laundering disclosure, we may not be able to inform you that a disclosure has been made or of the reasons for it. Where the law permits us to do, we will tell you about any potential money laundering problem and explain what action we may need to take.

- The firm may from time to time use external agencies or professionals to provide services to the firm. These may include costs draftsmen, secretarial services and barristers. Whilst the firm endeavours to enter into confidentially agreements with these suppliers it cannot be responsible for their actions. By instructing us you are consenting to us using such companies or individuals as we see fit.
- We may from time to time have information that is not in the public domain that has come into our possession from another client. Whilst it may be in your interest to disclose that information you agree by accepting these terms and conditions that we will not disclose it to you if it conflicts with our duty to a third party to keep that information confidential.

#### MEDIA AND PUBLIC RELATIONS

- The firm will in return for your co-operation help in the promotion of your venture where required subject to reasonable notice. All requests should be made through the firm's PR Consultants the name of which will be supplied upon request.
- From time to time it may be in the interest of the firm to publicise its activities and involvement in certain transactions insofar as it does not breach its professional regulations and ethics. You will, subject to your own commercial considerations, help wherever it is reasonable to do so in the firm promoting its activities.
- If you do not wish to receive additional marketing material, including seminar invites and copies of press releases affecting your business sector or matter type please let us know in writing.

#### INSPECTION OF FILES

- To meet our statutory obligations, files may be inspected by the Legal Services Commission and/or Solicitors Regulation Authority at their request

#### TERMS AND CONDITIONS OF BUSINESS

- Unless otherwise agreed, and subject to the application of then current hourly rates, these Terms and Conditions of Business shall apply to any future instructions given by you to this firm.
- Although your continuing instructions in this matter will amount to an acceptance of these Terms and Conditions of Business, it may not be possible for us to start work on your behalf until one copy of them has been returned to us to keep on our file.
- If your instructions have not been given to us at a face to face meeting you will have the right to cancel those instructions within 8 working days of these Terms and Conditions having been returned to us. You may cancel the agreement during that period by either delivering or posting your written instructions to our principal office at Guardian House, Cronehills Linkway, West Bromwich, West Midlands B70 8SW or by sending a fax or email to that office. By signing and returning these terms and conditions you are agreeing that to avoid any delay in the transaction we may start work on your behalf straight away and we do not have to wait for the cancellation period to expire. In doing so you will be liable for any costs incurred once work has started. These cancellation rights do not apply if you are a limited company or an individual acting in the course of your business.
- The names Challinors Sheltons trading from 47 Queen Street, Wolverhampton, West Midlands WV1 3BJ and Challinors White and Billingham trading from Hye field House, Halesowen, West Midlands, B63 4RH and W&B Estate Agents are all trading styles of Challinors Solicitors, Guardian House, Cronehills Linkway, West Bromwich, West Midlands B70 8SW.
- If at any time any one or more of the provisions of these Conditions becomes invalid, illegal or unenforceable in any respect under any law, the validity and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

If signing these terms and conditions on behalf of a company, firm or partnership I confirm that I have authority to represent and to bind it to such conditions and commit it to payment of fees in accordance with this agreement.

I/ confirm I have read and understood, and I accept, these Terms and Conditions of Business

Signed

Name:

Address :

Dated:

Ref:

Regulated by The Solicitors Regulation Authority  
Compliance Partner: Fiona Debney