

TERMS OF ENGAGEMENT

This document sets out the terms and conditions upon which Peachey & Co LLP ("P&Co") accepts your instructions to act. These terms may be varied or added to by correspondence at (or after) the time when your instructions are accepted by P&Co. If, for whatever reason, you do not accept or understand these terms you should tell the responsible partner (whose name appears in the accompanying letter) immediately. P&Co is a Limited Liability Partnership having members not partners. However, the expression partner may be used in our dealings with you to describe a member. **Please pay particular attention to clause 7 below.**

1. GENERAL

- 1.1 It is P&Co's professional duty to provide our legal services with reasonable care, skill and diligence. The advice we give does not include taxation advice (unless previously agreed in writing) and all commercial implications are a matter for you to assess at all times including the decision to complete any given transaction. Confirmation of oral, draft or interim advice must be requested and given for us to be liable to you for it. Further, it is not incumbent on us to update any advice after the end of a matter without first receiving a written request for us to do so and we have accepted the obligation to do so in writing.
- 1.2 Throughout the handling of your matter P&Co will rely on you to supply, in a timely manner, all information needed to act on your behalf. It is your obligation to tell us promptly of any relevant change in or addition to such information in the circumstances. P&Co will not be under any obligation to verify or check the accuracy of such information unless it is specifically agreed in writing that they should do so.
- 1.3 Unless otherwise specifically agreed in writing these terms of engagement shall apply only to all matters that you instruct us to advise on. P&Co is not liable for any loss, cost or expense caused by any act, omission or insolvency (either threatened or otherwise) of any bank, financial institution or other payment or clearing system where we might have placed funds.
- 1.4 If you appoint us to advise on a project or transaction with other professional advisers, our liability to you for any loss arising in relation to that matter from a breach of these terms of engagement shall be limited to such proportion of the loss which is fair and reasonable for us to bear, to be determined on the condition that all such other professional advisers have entered into binding obligations owed to you on terms no less onerous than the terms of this clause 1.4 and have paid to you such proportion of the loss as it is fair and reasonable for each of them to bear.
- 1.5 Any reference to a partner of P&Co is to be deemed a reference to a member of the LLP entity only and no member, consultant, or employee of P&Co contracts with you personally or assumes any legal responsibility to you personally when acting on behalf of P&Co. All correspondence, email or other communication sent by any such person during their work performed for P&Co should be treated as having emanated from P&Co.

2. CONFIDENTIALITY/COMMUNICATIONS BETWEEN US

- 2.1 Your instructions, information and other documentation entrusted to P&Co are confidential and will not be disclosed by P&Co save on your instructions, as required by law or our professional conduct rules or as hereinafter set out.
- 2.2 P&Co accepts oral, written or email instructions but, although we try to ensure they are not, we cannot guarantee our communications are secure and free from error, virus or malware. Further, use of email cannot ensure confidentiality, timely delivery or delivery at all and we accept no liability in respect thereof.

3. DATA PROTECTION

- 3.1 In order to act for individuals, it may be necessary for us to record on our files and also on our computer system certain personal details such as dates of birth, addresses and telephone numbers etc. In addition other non essential information may also be held by us when acting for individuals, trusts or companies. By this contract you are giving us permission to process your personal data specifically for the purposes of our legal services for you. You are entitled to ask at any time for a copy of the information that we hold about you, your trust or your company and its officers or employees.
- 3.2 Further, you agree that information we may hold may be used in connection with our services provided to you in other countries outside the European Economic Area, some of which may not have laws to protect such information.
- 3.3 We maintain a privacy policy on our website to inform you how P&Co collects and processes your personal data and how we comply with European Union data requirements.

4. FEES

- 4.1 The basis of P&Co's charges will be as agreed by you at the outset and set out in the accompanying letter or that which is fair and reasonable. The basis of our charges is subject to what may be mutually agreed between the parties from time to time during the course of or at the end of a matter. P&Co's charges are generally calculated based on the time and effort expended by our fee earners on your behalf with hourly rates charged with regard to the relative experience of those staff members. Charge rates are reviewed semi-annually each year and new rates apply with effect from such review date and will be notified to you in writing. Current rates can be supplied at any time upon request. Where appropriate other factors may be taken into consideration in the calculation of our charges.
- 4.2 We charge by reference to six minute time units for all time spent managing and supervising a matter and all time spent for example in correspondence, preparing documents, drafting, attending meetings, travel, making and receiving telephone calls, researching, drafting and office conferences.
- 4.3 Sums incurred by P&Co on your behalf (such as stamp duty land tax, land registry fees, Court fees, online search fees, enquiry agents, process servers, translators, Counsel's fees and all other disbursements) will be chargeable, as will expenses incurred on travel, faxes, couriers, storage, bank charges, necessary support staff overtime, telephone calls, scanning and copying.
- 4.4 Clients may direct that movements of money on their behalf be carried out by telegraphic bank transfer. You should be aware that the banking system does not necessarily produce instantaneous transfer of such monies. P&Co cannot be held responsible for delays or errors within the banking system. Bank charges incurred in relation to telegraphic transfers made at your request may be deducted by us from your client account without specific prior notification to you.
- 4.5 VAT is chargeable at the applicable rate on almost all fees including our hourly rates or fixed fees. You undertake to provide us with the necessary documentation to enable us to classify your status as regards VAT and you agree to indemnify us against all and any interest, penalties or legal costs as a result of information in relation to VAT which proves incorrect.
- 4.6 Estimates of costs are given in good faith for guidance only on the basis of information then known to P&Co and are not to be regarded as quotations or fixed fees unless that fact is communicated in writing. You should note that it is often not possible to estimate costs accurately in advance. If a fixed fee is quoted then it is referable only to the scope of work anticipated and assumptions made at that time. Any changes to the scope or anything rendering our assumptions invalid will result in possible further charges.
- 4.7 A P&Co invoice or bill of costs would usually be submitted at the time of substantive completion of the transaction, however if it is likely that the matter could proceed for some time interim invoices will be appropriate.

- 4.8 You have the right to give P&Co written notice to set a limit on the fees which we may incur on your behalf. If that limit is reached, P&Co will then cease work, notify you and await your further instructions. Occasionally you might find the consequences of our ceasing to work for you can be detrimental to your interests and we will endeavour to outline the possible consequences of our ceasing to act, but ultimately we cannot be held responsible for the consequences thereof. In relation to contentious work, it may not be possible to limit your liability in relation to the costs incurred by any other party in the matter.
- 4.9 P&Co's charges are payable even if a matter does not complete.

5. PAYMENT

- 5.1 Invoices are issued monthly unless otherwise agreed in writing with you. You are responsible for paying the invoiced amount in full even if a third party is or becomes liable.
- 5.2 P&Co may, at any time, require payment from you of a reasonable sum on account of anticipated costs and disbursements. P&Co has the right to appropriate such sums to defray disbursements incurred on your behalf or to pay interim invoices 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 invoices without resort to such sums. We are required to deduct any sums held on undesignated client account any fees, expenses or VAT within 14 days of the amount becoming due.
- 5.3 P&Co's invoices are due and payable within 14 days of the date of the invoice on delivery. If you are a business client P&Co is entitled to charge interest on any sum unpaid 30 days after the date of delivery of an invoice at the statutory rate applicable under the Late Payment of Commercial Debts (Interest) Act 1998 (as amended), or otherwise at the rate of 2% over the base lending rate of Coutts & Co calculated from day to day.
- 5.4 P&Co reserves the right to exercise a lien over your papers for unpaid costs.

6. CLIENT FUNDS/INTEREST

- 6.1 P&Co will ensure that any funds held on your behalf are kept safe and available for the purposes for which it is provided and separate from funds belonging to P&Co. P&Co handles two types of client account: (i) a general client account where the majority of client money is held. This is on an instant access basis to ensure immediate access to funds to facilitate transactions; and (ii) a designated client account. This is created specifically for an individual client and will include in its title a reference to your identity. These accounts are sometimes created where there is a specific contractual requirement to do so.
- 6.2 In accordance with the Solicitors Accounts Rules, set out by the SRA (as defined below), P&Co shall account to its clients for a sum in lieu of interest on a fair and reasonable basis. For any funds held in a designated client account, P&Co will account to you for all/any interest earned on such account (net of any tax deducted at source). For any funds held in the general client account, P&Co will account to you for an amount of interest on an annual basis on 30 April. The rate of any interest paid on funds held in the general client account will be not less than what is paid from time to time by Coutts & Co on a business instance access account.
- 6.3 P&Co will not pay any interest: (i) if the sum calculated over the course of a transaction is less than £20 in total on the basis that it is a de-minimis amount; or (ii) on money held on account for payment of a professional disbursement.

7. LIMITATION OF LIABILITY

- 7.1 Unless a higher or lower amount is specifically agreed in writing, our aggregate liability to you, including liability for legal and other fees, costs and disbursements, in respect of any and all claims or causes of action relating to any matter is limited to £1,000,000.

7.2 Unless a longer or shorter period is specifically agreed in writing, we shall have no liability in respect of any claim unless you give us written notice of the claim, stating in reasonable detail the nature of the claim and your best estimate of the amount claimed, within 12 months of the completion, resolution or discontinuance of any matter.

8. ANTI-MONEY LAUNDERING/BRIBERY

8.1 Anti-money laundering regulations require us to obtain, in appropriate cases, formal evidence of identity of our clients and/or the beneficial owners of any client entity and source of funds. In doing so, we may require, before we can start acting for you (or on an ongoing basis), documentation to allow us to verify your identity and comply with our obligations generally. We may use electronic databases to enable us to verify information you have given us to fulfil our obligations under the money laundering regulations and your consent is given to make such enquiries.

8.2 P&Co will not tolerate bribery and corruption and by instructing us under these terms of engagement you are agreeing to this approach and to report any such activity coming to your attention during our retainer.

8.3 On occasion, we have to make disclosure to third parties. In particular, P&Co may be required by law to make a disclosure to the relevant authorities if P&Co knows or suspects that a transaction may involve money laundering or terrorist financing or suspected bribery. If P&Co makes a disclosure in relation to your matter, P&Co may not be able to tell you that a disclosure has been made or to explain why work has stopped on your matter for a period of time.

9. LITIGATION

This paragraph applies only to litigious matters.

9.1 If you are successful in a litigation matter it may be that you will be entitled to an order for assessment of costs for the payment of your costs by another party. Such an award is in the discretion of the Court. You should be aware that it is rare for an assessment of costs to result in your opponent having to pay the full amount of your costs. In this case, you will be responsible to P&Co for the difference between the actual costs incurred and the assessed costs payable by your opponent. If any sum ordered against your opponent is not recovered in full or in part, you will also be responsible for the shortfall in the amount received. Likewise, if you lose proceedings, you may have an assessment of costs order against you and you will have to pay your opponent's costs as well as your own.

9.2 It is not P&Co's practice to do work under any legal aid scheme administered by the Legal Aid Agency. Consequently, if you become eligible for legal aid during the course of a matter, P&Co may terminate our retainer.

9.3 If you obtain interest under an order for costs against your opponent, P&Co are entitled to retain such interest to the extent that any of our fees have not been paid on account.

9.4 In certain circumstances insurance may be available to cover you against the risk of an order for costs being made against you or your failure to recover your own costs from another party. Please contact us if you require further detail.

10. INSURANCE MEDIATION ACTIVITIES/FINANCIAL SERVICES

10.1 P&Co are not authorised by the Financial Conduct Authority ("FCA"). However, we are included on the register maintained by the FCA 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 ("SRA"). The register can be accessed via the Financial Conduct Authority website at www.fca.org.uk.

10.2 P&Co's primary role is to provide legal advice and not to provide advice in relation to investment (including mortgage) transactions. The decision to consider or enter into any such investment transaction is your sole decision and we recommend you seek advice from an appropriately regulated person or entity. Nothing we write or say should be construed as an inducement or invitation to engage in investment activities.

11. FILE/DOCUMENT STORAGE

11.1 Your file of supporting papers will be stored for a reasonable period (which will not be less than six years) free of charge either in hard copy or electronically. However, a charge may be made for particularly voluminous files and for retrieving any file from storage at your request and for supplying copies of any documents. After six years the file may be destroyed unless you have previously instructed us otherwise in writing.

11.2 If P&Co stores deeds, original documentation, wills or other important documents, we do so entirely at your sole risk. As a consequence, we will not be liable for any loss or damage thereto howsoever caused except to the extent that we are insured.

12. JURISDICTION

P&Co advises on matters relating to the laws of England and Wales and the Articles of the Treaties of the European Union (and the regulations and directives adopted pursuant thereto) to the extent relevant to England and Wales only.

13. TERMINATION

13.1 You may suspend or terminate our services upon written notice.

13.2 P&Co has the right to cease work and/or terminate our retainer by giving you written notice at your last known address in the event:

- (a) any invoice remains unpaid for more than 14 days after delivery;
- (b) we consider that the relationship of trust and confidence required in a solicitor client relationship has broken down;
- (c) you fail, without reasonable cause, to give us instructions in a timely manner in relation to Court proceedings or for a period of 30 days in other circumstances; or
- (d) you become eligible for Legal Aid in accordance with clause 9.2 above.

13.3 In litigious matters, the consent of the Court may be required and notification thereof shall be at your cost.

14. THIRD PARTIES/LOSS OF PRIVILEGE

14.1 These terms of engagement are not enforceable under the Contracts (Rights of Third Parties) Act 1999 by a third party. This does not affect any right or remedy of a third party which exists or is available apart from under that Act.

14.2 Our duty of care is to you rather than any third party and you agree to indemnify us should you instruct us to take any instructions on your behalf from any third party, if it subsequently transpires that they were not entitled to act on your behalf.

- 14.3 Further, the use of third parties to instruct us may cause you to be deemed to have waived legal professional privilege which may not ultimately be in your interests. A natural consequence of this may be that other parties may be able to see communications from the third party to us.
- 14.4 Any dissemination by you of any documentation or communication benefiting from legal professional privilege may compromise that privilege and it may be lost altogether.

15. COMPLAINTS PROCEDURE/PROFESSIONAL INDEMNITY

- 15.1 It is the policy of P&Co to investigate complaints and expressions of dissatisfaction fully and promptly. If you are dissatisfied with or have a complaint relating to the work being carried out for you, you should raise this in the first instance with the fee earner dealing with the matter who will endeavour to resolve the matter. If you are dissatisfied with his or her response, you should raise the matter with the partner responsible. If you are still dissatisfied, you should then make a formal complaint addressed to the Complaints Partner of P&Co, in writing, giving full details of the nature of your complaint. The Complaints Partner, or another independent partner nominated by him or her, will then look into the matter and deal with it in accordance with our complaints procedure. A copy of our complaints procedure is available on request from any partner. P&Co has eight weeks to consider your complaint. If we have not resolved your complaint within such time you may complain to the Legal Ombudsman. If you are not satisfied with our handling of your complaint you can ask the Legal Ombudsman (see below for contact details) to consider your complaint. Normally, you will need to bring a complaint to the Legal Ombudsman within six months of receiving a final written response from us about your complaint or within a year of the act or omission about which you are complaining occurring (or you becoming aware of it).
- 15.2 If you are dissatisfied with any invoice which P&Co renders to you, you may have the right to (a) make a complaint to the Legal Ombudsman (on 0300 555 0333 or at www.legalombudsman.org.uk) and/or (b) apply to the High Court under the provisions of Part III Solicitors Act 1974 relating to the assessment of costs to have the invoice checked by an officer of the High Court. This procedure may involve additional expense for you.
- 15.3 We maintain professional indemnity insurance as required by the SRA. Details of our professional indemnity policy or provider are available on request or for inspection at our registered office.
- 15.4 In the event that circumstances arise which require us to notify our professional indemnity insurer, our insurance brokers, the SRA or the Legal Ombudsman, we may share with them all necessary documents and information in our possession in relation to any work or related matter which gave rise to the above requirement.

16. CONFLICTS OF INTEREST

Occasionally, conflicts of interest arise (or become likely to arise) between two or more clients which may prevent us continuing to act or accepting new instructions altogether. This may arise as a result of information we hold for third parties which is confidential but material to you too. If so, we may have to notify you that we must stop acting for you, in which case we will endeavour to minimize the inconvenience or cost of our doing so.

17. LAW

These terms of engagement are subject to the laws of England and Wales. No Courts other than the English Courts are to have jurisdiction over any claim brought by you against us. However, we may bring proceedings against you for the enforcement of any judgment in any jurisdiction in which you have residency, domicile, incorporation or assets and you irrevocably submit to such jurisdiction for that purpose.

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