

TERMS OF ENGAGEMENT

1. **Charging:** The Firm charges for all work done at the current hourly rate by 6 minute units (including all work done **prior** to formal engagement, taking instructions and **advising at the first interview**).
2. **Hourly Rates:** Charging rates are reviewed in April and October of each year. The current rates are:
 - 2.1. Principal - £460.00 per hour (plus VAT);
 - 2.2. Solicitor - £175.00-£275.00 per hour (plus VAT);
 - 2.3. Trainee - £140.00 per hour (plus VAT);
 - 2.4. Other Staff - £120.00 per hour (plus VAT).
3. **Costs Estimate:** Unless the Client gives written instructions to the contrary, usually at or around the time of the Case Management Conference, we will prepare a detailed estimate of the costs likely to be incurred in taking the matter to trial. If the Firm has reason to believe that the estimated total will be exceeded by a substantial amount (i.e. more than 50%) then the Client will be notified. The Client will be charged for the work done in this connection; it should be noted that the original estimate is unlikely to involve less than 4 hours work and the updates, 2 hours work.
4. **Payment on Account:** The Firm may at any time require prepayment of estimated disbursements and/or fees.
5. **Interim Invoices:** The Firm will render monthly invoices for work done to the date stated in the invoice.
6. **Terms of Payment:** All invoices must be paid within *fourteen days* of being rendered.
7. **Default in Payment:**
 - 7.1. Interest from invoice date at 1.25% per month is payable on all balances unpaid fourteen days after the invoice date and shall continue to accrue after as well as before Judgment.
 - 7.2. The Client will pay on a full indemnity basis the costs (as certified in writing by the Firm which certificate shall, absent manifest error, be final) incurred recovering any sums due from the client.
8. **Disbursements:** All disbursements reasonably incurred in connection with the conduct of any matter or incurred upon the Client's specific instructions will be charged as a separate item, these will include:-
 - When a matter involves a fee earner in an overnight stay, hotel accommodation and subsistence;
 - When a matter involves an absence by the fee earner of four hours or more from the office, then subsistence may be charged if a meal is bought.
- Counsel's fees, agency fees, expert witnesses' fees, witness expenses, and the fees of costs draftsman.
- Travel by car at 40p per mile and other than by car, the actual expenditure incurred in travelling;
- Photocopying at the rate of 20p per page A4 black/white copy, 40p per page A3 black/white copy, 50p per page A4 colour copy and £1.00 per page A3 colour copy.
9. **Client Account Interest:**
 - 9.1. It is our policy to avoid holding substantial sums on behalf of clients and thus, unless otherwise specifically agreed in writing, in accordance with Rule 24(3)(f) and Rule 27(1) of the Solicitors Accounts Rules, the Firm will **NOT** pay interest on any monies kept in Client Account.
 - 9.2. When agreed in writing, the Firm will, in accordance with Rule 25 of the Solicitors Accounts Rules 1998, pay the Client a fair rate of interest on monies kept in Client Account. Payment of interest will not be made until the relevant matter is concluded and the final bill submitted and paid and the file closed.
 - 9.3. The Firm will not account to the Client for interest in accordance with 9.2 above unless, in each case, the amount of interest payable exceeds the sum of £250.00.
 - 9.4. Where the Firm holds money as a stakeholder no fee will be charged by the Firm for so acting. The Firm shall, in lieu of such a fee, retain for its own benefit any interest earned on the stakeholder deposit.
10. **File Destruction:** Following the conclusion of any matter the Firm will store the files and papers for a minimum of six years. Thereafter, in the absence of written instructions to the contrary from the Client, the said files and papers may be destroyed.
11. **Query Procedure:**
 - 11.1. If the Client wishes to raise a query concerning the conduct of or costs charged in any matter, the Client is requested, in the first instance, to raise such query with the fee earner having conduct of the matter within 28 days of the event giving rise to complaint. Every attempt will be made to deal with any query so raised within a period of 28 days.
 - 11.2. If the query is not resolved to the Client's satisfaction,

the Client is asked to submit a formal complaint under the Firm's Complaint Procedure. A complaint form will be provided upon request.

- 11.3. If the query is still not resolved after conclusion of the Complaint Procedure, the Client may refer the matter to the Legal Complaints Service.
- 11.4. The Client has the right to apply to the Court under Part III of the Solicitors Act 1974 to have the invoice assessed by a costs judge who will certify a figure as being correct. The Client will be liable for the costs incurred in the assessment unless the invoice is reduced by more than one fifth. Application to assess should be made within one month of the invoice date.

12. Termination of Instructions:

- 12.1. The Client may withdraw instructions at any time by written notice to the Firm.
- 12.2. The Firm may cease to act for a Client for good reason and on reasonable notice which, absent special circumstances, will be 7 days.
- 12.3. Until all outstanding invoices are paid in full the Firm is entitled to retain all files and papers of the Client.

13. Litigation: Whether as Claimant or Defendant the Client should be aware:-

- 13.1. The Client is responsible for paying the Firm's invoices. This remains the case whatever the outcome of the litigation and whether or not the Court orders another party to contribute towards the Client's legal costs and whether or not the Client has legal fees insurance.
- 13.2. The Court has a wide-ranging discretion to determine which party(ies) should bear the cost of the proceedings and in what proportion. Usually an unsuccessful litigant is ordered to pay all or part of the successful litigant's costs. The Court can order an immediate payment of costs (or an amount on account of costs) at any stage in the proceedings. A Court Order is no guarantee of payment. **Even if the action is successful the Client will not recover all costs from the other side.**
- 13.3. The Firm will charge for work done in connection with recovery of costs and enforcement of judgments whether or not successful.
- 13.4. **If the Client has legal fees insurance, it should be noted that insurers rarely pay bills before completion of the case, and the Client remains liable to pay the Firm's invoices when rendered during and at the end of the case whether or not insurers pay. The Client will be charged for all time spent dealing with insurers; the Client should be aware that costs so incurred are unlikely to be recoverable as part of costs awarded as described in 13.2 above and are unlikely to be recoverable from insurers.**
- 13.5. If a Client withdraws an action, absent agreement to the contrary the other party will almost certainly be entitled to an order of the Court that the Client pay the opponent's costs.

14. Communications:

- 14.1. The Firm will use email for communication with the Client unless instructed in writing not to do so.
- 14.2. All telephone calls to the firm are recorded; transcripts of telephone conversations are available on request at £275 per recorded hour; the recordings will be kept for a minimum of six years.

15. Money Laundering: In order to comply with the Money Laundering Regulations now in place **individual Clients** must provide:-

- Either the original or a copy (certified by a notary public) of their passport; and
- A copy of a current bank statement or utility bill showing their present address.

Corporate Clients must provide:-

- A copy of the Certificate of Incorporation of the Company;
- Changes to the registered address;
- The register of members and the annual accounts;
- Confirmation that the instruction provider has authority to bind the Company; and
- Identity documents of at least one of the directors and the instruction provider, if that person is not a director.

Time spent in complying with the regulations will be charged to the Client at the appropriate hourly rate.

16. LIMITATION OF LIABILITY - THE CLIENT'S ATTENTION IS PARTICULARLY DRAWN TO THE PROVISIONS OF THIS CLAUSE:

- 16.1. This Clause sets out the entire financial liability of the Firm, its employees, agents and sub-contractors, to the Client in respect of any representation, statement or tortious act or omission (including negligence) arising under or in connection with the services provided to the Client ("Total Liability").
- 16.2. Nothing in this Clause limits or excludes liability for death or personal injury resulting from negligence or damage or liability incurred as a result of fraud or fraudulent misrepresentation by the Firm.
- 16.3. Subject to clause 16.2 the Total Liability of the Firm shall be limited to £3,000,000 being the maximum level of cover provided by the Firm's professional indemnity policy.

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Client signature

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Client name (printed)

Date signed: