



TERMS OF BUSINESS ("Terms")

Watson Burton LLP is a limited liability partnership under the Limited Liability Partnerships Act 2000 (registered in England with registered number 0C306105 and VAT number GB176148546) with its registered office at No. 1 St James' Gate, Newcastle upon Tyne NE99 1YQ.

In the Terms, in any correspondence or in the provision of services any reference to the term "partner" is used to refer to all members of Watson Burton LLP and any employee or consultant with equivalent status or qualification. It does not indicate that the partners of Watson Burton LLP are carrying on business in accordance with the terms of the Partnership Act 1890. A list of members is available for inspection at the above address.

1 INTRODUCTION

- 1.1 These Terms set out the basis on which we provide legal services and handle all matters which you instruct us on. The expression "we", "us" and "our" refer to Watson Burton LLP and "you" and "your" refer to you as our client. You agree that you are acting as principal and not as an agent for anyone else.
- 1.2 We recognise that certain references may not apply to you now, but may do so in due course as our relationship with you develops. We feel it is important that you understand all of the Terms upon which our services are provided.
- 1.3 Details of the services you have asked us to provide in relation to a particular matter will be contained within the General Terms of Engagement and the Scope of Services. These will also confirm our appointment as your lawyers and your instructions in relation to a particular matter, together with a summary of those services that we will and will not provide. Where possible, we will provide an indication of the timescale within which services are to be provided.
- 1.4 The Terms, together with the Scope of Services and the General Terms of Engagement, and any variation, deletion and addition to these Terms which we agree with you in writing (which may include email), contain the terms and conditions in relation to our engagement. In the event of any conflict between the Terms, the Scope of Services and the General Terms of Engagement, the conflict shall be resolved in accordance with following order of priority:-
 - 1.4.1 the Scope of Services;
 - 1.4.2 the General Terms of Engagement;
 - 1.4.3 these Terms.

- 1.5 References to “Terms” include references to any terms set out in the Scope of Services and the General Terms of Engagement or otherwise agreed with you. We reserve the right to amend the Terms if it becomes necessary due to changes in commercial practice or law.
- 1.6 The services are provided to you by Watson Burton LLP and not by any of our individual partners, employees or agents.
- 1.7 Your instruction to us to commence work on your matter shall be deemed to be acceptance of the Terms.

2 OUR ENGAGEMENT

- 2.1 We will carry out our engagement as described in the Scope of Services and General Terms of Engagement and in accordance with these Terms.
- 2.2 Any advice which we give is provided solely for your benefit and for the purpose of the matter to which it relates. It may not be used or relied upon for any other purpose or by any person other than you without our prior written agreement. In particular, nothing in the Terms confers any right on any person pursuant to the Contracts (Rights of Third Parties) Act 1999, except as expressly stated in paragraph 7.4 below.
- 2.3 You agree that we may act on the instructions of any of your employees or agents and can rely on any information which they provide to us.

3 HOURS OF BUSINESS

Our offices are normally open between 9.00 am and 5.00 pm from Monday to Friday and are closed on all bank holidays.

4 REGULATED SERVICES

- 4.1 We are authorised and regulated by the Solicitors Regulation Authority, The Cube, 199 Wharfside Street, Birmingham, B1 1RN (“the SRA”). Our registration number is 401287.
- 4.2 We are therefore governed by the Code of Conduct and other professional rules, which you can access on the SRA's website www.sra.org.uk or by calling 0370 606 2555.

5 REPORTING

- 5.1 We believe it is important that you are kept fully informed of all matters on which you have instructed us and we are happy to arrange a reporting system specifically designed to meet your needs, such as monthly reports and regular reviews.
- 5.2 You will be notified of the specific partner who will be responsible for your matter and of the lawyers and support staff who will also be working on your matter. We try hard to maintain continuity in the people who are handling your work but, if this cannot always be achieved we will notify you promptly of any change.
- 5.3 We will update you on any change to the likely timescale for your matter and any changes to your fees and costs estimate. Whenever there is a material change in circumstances associated with your matter, we will update you on whether the likely outcomes still justify the likely costs and risks.

6 YOUR RESPONSIBILITIES

In relation to all work which we carry out for you, it is your responsibility to provide us with complete, clear, accurate and timely instructions, information and documentation and to carry out any other obligations which are to be undertaken by you or others under your control. You must also safeguard any documents that may be required for your matter, including documents that you may have to disclose to another party. We will not be responsible for any consequences which may arise from any delay or failure by you in this respect.

7 EXCLUSIONS AND LIMITATIONS OF LIABILITY

7.1 We will not be liable to you in any way for failure to perform our services under the Terms if that failure is due to any cause or event beyond our reasonable control including but not limited to any failure by us or a third party to transfer or arrange for the transfer of any funds to you or to any other party or any loss caused by any banking failure.

7.2 Save as set out in paragraph 7.5 below, our total liability to you, or to any third party, of whatsoever nature in respect of our engagement for any loss, liability or damage whatsoever and howsoever caused, whether in contract, tort or otherwise and whether related to any act, omission or services provided to you or not provided to you or by our failure to act or delay in acting, including costs and interest, shall not exceed the sum of five million pounds (£5,000,000).

7.3 If the loss you have suffered has been caused by or contributed to by you or by others, the amount which you can recover from us will be limited to the amount solely caused by our failure.

7.4 You agree not to bring any claim against any of our partners or employees in respect of any loss or damage suffered by you arising from or in any way related to our engagement. Each of our partners or employees has the right to enforce this paragraph pursuant to the Contracts (Rights of Third Parties) Act 1999. This paragraph does not seek to exclude any liability which cannot be excluded at law or any liability for the acts or omissions of any of our partners or employees.

7.5 We do not exclude or limit any liability in respect of any personal injury or death caused by our negligence, any loss caused by our fraud, fraudulent misrepresentation or reckless disregard of our professional obligations or any other situation where the law prohibits us from excluding or limiting our liability to you.

7.6 We maintain professional indemnity insurance in accordance with the rules of the Solicitors Regulation Authority, as further set out in paragraph 8.

8 INSURANCE

8.1 We maintain professional indemnity insurance giving cover for claims against us. Details of the insurers and the territorial coverage of the policy are available for inspection at our offices.

8.2 To comply with our regulatory obligations and the terms of our professional indemnity insurance, we may disclose relevant documents and information to insurers, brokers and insurance advisers on a confidential basis. This could include details of any circumstances arising from our work for you that might give rise to a claim against us. You agree to such disclosure by us even if the documents and information in question are confidential and/or subject to legal professional privilege.

- 8.3 There are a number of different ways of funding litigation. In general, we do not share the risk of litigation by working for you on a contingency fee basis. There are, however, other law firms which do.
- 8.4 It is possible to cover part or all of the risks of both your costs and your opponent's costs through insurance. You may already have this insurance, it may be part of an existing policy or it may be made available to you in some other way. Please check any legal expenses policies you have or, if appropriate, your house contents policy and any cover offered by your employer, union or trade association. We rely on you to identify any insurance cover you have and to tell us immediately if you have such cover.
- 8.5 We only offer advice upon insurance arrangements as described in paragraph 31 below and, otherwise, we suggest that you consult your insurance broker with whom we are happy to liaise when advising upon this complex and specialist subject.
- 8.6 Your broker may, in particular, advise upon available "after the event" insurance cover.

9 LITIGATION

- 9.1 Where a matter involves litigation, there is a risk that you may have to pay the other parties costs. Our Contentious Matters Guide briefly sets out the various methods by which you may be able to "fund" your potential liability to pay for your own and the other parties' legal costs. Where appropriate, we will discuss with you in more detail whether any of these options are available to you and likely to be in your best interests. Unless we have entered into a specific written agreement with you to the contrary, the terms in our Contentious Matters Guide will apply.
- 9.2 There are a number of specific points set out in the Contentious Matters Guide of which you should be aware when involved in dispute resolution whether as a claimant or defendant. For the purposes of the Contentious Matters Guide references to "Court" will include any tribunal.
- 9.3 All solicitors have a professional duty to uphold the rule of law and the proper administration of justice. Where your matter involves Court proceedings we must comply with our duties to the court, even where this conflicts with our obligations to you. This means that we must not:-
- 9.3.1 attempt to deceive or knowingly or recklessly mislead the Court;
 - 9.3.2 be complicit in another person deceiving or misleading the Court;
 - 9.3.3 fail to comply with Court Orders or otherwise place ourselves in contempt of Court; or
 - 9.3.4 make or offer payments to witnesses who depend on their evidence or the outcome of the case.
- 9.4 We must also consider the relevance of allegations made on your behalf, whether there is a substantial basis for such allegations and ensure that evidence relating to sensitive issues is not misused. We will inform you of the circumstances in which our duties to the Court outweigh our obligations to you.

10 FEES

- 10.1 Our fees are payable in sterling and are normally calculated by reference to the hourly rates of our lawyers and others working on your matter which are applicable at the time the work is carried out. Our time is recorded and charged in units of six minutes. Time spent on your

matters will for example include meetings, all correspondence, considering and drafting documents, telephone calls, travel and client and file administration.

- 10.2 We may take into account when calculating our charges a number of other factors which include the value of the dispute, the importance of the matter to you, the urgency, the particular complexity of the matter or the difficulty or novelty of the questions raised, and the skill, effort and specialised knowledge involved.
- 10.3 Hourly rates reflect overhead costs and an element of commercial profit and vary according to the level of seniority and expertise of each fee earner. Your instructions will be carried out at an appropriate level such that a cost-effective service can be provided. Hourly rates are reviewed on 1 May in each year and will be notified to you at that time.
- 10.4 We may agree a limit on the charges and expenses to be incurred on any particular matter. Once agreed, this means that you would have to pay charges and expenses incurred up to the agreed limit without our needing to refer back to you. We will inform you as soon as it appears that the limit may be exceeded and will not exceed the limit without first obtaining your consent. If you do not give your consent or we are unable to contact you to obtain your consent then we must reserve the right to stop work on your matter which could have serious consequences for you.
- 10.5 We set out below the other items you are likely to have to pay for, an estimate of their cost and when payment for them is likely to be needed:-

Expense	When Payment is likely to be Needed	Cost
Black and White Photocopying Charges	with payment of our invoice(s)	7p per sheet plus VAT
Colour Photocopying Charges	with payment of our invoice(s)	50p per sheet plus VAT

- 10.6 VAT is payable on certain expenses.
- 10.7 In order to confirm your ability to pay our fees we reserve the right, at any time, to make an application to a credit reference agency to obtain a report on your finances.
- 10.8 We may from time to time request payments in advance on account of our fees, or for any expenses or payments which may become due to third parties (together "Disbursements"). This will help to meet our expected charges and expenses and helps to avoid delay in the progress of your matter. Please note that payments on account do not represent our estimate of the total fees and expenses which we are likely to incur on your behalf. We will let you know as soon as it is likely that our costs will exceed the amount of any initial payment on account. It may be that we will then ask you for a further sum on account and we reserve the right to suspend work until that further payment is made. We will offset any such payments against your final invoice, but it is important that you understand that your total charges and expenses may be greater than any advance payments.
- 10.9 At the conclusion of a matter, case or transaction, or if for any reason we cease acting for you, a final invoice will be delivered to you upon which credit will be given for monies paid on account.
- 10.10 Whilst any amounts are due and owing to us from you and properly payable, we reserve the right to retain your file (including any and all data we hold within our files) until all sums are paid and your liabilities to us discharged. This is known as a "lien" and arises as a right both in contract and at Common Law.

11 DISBURSEMENTS

- 11.1 Our fees do not include any Disbursements which we may have to incur on your behalf. By your instructions to us you authorise us to incur these Disbursements. We will consult you before incurring any significant Disbursements, however we are likely to incur some of the following Disbursements in the course of your matter.

Disbursements	When Payment is Likely to be Needed	Cost
CHAPs Payment	with payment of our invoice(s)	£7.50 plus VAT
International Money Mover	with payment of our invoice(s)	£9.00 plus VAT
Faster Payment	with payment of our invoice(s)	£2.50 plus VAT
Mileage Allowance	with payment of our invoice(s)	up to 45p per mile
Electronic Verification	with payment of our invoice(s)	£5.00 plus VAT per check

- 11.2 You agree to reimburse us the cost of any disbursements incurred on your behalf in addition to our charges. We may also require you to pay in advance for disbursements.
- 11.3 We may request that you pay us funds in advance in respect of Disbursements to be incurred and we may refuse to incur these Disbursements unless we receive your funds.
- 11.4 Examples of Disbursements include court fees, counsel's fees, experts' fees, courier fees, search and registration fees, company searches, Stamp Duty, Stamp Duty Land Tax, bank transaction costs and expenses (including search fees and photocopying expenses) incurred by us in complying with anti-money laundering legislation and procedures.
- 11.5 Unless otherwise agreed we will charge for travel, accommodation and meals while away from the office and also for postage, fax, telephone, printing and photocopying expenses incurred on your behalf.

12 ESTIMATES

- 12.1 Generally, it is very difficult to estimate the total cost or the number of hours that will be needed to bring a matter, case or transaction to a conclusion. We will, however, discuss with you the likely range of our overall charges and expenses and will endeavour to estimate the likely cost of the steps required to take the matter to the next stage. We will not provide to you regular updates of the costs and expenses incurred unless you specifically ask us to do so. You can assume that the costs at any time are within the latest estimate given.
- 12.2 Any estimate is given only as a guide to assist you and should not be regarded as a firm quotation or a fixed or capped fee unless otherwise agreed in writing. Any fee estimates or fixed fee agreements are based on the assumptions set out in our Scope of Services documentation. Should any of these assumptions prove incorrect, we may have to adjust our fee to take account of any additional work necessitated by this. We would, of course, let you know in writing as soon as possible after we became aware of any assumption proving incorrect. We will also inform you of the estimated cost of the extra work before incurring extra costs. We will attempt to agree any amended charge with you, If we cannot reach agreement, we will do no further work and charge you for the work carried out to that point (subject to a maximum of the fixed fee referred to above). VAT will be payable on the amount we charge in these circumstances and you will also be billed for any disbursements incurred. Any special fee

agreed for a matter will not cover additional work not identified in our Scope of Services for that matter.

13 **VALUE ADDED TAX**

Any estimates or quotations given by us are net of Value Added Tax ("VAT"), which will be charged as applicable on our fees and on those Disbursements which are liable for VAT. Our VAT registration number is GB176148546.

14 **PROOF OF IDENTITY AND THE PROCEEDS OF CRIME ACT**

14.1 Current Money Laundering Regulations ("the Regulations") require that we verify the identity of all new clients and, in certain circumstances, those who are defined in the regulations as Beneficial Owners. In addition, the Regulations also require us to periodically renew or update the verification documents we hold or to obtain further evidence of identity. It is a condition of our accepting new instructions that you provide to us, whenever requested, evidence to verify both your identity, the identities of anyone else required by the Regulations or our procedures and the source and flow of any funds you will provide for the purpose of funding transactions or arrangements relating to your instructions and or which you will provide in respect of costs and Disbursements. When evidence is requested but not provided or, the information provided is insufficient, we reserve the right to decline your instructions or to terminate our engagement.

14.2 We may use electronic verification service providers to confirm your identity or that of any Beneficial Owners. Electronic verification leaves a Money Laundering footprint on your credit report. If you would prefer us not to use electronic verification, please confirm this. Alternatively, we may require physical forms of verification as required under paragraph 14.1.

14.3 To comply with the Regulations, we need evidence of your identity as soon as possible. This is explained in our General Terms of Engagement letter. Any personal data we receive from you for the purposes of preventing money laundering or terrorist financing will be used only for that purposes or:-

14.3.1 with your consent; or

14.3.2 as permitted by or under another enactment.

14.4 We will keep records of the evidence of your identity for up to seven years from the end of our retainer.

14.5 To comply with the Regulations we must be satisfied that there is no suspicion of money laundering and or that you as our client, or we as your advisers, are not becoming involved in any offence.

14.6 Where you are proposing to send funds to us, you must obtain our prior consent and have received confirmation that our client identification and verification procedures have been satisfactorily completed. You must ensure that funds are cleared into our account at least seven working days prior to the date on which those funds will be required. If funds are sent to our bank in circumstances where prior consent has not been obtained we will not be able to receive them. We may not be able to return such funds immediately if we are suspicious of the circumstances in which they were sent and we may then have to make a report to the appropriate authorities and wait for their consent to continue.

14.7 Where we are unable to comply with the procedural requirements of the Regulations, or where we become suspicious that someone may be involved in money laundering, then we reserve

the right to decline instructions or terminate our engagement. In such circumstances we may not be able to return funds to you and we will not be liable to you in any respect whatsoever as a result of our actions in compliance with the Regulations.

14.8 We may be required to report to the appropriate authorities any knowledge or suspicion that a client's funds, or any funds provided for or on behalf of a client, derived from the proceeds of crime or terrorist offences. It may be an offence if a person knows or suspects that:-

14.8.1 such a report has been made and then discloses that fact to another party; or

14.8.2 a civil recovery or confiscation or anti-money laundering investigation is, or is about to be, conducted and he makes a disclosure to a third person that is likely to prejudice that investigation.

14.9 As a matter of law therefore, our anti-money laundering obligations override the business relationship between us and it may not be possible for us to discuss these issues with you or disclose the fact that we have made a report.

14.10 We reserve the right to decline to send or pay over funds held on your behalf other than to yourself or to accounts that you may hold with appropriate banks or deposit takers in your name.

14.11 Subject to paragraph 7, we will not be liable for any loss arising from or connected with our compliance with any statutory obligations which we may have, or reasonably believe we have, to report matters to the relevant authorities under the Regulations.

15 **ANTI-FACILITATION OF TAX EVASION**

15.1 We conduct our business in a legal, honest and ethical manner and take a zero-tolerance approach to the facilitation of tax evasion, whether under UK law or the law of a foreign country. We uphold all laws relevant to countering tax evasion in all jurisdictions in which we operate, including the Criminal Finances Act 2017.

15.2 If you require any further information regarding how we counter tax evasion, please let us know.

16 **PREVENTION OF MORTGAGE FRAUD**

Where we are also acting for your proposed lender we have a duty to fully reveal to your lender all relevant facts about the purchase and mortgage. This includes:-

16.1 differences between your mortgage application and the information we receive during the transaction; and

16.2 any cash back payments or discount schemes that a seller is giving you.

17 **FOREIGN ACCOUNT TAX COMPLIANCE ACT**

17.1 The Foreign Account Tax Compliance Act ("FATCA") is US legislation which has effect in the UK as a result of an agreement between the UK and US governments. The intention behind the legislation is to ensure US citizens disclose their worldwide income to the US tax authority.

17.2 The FACTA requires certain financial institutions to identify and report to HMRC payments made to a:-

17.2.1 specified US person; or

- 17.2.2 non-US entity with one or more controlling person who is a specified US person.
- 17.3 To comply with the law, we may have to share some of your information, including your FATCA status and, if applicable, your Global Intermediary Identification Number (“GIIN”) with financial institutions.
- 17.4 We also have to establish whether you are a specified US person or an entity controlled by a specified US person. If so it may be necessary for us to report payments to HMRC. It is important that we keep your information current at all times. You are responsible for communicating to us any changes in circumstances that may alter your FATCA status.

18 MONEY RECEIVED AND HELD BY US

- 18.1 Unless prior arrangements have been made or you can pay us in cleared funds, we will require a period of seven working days for monies paid to us to be cleared.
- 18.2 It is not our policy to accept cash payments from you, or any other party, in excess of £1,500 for each instruction or transaction. If you seek to circumvent this policy by depositing cash directly with our bank, we reserve the right to charge for any additional checks we deem necessary regarding the source of those funds.
- 18.3 Money which we hold on your behalf or on behalf of your Associates, whether on account of fees, Disbursements or otherwise (“Client Monies”), will be placed in our Client Account and you will be entitled to the interest which is earned except that we will NOT account to you for interest in the following situations:-
- 18.3.1 In the event that the calculated total interest accruing to you for the duration of a matter is less than £20.00 then no interest will be paid to you on the basis that it is a de minimis amount. We take the view that this is an equitable approach and that any amount less than £20.00 is reasonably retained by us to cover the administrative cost of dealing with client funds;
- 18.3.2 Where money is held for the payment of a professional disbursement if the person to whom the money is owed has requested a delay in settlement;
- 18.3.3 Where money is held for the Legal Services Commission;
- 18.3.4 On an advance from us into our general client account to fund a payment on your behalf in excess of funds already held for you in that account;
- 18.3.5 If we have agreed with you to contract out of the provisions of our Interest Policy;
- 18.3.6 Where money is paid by us to charity in accordance with paragraph 18.6.

A full copy of our Interest Policy is available on request.

- 18.4 Client Monies (together with all accrued interest) may be taken by us in payment or part payment of our invoices.
- 18.5 Please be aware that we do not notify changes to important business information, such as bank account details, by e-mail. You should be alert to the risks associated with e-mail communications such as cloned e-mails, which may be used by individuals attempting to perpetrate a fraud. If you are in any doubt as to the validity of an e-mail pertaining to be from us, please contact us. We cannot be held liable for any losses resulting from fraudulent e-mails.

- 18.6 Under Rule 20.1(j) of the SRA Account Rules, we may pay any residual sum of £500.00 or less that is held on one of your client or trust matters to a charity without the SRA's authorisation, provided that we:-
- 18.6.1 establish your identity as owner of the money or make reasonable attempts to do so;
 - 18.6.2 make adequate attempts to ascertain the proper destination of the money, and to return it to you (as the rightful owner), unless the reasonable costs of doing so are likely to be excessive in relation to the amount held;
 - 18.6.3 pay the funds to a charity;
 - 18.6.4 record the steps that we have taken (as set out above) and retain those records, together with all relevant documentation (including receipts from the charity); and
 - 18.6.5 keep a central register of all such payments.
- 18.7 We will tell you the name of the bank in which Client Monies are to be held. The Financial Services Compensation Scheme ("FSCS") is the UK's statutory fund of last resort for customers of banking institutions. The FSCS can pay compensation up to £85,000 if a banking institution is unable, or likely to be unable, to pay claims against it.
- 18.7.1 The limit is £85,000 per banking institution. If you hold other personal money in the same banking institution as our client account, the limit remains £85,000 in total.
 - 18.7.2 Some banking institutions have several brands. The compensation limit is £85,000 per institution, not per brand. You should check with your banking institution, the Financial Conduct Authority ("FCA") or a financial advisor for more information.
 - 18.7.3 The FSCS also provides up to £1m of short-term protection for certain high balances, e.g. relating to property transactions, inheritance, divorce or dissolution of a civil partnership, unfair dismissal, redundancy, and personal injury compensation (there is no financial limit on protection for personal injury compensation). This is called the temporary high balance scheme and, if it applies, protection lasts for a maximum of six months.
- 18.8 If it becomes necessary to make a claim on your behalf under the FSCS in respect of Client Monies we will, subject to your consent, give certain client information to the FSCS to help them identify clients and their respective entitlements to Client Monies.
- 18.9 In accordance with money laundering legislation, where we receive Client Monies the source of which cannot be verified we may not be able to return these to you until we have obtained the appropriate consents.
- 18.10 Where we have, for more than six years, tried to contact you in respect of the return of Client Monies but are unable to do so, we reserve the right to apply under the SRA Accounts Rules for authority from the SRA to dispose of such sums held by us.

19 **INVOICES**

- 19.1 You are liable to pay legal costs as set out in our Terms of Engagement.
- 19.2 We reserve the right to submit invoices to you at regular intervals (usually monthly) or whenever appropriate during the conduct of the matter. In particular we reserve the right to submit invoices to you at our financial year end which is 30 April in each year. Unless otherwise

indicated, all such invoices will be interim statute bills. Please let us know if there are any specific billing procedures which suit you and provide the details for the individual and/or team responsible for the payment of invoices.

- 19.3 If you have a query about any invoice, please contact us straight away and if your query cannot be resolved, you are entitled to address your concerns to our Complaints Partner in accordance with paragraph 34.
- 19.4 You have the right to challenge our invoice by applying to the court to assess the invoice under Part III of the Solicitors Act 1974. The usual time limit for making such an application is one month from the date of delivery of the invoice. If the application is made after one month but before twelve months from delivery of the invoice, the court's permission is required for the invoice to be assessed.
- 19.5 Unless there are special circumstances, the court will not usually order an invoice to be assessed after:-
- 19.5.1 12 months from the delivery of the invoice;
 - 19.5.2 a judgement has been obtained for the recovery of the costs covered by the invoice;
or
 - 19.5.3 the invoice has been paid, even if this is within the 12 months.

20 **PAYMENT**

- 20.1 Our invoices are due for payment on the date of delivery unless we have agreed with you otherwise in writing. Invoices are deemed to be delivered on the second day following the date of posting. If an invoice is not paid within thirty days of the due date we will be entitled to charge interest on the amount due (including any Disbursements and VAT) from the due date until payment at a rate equivalent to 5% above the base rate from time to time of Lloyds Bank plc.
- 20.2 Where an invoice is overdue we are entitled to retain any documents and papers belonging to you and your Associates and our papers until our invoice is settled in full. We also reserve the right to suspend work. "Associates" means any person or persons and all legal entities with whom or which you are associated.
- 20.3 You agree not to claim any rights of set off, deduction and or abatement in respect of any invoices raised by us.

21 **OUTSOURCING**

Sometimes we may ask other companies or people to undertake photocopying on your matters. We will always seek a confidentiality agreement with our outsource providers in accordance with the Firm's Privacy Policy.

22 **EXPERTS, AGENTS AND FOREIGN LAWYERS**

From time to time, we may appoint experts, agents and foreign lawyers to assist us in providing services to you. When we do so, such appointments will be as independent experts and your agents. You will therefore be treated as having engaged these parties independently and will be liable for their fees, whether paid direct or as a disbursement, in addition to any fees charged by us for the work which we carry out on your behalf. You will assume liability for all activities of these experts and agents which we appoint on your behalf.

23 **INSURANCE DISTRIBUTION ACTIVITY**

- 23.1 We are not authorised by the FCA. However, we are included on the register maintained by the FCA so that we can carry on insurance distribution activity, which is broadly the advising on, selling and administration of insurance contracts. This part of our business is regulated by the SRA and arrangements for complaints or redress if something goes wrong are subject to the jurisdiction of the Legal Ombudsman. The register can be accessed via the FCA website at <https://www.fca.org.uk/firms/financial-services-register>
- 23.2 Under no circumstances will we recommend or advise you to enter into, a particular regulated mortgage contract and nothing that we may do or advise in the course of any transaction should be taken as such a recommendation or advice. If you consider that we have given such a recommendation or advice then that recommendation or advice should be ignored and you should rely solely on recommendations and advice from a person authorised by the FCA.
- 23.3 If you are unhappy with any insurance advice you receive from us, you should consider raising your concerns with the SRA or Legal Ombudsman.

24 **E-MAIL COMMUNICATIONS**

Unless otherwise directed by you we may correspond or invoice you by e-mail or other electronic media. We will take reasonable steps to safeguard the security and confidentiality of the information transmitted. However you acknowledge that we cannot guarantee its security and confidentiality because the Internet is an insecure medium. Messages may pass through the hands of unregulated service providers and the networks used by the Internet are vulnerable to hacking. Governments can also undertake interception on a substantial scale. Whilst every care is taken to ensure that e-mails and attachments sent by us are free from any virus, you must ensure that they are actually virus free prior to opening any such e-mails or attachments and we will not accept any liability for the consequences of any transfer of viruses.

25 **PROMOTIONAL COMMUNICATIONS**

We may use your personal data to send you updates (by e-mail, SMS, telephone or post) about legal developments that might be of interest to you and information about our services. You have the right to opt out of receiving promotional communications at any time, by:-

- 25.1 contacting the Compliance Team by emailing data@watsonburton.com or writing to the Compliance Team at our registered offices; or
- 25.2 using the 'unsubscribe' link in any such communications.

26 **EXTERNAL AUDITING AND DUE DILIGENCE**

- 26.1 External firms or organisations may conduct audit on our practice from time to time. They may wish to audit your matter records for this purposes as part of a random selection of our matter records. It is a requirement by us that a suitable confidentiality agreement will be in place to maintain the confidentiality of your matter records which are audited or quality checked.
- 26.2 Your matter records may also be reviewed in a due diligence exercise relating to the sale or transfer of our business or the acquisition of another business by us. If you do not wish your matter records to be reviewed for these purposes, please let us know as soon as possible by contacting data@watsonburton.com.

26.3 For further information on external auditing and due diligence in relation to your personal data, see our Privacy Policy.

27 **CONFIDENTIALITY**

27.1 Where you entrust us with confidential information, we will keep it confidential at all times unless the law requires us to disclose it or you consent to its disclosure. Such information may also be protected by legal professional privilege in certain circumstances.

27.2 Any letters, documents, information or advice which we provide to you during the course of our engagement is given in confidence solely for the purpose of our engagement and is provided on condition that it is not disclosed or made available to any third parties (being persons other than those to whom it is addressed) unless otherwise agreed by us.

27.3 We cannot absolutely guarantee the security of information communicated by e-mail or mobile phone. Unless we hear from you to the contrary, we will assume that you consent for us to use these methods of communication.

28 **DATA TRANSFER**

28.1 We may, during the course of your transaction or matter, transfer documentation to you using our Extranet, a Dataroom or a third party data transfer platform. Such documentation must be used in accordance with our terms of use and remains the property of the Firm at all times.

28.2 You are responsible for safeguarding any user identification and log on details including, but not limited to, user names and passwords and documentation obtained through such transfers at all times.

28.3 We maintain records of access to this documentation for up to 12 months.

29 **CONFLICTS**

Sometimes actual or potential conflicts between your interests and the interests of another of our clients may arise during the course of an engagement. If this is the case, we will discuss the position with you and determine the appropriate course of action. Professional Conduct Rules may require us to stop acting for you on that particular matter. Depending on the circumstances and unless otherwise agreed in writing, we reserve the right to act on behalf of another client (and not for you) on a transaction in which you are an interested party.

30 **DATA PROTECTION ACT**

30.1 We use your personal data primarily to provide legal services to you, but also for related purposes as described in our Privacy Policy.

30.2 Our use of your personal data is subject to your instructions, the General Data Protection Regulation ("GDPR"), other relevant UK and EU legislation and our professional duty of confidentiality.

30.3 Watson Burton LLP is a data controller for the purpose of the GDPR and other relevant data protection legislation.

30.4 We take your privacy very seriously. Please read our Privacy Policy carefully as it contains important information on:-

30.4.1 what personal data we collect about you and how that data is collected

- 30.4.2 how, why and for what purposes we may use your personal data;
- 30.4.3 who we share your personal data with;
- 30.4.4 where your personal data is held and how long it will be kept;
- 30.4.5 whether your personal data may be transferred out of the European Economic Area and, if so, the measures taken to protect that data;
- 30.4.6 your rights in relation to the data we hold and use;
- 30.4.7 the steps we take to secure your personal data;
- 30.4.8 how to make a complaint in relation to our use of your personal data; and
- 30.4.9 how to contact us with any queries or concerns in relation to your personal data.

31 INTELLECTUAL PROPERTY RIGHTS

We retain all copyright and other intellectual property rights in all materials developed or created by us either before or in the course of carrying out any work for you. You may freely distribute copies of these materials within your own organisation but not copy, distribute or otherwise unless specifically agreed.

32 TERMINATION

- 32.1 You may terminate our engagement at any time by giving us reasonable notice in writing.
- 32.2 We may decide to end our engagement with you only with good reason. For example, if you do not pay an invoice or comply with our request for a payment on account or, if you cannot or do not give us clear or proper instructions on how we are to proceed or, if it is clear to us that you have lost confidence in how we are carrying out your work. We must give you reasonable notice that we will stop acting for you.
- 32.3 If you or we decide that we will no longer act for you, we shall be entitled to payment of our fees, including Disbursements and VAT, to the date of termination. We will be entitled to keep all your papers and documents while there is money owing to us for fees, Disbursements and VAT.
- 32.4 Where we receive instructions to which the Consumer Contracts Regulations 2013 apply, you will generally have a right to cancel those instructions without any cost to you within fourteen working days of receipt by us of the instructions. However, the nature of the services we provide are such that we may be required to start work, and to incur costs on your behalf, before the fourteen day period expires. If you cancel the instructions within the fourteen day period we will be entitled to payment of our fees, Disbursements and VAT to the date of cancellation. You may not therefore cancel your instructions once we have, with your agreement, started to work on your behalf. You also agree that it is in most cases impossible for us to conclude work on your matter within thirty days as stipulated in the Consumer Contracts Regulations.

33 STORAGE, RETRIEVAL AND DESTRUCTION OF MATTER RECORDS

- 33.1 After completing the engagement or a specific matter, we will be entitled to keep all your matter records, both electronic and or paper, while there is still money owed to us for fees, Disbursements and VAT. Thereafter we will your keep your matter records, except those you ask to be returned to you, for up to seven years after sending you a final invoice.

- 33.2 We store matter records on the understanding that we may destroy them seven years after the date of the final invoice without further reference to you. We will not destroy documents you ask us to place in safe custody.
- 33.3 If we retrieve your matter records from storage, including electronic storage, in relation to continuing or new instructions to act for you, we will not normally charge for the retrieval. If we retrieve your matter records from storage for another reason, we may charge you for:-
- 33.3.1 time spent retrieving the matter records and producing them to you;
 - 33.3.2 reading, correspondence, or other work necessary to comply with our engagement in relation to the retrieval of the matter records;
 - 33.3.3 providing additional copies of any documents.

For information on how long we hold your personal data, see our Privacy Policy.

34 COMPLAINTS

- 34.1 We are committed to providing high quality legal advice and value you as a client. If you are unhappy with any aspect of the service we have provided for you, please let the partner responsible for your matter know immediately, allowing us an opportunity to remedy the situation. Whilst we always prefer to deal with issues amicably, if the problem cannot readily be resolved to your satisfaction with the partner responsible for the matter, please contact our Complaints Partner, Richard Palmer on 0345 901 0944.
- 34.2 We have a written procedure which details how we handle complaints. This is available on request.
- 34.3 We allow up to eight weeks to consider your complaint. If for any reason we are unable to resolve your complaint within this timeframe, you may be entitled to complain to the Legal Ombudsman. Their contact details are:-
- The Legal Ombudsman
PO Box 6806
Wolverhampton
WV1 9WJ
Website address: www.legalombudsman.org.uk
Telephone: 0330 555 0333
E-mail: enquiries@legalombudsman.org.uk
- 34.4 Normally, you will need to take a complaint to the Legal Ombudsman within six months of receiving a final written response from us about your complaint or within six years of the act or omission about which you are complaining occurring (or, if outside of this period, within three years of when you should reasonably have been aware of it). Generally, the Legal Ombudsman deals with complaints relating to acts or omissions that happened after 5 October 2010.
- 34.5 The Legal Ombudsman deals with complaints by consumers and small businesses. This means that some clients may not have the right to complain to the Legal Ombudsman e.g. charities or clubs with an annual income of more than £1m trustees of trusts with asset value of more than £1m and most business (unless they are defined as micro-enterprises). This does not prevent you from making a complaint directly to us about the service you have received.

35 MEDIATION

In the unfortunate event that a dispute arises between you and us concerning the manner in which we have handled your matter, you agree that you will attempt to settle that dispute in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between us, the mediator will be nominated by CEDR. You agree that you will not commence any Court proceedings in relation to any dispute arising out of or in connection with this agreement until you have attempted to settle the dispute by mediation and either the mediation has terminated or we have failed to participate in the mediation, provided that your right to issue proceedings is not prejudiced by a delay.

36 SEVERABILITY

If any part of the Terms are found by any Court or authority of competent jurisdiction to be illegal, invalid or unenforceable then that provision shall, to the extent required, be severed and shall be ineffective but without affecting any other provisions of the Terms which shall remain in full force and effect.

37 GOVERNING LAW AND JURISDICTION

The Terms shall be governed by and construed in accordance with the laws of England and Wales and any dispute arising out of this engagement will be subject to the exclusive jurisdiction of the English Courts.

WB Terms 1 October 2018

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