

Terms and Conditions of Business

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1. Introduction

These Terms and Conditions of Business and the accompanying engagement letter set out our service standards and the terms of business on which we agree to act for you. If you have any questions about any of the information contained herein, please contact the person dealing with your case.

By continuing to instruct this firm we shall be entitled to assume you have agreed to the terms and conditions set out here. For the purpose of these terms, "we" "our" "us" or "the firm" refers to Cowans Solicitors. 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 the firm.

Your contract is with Cowans Solicitors. There is no contract between you and any Partner, employee or consultant of the firm. Any advice given to you (or other work done for you) by a Partner, employee or consultant of the firm is given (or done) by that person on behalf of the firm and not in his or her individual capacity and no such person assumes any personal responsibility to you for the advice or other work.

2. About Cowans

Cowans Solicitors is constituted as a limited liability partnership. A list of Partners is available for inspection on request. We are a legal practice authorised and regulated by the Solicitors Regulation Authority (SRA) under number 623622. The SRA Standards and Regulations set out the regulatory framework imposed on service providers such as ours. Further information is available on the SRA website at www.sra.org.uk.

For the protection of our clients, the firm has professional indemnity insurance in place. A copy of the policy can be viewed by contacting our offices. Our VAT number is 367354137.

3. Service Standards

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.

The firm sets the following standards:

- We will regularly update you with progress on your matter
- We will communicate with you in plain language
- We will explain to you the legal work required as your matter progresses
- We will update you on the cost of your matter, as appropriate
- We will update you on whether the likely outcomes still justify the likely costs and risks associated with your matter whenever there is a material change in circumstances
- We will update you on the likely timescales for each stage of this matter and any important changes in those estimates
- We will continue to review whether there are alternative methods by which your matter can be funded

In return, we request that our clients assume the following responsibilities:

- To provide clear, truthful instructions to us at all times
- To respond to communications from us promptly and to attend arranged appointments
- To notify contact details, change of address, telephone numbers etc. promptly
- To discharge payments requested from you promptly

4. Hours of business

The normal hours of opening at our offices are between 9.00am and 5.00pm on weekdays. Messages can be left via answerphone outside those hours.

5. People responsible for your work

The person responsible for dealing with your work and the person responsible for the overall supervision of the matter will be set out in the engagement letter. We will try to avoid changing the people who handle your work but if this cannot be avoided, we will tell you promptly of any change and why it may be necessary.

6. Charges and expenses

The fee structure applied to our work is dependent on the nature of the matter and will be calculated on either an hourly rate basis or a fixed fee arrangement.

If we have agreed a fixed fee for work on your case, the arrangements will be set out in the Engagement Letter. Provided we are not requested to do any more work than when that fixed fee was agreed, we will not make any additional charge. However, we reserve the right to make an additional charge in the event that the matter becomes more complex or lengthier than originally estimated. This would entail either increasing our fee estimate or charging at an hourly rate for the additional work involved. In the latter case we would try and give you our best estimate of the likely additional cost or, where this is not possible, we would obtain your authority to carry out work to an agreed fee limit.

On matters funded on an hourly rate basis, 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 may include meetings with you and perhaps others; reading, preparing and working on papers; making and receiving telephone calls, e-mails, faxes and text messages; preparation of any detailed costs estimates, schedules and bills; attending at court; and time

necessarily spent travelling away from the office. From time to time we may arrange for some of this work to be carried out by persons not directly employed by us; such work will be charged to you at the hourly rate which would be charged if we had done the work ourselves.

Routine letters, e-mails and texts that we send and routine telephone calls that we make and receive are charged at one-tenth of the hourly rate. Routine letters, e-mails and texts received are charged at one-twentieth of the hourly rate. Other letters, e-mails and calls are charged on a time spent basis. The current hourly rates applicable to your case will be set out in the accompanying letter. We will add VAT to these at the rate that applies when the work is done. At present, VAT is 20%.

These hourly rates have to be reviewed periodically to reflect increases in overhead costs and inflation. Normally the rates are reviewed with effect from 31st December 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, any particular specialist expertise which the case may demand. An increase in the rates may be applied to reflect such factors.

Solicitors have to pay out various other expenses on behalf of clients ranging from court fees, experts' fees, Counsel's fees and so on. We have no obligation to make 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 'disbursements'.

7. Payment arrangements

It is normal practice to ask clients to pay interim bills and sums of money from time to time on account of the charges and expenses which are expected in the following weeks or months, usually to the sum of 4 hours' work. If such requests are not met with prompt payment, delay in the progress of a case may result. In the unlikely event of any bill or request for payment not being met, this firm must reserve the right to stop acting for you further. We will send a final bill after completion of the work.

Where money is not already held on account, payment of bills is due to us within 28 days of our sending you an interim or final bill. Interest will be charged on a daily basis at 4% over Lloyds Bank plc's base rate from time to time from the date of the bill in cases where payment is not made within 28 days of delivery by us of the bill.

We do not accept payments to us in cash in excess of £500. If you try to avoid this policy by depositing cash directly with our bank, we may decide to charge you for any additional checks we decide are necessary to prove the source of the funds.

Monies due to you from us will be paid by cheque or bank transfer, but not in cash, and will not be made payable to a third party.

8. 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, interest can be claimed on them from the other party from the date of the court order. 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 of seeking to recover any costs that the court orders the other party to pay to you.

9. Clients Accounts, Interest and Surplus Funds

Any money received on your behalf will be held in our Client Account. The firm pays interest on client account balances in accordance with the Solicitors Regulation Authority (SRA) Accounts Rules. Interest will be calculated and paid to you at the rate from time to time payable on Lloyds Bank Client Accounts. The period for which interest will be paid will normally run from the date(s) on which funds are received by us until the date(s) of issue of any payment(s) from our Client Account. It is the firm's normal policy to retain the first £20.00 of each amount of interest as and when calculated to cover the administrative expenses of arranging these calculations and payments.

Please note that if we do hold any of your money at any point, we will take good care of it and we only bank with UK banks. We are unlikely however to be liable to repay money lost through a banking failure. If we do hold any of your money it will be held with Lloyds Bank and that money will have the same protection (up to £85,000) under the Financial Services Compensation Scheme (FSCS) as if you held the money in that bank personally. If you hold other personal monies in that same bank you should note that the limit of £85,000 remains the same in total. You also need to be aware that some deposit taking institutions/banks have several brands, i.e. where the same institution is trading under different names. You should check either with your bank, the Financial Conduct Authority or a financial adviser for more information. If we do have to make a claim under the FSCS in respect of your money we will, subject to your consent, need to give certain information to the FSCS about you to help them identify you and any amount to which you would be entitled within our client account. Further details are available at www.fscs.org.uk.

In the event that there is a credit balance of less than £10 (or its equivalent) due for repayment to you from a client account and we are unable to return the funds because we cannot contact you (after making reasonable efforts to do so), you agree that we shall be entitled to pay the funds to a charity of our choice, where permitted by our regulatory authority, instead of making further efforts to find you.

10. Storage of papers and documents

After completing the work, we will be entitled to keep all your papers and documents while there is still money owed to us for fees and expenses. We will keep your file of papers in storage for not less than 6 years except those papers that you ask to be returned to you. After that, storage is on the clear understanding that we have the right to destroy your file after such period as we consider reasonable without further reference to you, 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 we agree 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 at our lowest charge out rate for producing stored papers or documents to you or another at your request. We may also charge for reading, correspondence, or other work necessary to comply with your instructions.

11. Financial services and insurance contracts

We 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 distribution 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 FCA website at www.fca.org.uk/firms/financial-services-register.

12. Acting for your Lender

Please note that if we are also acting for your lender in a Conveyancing transaction, we have a duty to make full disclosure to the lender of all relevant facts relating to you, your purchase and mortgage. This will include disclosure of any discrepancies between the mortgage and application and information provided to us during the transaction and any cashback payments or discount schemes which a seller is providing you. If a conflict arises between our duties to you and our duties to the Lender, we must cease to act for you.

13. Stamp Duty Land Tax

On some property and business transactions, we will need to submit an online Stamp Duty Land Tax Return on your behalf. Your continued instructions to us is your consent to this.

The SDLT Return is a complex document and we must have all the information necessary to complete the Return and have it signed or approved by you in advance of exchange of contracts. It is your responsibility to provide the correct information to be inserted into the Return. If the information is incomplete or incorrect, you could be subject to penalties, delays in the processing of the Return and difficulties with the registration of the transfer at the Land Registry. In serious cases, you could be subject to prosecution.

When calculating SDLT we use the SDLT calculator on the Government's website. This computes the SDLT for most transactions. Please see www.gov.uk/stamp-duty-land-tax. We will do our best to ensure that you do not overpay or underpay SDLT. We can do this for most of our clients if you have provided us with the correct information to input into the calculator. The rules in relation to SDLT are complex. Because we are not tax advisers, we will not be able to offer advice on transactions that are outside the scope of the calculator. This means, for example, property owned as part of a trust or reliefs that may be applicable, other than First Time Buyer relief.

14. Termination

You may terminate your instructions to us in writing at any time but we will still 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. We may only decide to stop acting for you if we have good reason, for example, if you do not pay an interim bill, fail to

provide us with instructions or if a conflict of interest arises. We will tell you the reason and give you notice in writing.

If, for any reason, this matter does not proceed to completion, we will be entitled to charge you for any work done and expenses incurred. If your case is funded under an hourly rates arrangement then these costs will be calculated based on the time spent plus expenses incurred up to the date of termination. On fixed fee arrangements, we will break the transaction down into stages and apportioned the estimated fee for each stage. You will also be responsible for reimbursing any expenses incurred by us that were not included within the fixed price agreed.

Under the Consumer Contracts Regulations 2013, you have the right to cancel this contract within 14 days without giving any reason. This only applies where contracts are agreed away from our premises or where we are not both physically present. To exercise the right to cancel, you must inform us of your decision to cancel this contract by a clear statement (e.g. a letter sent by post, fax or e-mail). To meet the cancellation deadline, it is sufficient for you to send your communication concerning your exercise of the right to cancel before the cancellation period has expired. If you cancel this contract, we will reimburse to you any payments received from you.

15. Tax advice

Any work that we do for you may involve tax implications or necessitate the consideration of tax planning strategies. We may not be qualified to advise you on the tax implications of a transaction that you instruct us to carry out, or the likelihood of them arising. If you have any concerns in this respect, please raise them with us immediately. If we can undertake the research necessary to resolve the issue, we will do so and advise you accordingly. If we cannot, we may be able to identify a source of assistance for you.

16. Data protection/GDPR

We use the information you provide primarily for the provision of legal services to you and for related purposes including updating and enhancing client records, analysis to help us manage our practice, statutory returns and legal/regulatory compliance. Our use of that information is subject to your instructions, data protection law and our duty of confidentiality. The legal basis for processing your data is that it is necessary for the performance of the contract between us as set out in these Terms.

Please note that our work for you may require us to pass on such information to third parties such as expert witnesses and other professional advisers, including sometimes advisers appointed by another party to your matter. We may also give such information to others who perform services for us, such as typing or photocopying. Our practice may be audited or checked by our accountants or our regulator, or by other organisations. We do not normally copy such information to anyone outside the European Economic Area, however, we may do so when the particular circumstances of your matter so require. All such third parties are required to maintain confidentiality in relation to your files.

You have a right of access under data protection law to the personal data that we hold about you. We seek to keep that personal data correct and up to date. You should let us know if you believe the information which we hold about you needs to be corrected or updated. The person at the firm with overall responsibility for data protection compliance is the Data Protection Partner, David Cowan (david@cowanslegal.co.uk). We are registered with the Information Commissioner. Further information regarding data protection and privacy is available from the Information Commissioner's Office www.ico.org.uk.

Under the General Data Protection Regulation (GDPR) you, as a data subject, have a number of rights. These include the right to be informed, the right of access, the right to rectification, the right to erasure, the right to restrict processing, the right to data portability and the right to object. Further information about these rights is set out on the ICO website referred to above.

We may receive personal data from you for the purposes of our money laundering checks, such as a copy of your passport. These will be processed only for the purposes of preventing money laundering and terrorist financing, or as otherwise permitted by law or with your express consent. You consent to us retaining such data for longer than the five-year statutory period, unless you tell us otherwise.

If you send us personal data about anyone other than yourself, you must ensure you have any appropriate consents and notices in place to enable you to transfer that personal data to us and so that we may use it for the purposes for which you provide it to us.

17. Equality and diversity

We are committed to promoting equality and diversity in all our dealings with clients, third parties and employees. Please contact us if you would like a copy of our Equality and Diversity Policy.

18. Communications

We shall communicate with you in the most effective way, as agreed between us. You should be aware that the use of e-mail is not secure for confidential matters. We take every precaution to ensure that e-mail is virus free but we cannot guarantee this. If you require correspondence to be addressed to a particular person or marked private and confidential then you must tell us.

19. Identity, disclosure and confidentiality requirements

The law requires solicitors to get satisfactory evidence of the identity of their clients and sometimes people related to them. This is because solicitors who deal with money and property on behalf of their client can be used by criminals wanting to launder money. To comply with the law, we need to get evidence of your identity as soon as possible. If you cannot provide us with the specific identification requested, please contact us as soon as possible to discuss other ways to verify your identity.

We are entitled to refuse to act for you if you fail to supply appropriate proof of identity for yourself or for any principal whom you may represent. We may arrange to carry out an electronic verification of your identity if we consider that a saving of time and cost will be achieved by doing so. The cost of any such search will be charged to you. If the amount is in excess of £10 including VAT, we will seek your prior agreement.

Solicitors are under a professional and legal obligation to keep the affairs of the client confidential. This obligation, however, is subject to a statutory exception: legislation on money laundering and terrorist financing has placed solicitors under a legal duty in certain circumstances to disclose information to the National Crime Agency (NCA). 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 disclosure. If, while we are acting for you, it becomes necessary to make such a disclosure, we may not be able to inform you that it has been made, or of the reasons for it, because the law prohibits 'tipping-off'. Where the law permits us, we will tell you about any potential money laundering problem and explain what action we may need to take.

External firms or organisations may conduct audit or quality checks on our practice. These external firms or organisations are required to maintain confidentiality in relation to your files. We may need to disclose your information to third parties (such as barristers, accountants or government agencies) to enable us to handle your affairs. We may also need to permit third parties (such as our auditors and the Solicitors Regulation Authority) to have access to your information for administrative or regulatory purposes. We may also outsource work. This might be for example costings, research and preparation to assist with your matter. Information from your file may therefore be made available in such circumstances. We will always aim to obtain a confidentiality agreement with the third party. We will not otherwise disclose your information to any third party unless permitted or required to do so by law. If you do not want your file to be outsourced please tell us as soon as possible.

20. Joint Instructions

If we are instructed by more than one person or more than one representative of a company or other body, which is our client, we are entitled to act on the instructions of any one of such persons and to correspond with any of such persons unless otherwise agreed.

In this situation there will be no rights of confidentiality between such persons or representatives so that all information and documents can be shared with any one of you. If there is a difference of opinion on your instructions you may need to be separately represented and if a conflict of interest arises between you or your representatives, we may have to cease acting for both or all such persons or companies.

Where our engagement letter is addressed to more than one person, or where we have agreed with the addressee of our engagement letter to act for another person as well, each of you shall be jointly and severally liable for our fees and disbursements and other costs, so that each of you is jointly responsible for ensuring that our bill is paid, and we can pursue all or any one of you for the whole amount that is due to us. This shall be the case regardless of any agreement you may have entered into with anyone else regarding the payment of our fees, disbursements, and other costs.

21. Limit on our liability for professional negligence

Our liability to you for a breach of your instructions shall be limited to £5M, unless we expressly state a higher amount in the letter accompanying these terms of business. We will not be liable for any consequential, special, indirect or exemplary damages, costs or losses, or any damages, costs or losses attributable to lost profits or opportunities. We can only limit our liability to the extent the law allows. In particular, we cannot limit our liability for death or personal injury caused by our negligence.

22. Complaints Procedure

Our complaints procedures, including complaints about the bill, will be set out in the engagement letter accompanying these Terms.

The Solicitors Regulation Authority (SRA) can help you if you are concerned about a solicitor's behaviour. This could be for things like dishonesty, taking or losing your money or treating you unfairly because of your age, a disability or other characteristic. You can find information about raising your concerns with the SRA at www.sra.org.uk in the 'For the public' section.

23. Cybercrime

Cybercrime, particularly email-related fraud, is on the rise. You should be alert to the possibility that a fraudster might deliberately misrepresent himself or herself as a member of, or as someone acting on behalf of, or working with our firm for criminal purposes. Such scams normally originate by email. Often the email will suggest there has been a change in bank details or request personal or financial information in order that money can be paid to them.

Please note, we will not be changing our bank details during the course of acting for you. We do not provide our bank details by email. If you receive an email asking you to pay money into an account other than our client bank account, the details of which will have already been notified to you, please contact the person dealing with your matter immediately and in no circumstances action the request. Prior to transferring funds to our account, we recommend you contact us to verify our account details. Please be aware that we will not accept responsibility if you transfer money to an incorrect bank account.

We do not accept bank details by email. If we receive any communication from you informing us of a change to your account details or instructions for payment, we will not make any payment until such time as we have been able to confirm those instructions directly with you. If you do change your bank details whilst we are acting for you please notify us in person or by telephone as soon as possible to ensure that this does not result in any delay as we will need to verify the change directly with you to ensure that they are not from a fraudulent source. We will not accept such instructions by email.