

# Standard Terms Of Engagement

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## 1. Our Instruction

Thank you for your instructions. The purpose of this document is to confirm the arrangements between us and to confirm that we are working on the basis of this document and your instructions. Subject to the application of then current hourly charge rates, these Standard Terms of Engagement apply to any future instructions you give to us. We reserve our right to notify you in writing of any changes or amendments to these Terms.

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

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## 2. Our Aims

Gilbert Davies is committed to providing a high quality legal service to all of our clients. This document explains the terms upon which we will provide our professional service.

In order to help us to provide a high quality service and to progress your matter as quickly as possible, we may ask you to provide us with documents, information and clear instructions. We request that you agree to provide us with any such documents, information and instructions promptly and to let us know if there is any change in your circumstances which we may need to take into account.

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## 3. Hours of Business

The normal hours of business at our offices are 9.00am to 5.00pm, Monday to Friday. Messages can be left on voicemail outside those hours and appointments can be arranged at other times when this is essential.

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## 4. People Responsible for Your Work

The person(s) responsible for conducting your matter is set out in your individual letter attached herewith. We will try to avoid changing the person handling your work but if this cannot be avoided, we will advise you promptly of any change. However other personnel may assist on an ad hoc basis as necessary.

The directors of the Firm, Nerys E Jones, David G Thomas and

Louise A Harding have ultimate supervision and responsibility for the work undertaken on your behalf.

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## 5. Communication between You and Us

The person handling your matter will communicate with you by such method that you request which may be by post, telephone or email but we cannot be responsible for the security of correspondence or documents sent by email. We will ensure that you are fully informed as to the issues raised and the progress of the work we are undertaking for you at all times.

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## 6. Charges and Expenses

The basis upon which we will charge you is detailed in your individual letter and depends upon the type of work being conducted. This may be a fixed fee, OR a variable fee depending upon time taken, OR occasionally, the work may be conducted under a conditional fee agreement covered by an insurance policy, OR by reference to a contingency fee. We will inform you if any unforeseen additional work becomes necessary due to unexpected difficulties or if your requirements or the circumstances significantly change during the course of the matter. We will also inform you of estimated costs where possible before any extra charges and expenses are incurred. If, for any reason, this matter does not proceed to completion, we will be entitled to charge you for work done and expenses incurred, unless you have signed a Conditional Fee Agreement with us wherein the terms of that Agreement apply from the date of the Agreement.

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## 7. Fixed Fee Work

In cases where a fixed fee has been agreed, that fixed fee is detailed in your individual letter and it is on the basis that we will not encounter any unusual factors beyond our control or unusual delay or an unusual position adopted by another party. If we encounter any of these we will inform you and provide an estimate of the additional cost.

Where we have specified a fixed fee and you subsequently withdraw instructions we reserve the right to charge the work out at the fee earner's normal hourly rate as set out in these Standard Terms of Engagement.

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## 8. Fees Based on Time

Where our fees are based upon time taken, we will provide you with an estimate of the cost applicable to your matter. It is often difficult to do so accurately at an early stage because of unknown

factors and unforeseeable contingencies, and in such event we will revise our estimate as the matter develops. Estimates are for guidance only and unless specifically agreed in writing are not intended to constitute binding limits. Our charges are calculated mainly by reference to the time actually spent by solicitors and other staff in respect of any work which they do on your behalf. This will include meetings with you and perhaps others; reading, preparing and working on papers; receiving incoming letters and sending outgoing correspondence; making and receiving telephone calls, emails, faxes and text messages with any relevant persons necessary to conduct the matter on your behalf, etc.; and time necessarily spent travelling away from the office.

In addition, our charges may, where appropriate, also reflect other discretionary factors, including the value of transactions, its complexity, the responsibility involved and time constraints.

Our fees are calculated on a time spent basis at the hourly rates set out below for relevant staff. Each hour is divided into 10 units of 6 minutes. Routine outgoing and incoming letters, emails, telephone calls and texts will be charged as one unit. Other letters, emails, calls, considering, preparation and working will be charged on a time spent basis.

Unless otherwise agreed in writing, the current hourly rates are as set out below:

<b>Directors/Senior Solicitor</b>	£170.00-£185.00
<b>Solicitors</b>	£155.00
<b>Trainee Solicitor</b>	£109.00

These hourly rates are reviewed annually, normally with effect from 1st July each year, to reflect increases in overhead costs and inflation. We will inform you in advance of any such change in rates.

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## 9. Conditional Fee and Contingency Fee Agreements

In matters conducted under a conditional fee or contingency fee agreement that agreement will cover the terms as to payment of this firm's costs and disbursements.

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## 10. Disbursements

There may be certain other expenses, including payments we make on your behalf which we call "disbursements", such as search fees, court fees and barrister's fees, etc. which you will have to pay. Where we are required to make such payments to progress your case, we will request that you provide us with the funds beforehand for that purpose. VAT is payable on certain expenses but not Court fees.

## 11. Value Added Tax

VAT will also be payable on our charges and on taxable disbursements incurred on your behalf, except where charges and/or disbursements are VAT exempt or zero-rated.

VAT will be added to our charges at the rate current when the work is conducted.

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## 12. Other party's charges and expenses

It is important that you understand that you will be primarily liable for paying our costs and any disbursements paid on your behalf as they become due. Payment of our bills cannot ordinarily be postponed on the basis that they are likely to be, or should be paid by some other person. We will discuss with you in appropriate matters, particularly litigation, whether your charges and expenses might be paid by another party. Even if you are successful, the other party may not be ordered to pay all of your charges and expenses or these may not be recovered from them in full, or at all. If this happens, you will have to pay the balance of our charges and expenses, or pay them in full. If the other party is legally aided, you may not get back any of your charges and expenses, even if you win the case. Further, even if you are successful, the other party may be unable to pay your costs because they may not be of sufficient financial means or have sufficient assets to make payment of your costs and/or any monetary award made against them. However, at your request and expense, we will assist you in recovering the amount payable from the other person.

In some circumstances, the Court may order you to pay the other party's legal charges and expenses; for example, if you lose the case. In this situation, that money would be payable in addition to our charges and expenses. We will discuss with you whether our charges and expenses and your liability for another party's charges and expenses may be covered by insurance, and, if not, whether it would be advisable for you to have insurance to meet the other party's charges and expenses. Please raise this with us if you are interested in this possibility.

Please note that the amount of our costs which you have to pay may be greater than the amount you can recover from another party to the case or under a Court Order.

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## 13. Billing and Payment Arrangements

Where appropriate, we will send you interim bills for our charges and expenses on a periodic basis while the work is in progress. We will send a final bill after completion of the work. Bills are payable on presentation and we reserve the right to charge interest at the rate payable on a Judgment Debt on any part of a bill unpaid for more than twenty eight days after delivery.

It is normal practice to ask clients to make payments on account of costs and disbursements from time to time as the matter proceeds. This helps clients in budgeting for costs as well as keeping them informed of the legal expenses being incurred and also avoids delay in the progress of the case. We reserve the right to stop work on any matter for which we have not received any payment on account of costs requested. Where appropriate, we also reserve the right to retain any monies held on your behalf to pay such outstanding bills.

#### 14. Payment of Interest

Any money received on your behalf will be held in a client account. Subject to certain minimum amounts and periods of time set out in the Solicitors' Accounts Rules 2011, interest will be calculated and paid to you at the rate for that account, which may change from time to time. We will account to you for interest earned by us on cleared funds held by us on your behalf in a separate designated deposit account, where such interest would be in excess of £20.00 net of tax. We will pay you an equivalent amount in relation to any cleared funds not kept in a separate designated deposit account and this will be paid gross where deduction of tax is required by statute. The period for which interest will be paid normally runs from the date when cleared funds are received by us until the date on the cheque issued to you.

#### 15. Preventing Financial Crime and Identity Requirements

This Firm complies with guidance issued by the Law Society in relation to The Money Laundering Regulations 2007 and the Proceeds of Crime Act 2002 to ensure compliance with our statutory obligations. In certain types of matters, we are required under these regulations to obtain information about your own, and where relevant people related to your transaction (beneficial owners), identity and to verify that information.

We are under a professional and legal obligation to maintain your affairs completely confidential. However, this obligation is subject to a statutory exception which overrides our duty of confidentiality to you.

If we know or suspect that you are involved in money laundering or hold the proceeds of crime such as cash or assets acquired illegally, we are required by law to report our suspicions to the appropriate authority. We would be unable to advise you that such a disclosure has been made or that we might be required to suspend working on your matter until we had received authority to progress. By instructing us, you agree that such reports may be made if necessary. We do not accept liability for any direct or indirect or consequential loss arising from any delay or otherwise as a result of any reports made to the appropriate authority or any

steps necessary to ensure compliance with our statutory obligations. We reserve the right to refuse to act for you or to suspend work on your matter if you fail to comply with our procedures for preventing financial crime when required, or we consider that further enquiry is necessary. Suspension in such circumstances shall not, of itself, amount to termination of our retainer.

We may require from you one document as proof of identity and one document to verify your address and we suggest these are produced, if possible, at your first appointment to allow photocopies to be taken and retained on the file. The documents we require are as follows:

##### (a) Proof of identity: One of the following:

- Current signed passport.
- Identity card.
- Current photographic driving licence.
- Armed Forces ID Card/Police Warrant Card.

##### (b) Proof of address: One of the following:

- A bill for the supply of electricity, gas, water or telephone services (provided it is fewer than three (3) months old). Mobile phone bills are not acceptable
- Television licence renewal notice.
- Council tax bill (provided it is fewer than three (3) months old)
- Recent tax coding notice
- Recent mortgage statement
- Credit card/bank statement (provided it is fewer than three (3) months old) showing current address.
- Current UK driving licence (but only if not used as evidence of identity).

If you have any problems in producing any of the above documentation, please let us know.

Alternatively, we may use electronic identification service providers to provide information on your identity and that of any beneficial owners. It is a condition of our retainer that you consent to us doing so, on your behalf and that of any beneficial owners.

#### 16. Cash Policy

As part of our procedures to prevent financial crime, our policy is not to accept cash payment from any client or third party in excess of £350.00. Cash payment in excess of this sum will be refused and the client or third party will be expected to produce a cheque or banker's draft from a UK registered bank for the amount. If you try to avoid this policy by depositing cash directly with our bank, we may decide to charge you for any additional checks that we decide

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are necessary to prove the source of the funds. Where we pay money to you, it will be paid by cheque or by bank transfer; it will not be paid in cash or to a third party.

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## 17. Termination

You may terminate your instructions to us in writing at any time but we will be entitled to exercise our lien and to keep all your papers and documents or other property held on your behalf while there is money owing to us for our charges and expenses.

We may decide to stop acting for you only with good reason, for example, if you cannot give clear or proper instructions on how we are to proceed. Also, we reserve the right to cease acting if you do not pay an interim bill or comply with our request for a payment on account. In any such circumstances, we will give you reasonable notice in writing that we will stop acting for you and tell you the reason why

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## 18. Storage of Papers and Documents

After completing the work, we are entitled to keep all your papers and documents while there is money owing to us for our charges and expenses. We will keep our file of papers (except for any of your papers which you ask to be returned to you) in storage for not less than 6 years. We keep the file on the clear understanding that we have the authority to destroy it not less than 6 years after the date of the final bill we send you for this matter. We will not of course destroy any documents such as Wills, Deeds, and other securities, which you ask us to hold in safe custody.

No charge will be made to you for such storage unless you request us to store the file for longer than 6 years in which event we would give prior notice in writing of the charge to be made and from what date.

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 for producing stored papers or documents to you or another at your request if you require retrieval of your file after one year. We may also charge for reading correspondence or other work necessary to comply with the instructions given by you or on your behalf.

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## 19. Regulation

Gilbert Davies is authorised and regulated by the Solicitors Regulation Authority.

## 20. Data Protection

Gilbert Davies is registered under the Data Protection Act 1998. We use the information that you provide to us primarily for the provision of legal services to you and related purposes including:

- updating and enhancing our client records,
- analysis to help us to manage our Practice,
- statutory returns, and
- legal and regulatory compliance.

Our use of your data is subject to your instructions, our duty of confidentiality to you and data protection law and regulation. When you instruct us we will ask you to provide some information about yourself for security, identification and verification purposes. Personal data, or personal information, means any information about an individual from which that person can be identified. We will only collect information that is relevant to providing our legal services. We will keep your information as long as permitted for our legitimate business purposes and for any retention period that we are legally required to meet. We may sometimes need to transfer your information to third parties such as expert witnesses and other professional advisers, on the understanding that they keep the information confidential and use it only for our agreed purposes.

You have the right to see and receive a copy of any personal information we may hold on you and to have any inaccurate information corrected.

By signing these terms you consent to us using your data in the manner with which we have detailed above. You can withdraw your consent and we will return your personal data to you, subject to any retention that we are legally required to comply with. For more information on how we use your data please see our Privacy Policy which is available on our website ([www.gilbert-davies.com](http://www.gilbert-davies.com)).

You have the right to make a complaint at any time to the Information Commissioner's Office (ICO), the UK supervisory authority for data protection issues ([www.ico.org.uk](http://www.ico.org.uk)). We would, however, appreciate the chance to deal with your concerns before you approach the ICO so please contact us in the first instance.

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## 21. Financial Services

We are not authorised by the Financial Conduct Authority (previously the Financial Services Authority). However, we are included on the financial services register maintained by the Financial Conduct Authority so that we can carry on insurance mediation activity, which is broadly the advising on, selling and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something

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goes wrong, is regulated by the Solicitors Regulation Authority. The FS register can be accessed via the Financial Conduct Authority website at [www.fca.org.uk](http://www.fca.org.uk).

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## 22. Quality Assurance

We operate a management system that aims to comply with the requirements of the Law Society Practice Management Standard and the Solicitors Regulation Authority Code of Conduct. These standards require quality checks to be conducted on a sample of files by external, independent assessors who are approved for such purpose. All these inspections are conducted in confidence. Your file may therefore be selected for inspection, in which case we would need your consent for the inspection to occur in order to protect your confidentiality. We propose to assume that we have your consent unless you notify us to the contrary. If you prefer to withhold consent, work on your file will not be affected in any way. If you would prefer to withhold consent please put a line through this section in the signed copy for return to your file handler and we will mark your file as not to be inspected.

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## 23. Complaints

We aim to provide a high standard of professional service for all our clients. If at any time you feel that this is not being maintained, please discuss it with the person handling your matter. In the event that any such problem cannot be resolved with him or her, and you are not entirely satisfied with the service provided by Gilbert Davies, including any bill presented, then you are entitled to complain. We are committed to ensuring that complaints are handled promptly, fairly and effectively. Any complaint should be made to one of the Directors; either Nerys E Jones, David G Thomas and Louise A Harding either in writing to our office address, by email or by telephone. We have a written procedure which details how we handle complaints, which is available on request, and we aim to consider and resolve your complaint within an eight week period.

If you are not satisfied with our handling of your complaint, or we do not resolve it within the eight week timescale, you are entitled to ask the Legal Ombudsman (in writing to PO Box 6806, Wolverhampton, WV1 9WJ; by telephone: 0300 555 0333; or by email: [enquiries@legalombudsman.org.uk](mailto:enquiries@legalombudsman.org.uk)) to review and 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 six years of the act or omission about which you are complaining occurring (or if outside this period, within three years of when you should reasonably have been aware of it).

If you are unhappy with our bill for work conducted, you may also apply to the Court for an assessment of the bill under Part III of the Solicitors Act 1974. However, the Legal Ombudsman will not deal with a complaint about a bill if you have already applied to the Court for assessment of that bill. Please note also that if all or part of our bill remains unpaid, interest may be charged on the unpaid balance. Please also note that some clients, for example, most businesses, and charities or clubs and trusts with an asset value of more than £1m may not have the right to take their complaint to the Legal Ombudsman.

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## 24. Non-discrimination, Equality and Diversity

Gilbert Davies is committed to non-discrimination and to promoting equality and diversity in all of our dealings with clients, third parties and employees.

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## 25. Agreement

The purpose of this document is to confirm the arrangements between us and confirm that we are working on the basis of this document as soon as we accept instructions from you. Unless otherwise agreed, and subject to the application of then current hourly rates, these Terms of Engagement shall apply to any future instructions given by you to this Firm. Although your continuing instructions in this matter will amount to an acceptance of these Terms of Engagement, we ask you to please sign and date the enclosed copy of these Terms and return to us immediately as it may not be possible to start work on your behalf until a signed copy has been returned to us for filing.

Please contact one of the Directors, Nerys E Jones, David G Thomas or Louise A Harding to request further information and clarification should you have any questions regarding this document.

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We/I confirm that we/I have read and understood, and we/I accept, these Terms of Engagement.

Signed

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Print Name

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Date

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