



TERMS AND CONDITIONS OF BUSINESS

ADVOCATES SMITH TAUBITZ UNSWORTH LIMITED (an incorporated legal practice)

Introduction

The purpose of this document is to set out the terms upon which we have accepted your instructions. This document constitutes an Agreement pursuant to the Advocates Acts 1874-1995, as amended. We reserve the right to vary these Terms in writing upon giving you reasonable notice of any changes. This document constitutes a legally binding contract and therefore you should read the same carefully. Any cause of action arising as a result of our instruction in this matter is strictly limited to the parties to this Agreement.

If you do not sign and return these Terms and Conditions of Business but continue to instruct us, that instruction will be an acceptance of them.

1. Our Aim

We believe in working as a team with our clients. Our aim is to undertake your work as quickly and efficiently as possible, given the task in hand. We will need your help to do this and it is essential that you provide us with as much information and documentation as possible. You agree to provide us with information/documents when we ask for them and you will let us know immediately if there is any change in circumstances, which may affect the case. Only by clear instructions and prompt action can we together progress your case efficiently.

We are responsible for your matter and will promptly inform you of the issues as they arise and of the progress of the work involved.

If you ever feel that the service provided is not delivering that standard, please let us know straight away.

2. Our responsibilities

We will always act in your best interests, subject to our duties to the Court and under Statute. In the case of property transactions, we may have duties to any lender. We will explain the risks and benefits of taking legal action and whether any alternative would be appropriate, such as mediation or conciliation. We will give you our best advice and as much information as we can about the cost of the action you propose to take.

By instructing us you authorise us to take any steps necessary to protect your interests, unless you instruct us otherwise, in writing.

3. Your responsibilities

You agree to give us instructions to allow us to undertake your work properly, and to provide prompt and realistic instructions. You also agree to co-operate with us and not to deliberately mislead us, or to ask us to work in an improper or unreasonable way. You agree to treat all members of our staff with respect and not to be rude.



Should you use unreasonable, disrespectful or rude behaviour, we reserve the right to immediately terminate our engagement with you.

4. Your instructions

The advice we give relates solely to this matter as defined in the scope of instruction above. Any advice sought on any matter falling outside such scope will be charged over and above any fee estimate that has been provided to you. All advice provided to you is for your benefit alone. We can advise only on those matters upon which we are instructed, and only in respect of the laws of the Isle of Man, or England and Wales. Any non-legal advice (such as medical or accountancy) will be referred to a relevant expert, as appropriate.

These Terms and conditions only apply between you and Advocates Smith Taubitz Unsworth Limited. No third party, or other individual or organisation has any rights or benefits under this contract. Where instructions are received by third parties on your behalf we may act upon such instructions, including those from lawyers or other professional advisors, where such instructions appear reasonable and without limitation.

If we are instructed by a company, partnership, association or trustees, we will be entitled to rely upon the instructions of any officer, director, partner or trustee, unless you have notified us otherwise in writing.

5. Confidentiality and Legal Privilege

Documents and information, you give to us are generally confidential and subject to legal professional privilege. Sometimes, however, we are obliged to pass on information to specific authorities, for example to the Authorities in the Isle of Man with responsibilities for the money laundering legislation.

Please remember that some methods of communication may not be secure e.g. e-mail or mobile phone. We will communicate with you by such means unless you require by notice in writing that we should not do so.

If there is a particular document or piece of information which you do not wish us to pass on to a third party, then please make it clear that this is not for disclosure (always subject to our requirement to disclose to certain authorities set out above).

We may be called on by certain professional authorities to demonstrate our maintenance of professional standards. Unless you notify us in writing that you disagree, we will assume that we have your authority to produce your file for that purpose only, as an exception to our duty of confidentiality. For example, if we are asked by our Bank to provide copies of your due diligence documents then we shall do so without seeking further consent from you. By signing these Terms and Conditions you are authorising the release of your personal data (but not privileged documents) to our bank, regulator, auditors, screening processors or other such authority requesting the same from us.



If we are acting in a property transaction and you are obtaining a mortgage from a lender, it is likely that we will also be instructed to act for the lender in looking after its interests, this will include giving the lender any information which comes to our knowledge of which we consider the lender should be aware. By accepting these Terms and Conditions you consent to us giving such information.

6. Anti-Money Laundering and Terrorist Financing Code 2019

It is compulsory for us to comply with the anti-money laundering, countering of terrorism and proliferation financing legislation of the Isle of Man. We must obtain the following information from you before we begin acting for you. We must also verify the source of any funds, and source of wealth, in completing a transaction.

In accepting these Terms and Conditions you authorise us to take all necessary steps to comply with the anti-money laundering, countering of terrorism and proliferation financing legislation. As a result of the work that must be undertaken by us in this regard, we will invoice you a compliance charge, as set out in the charge rates below. We reserve the right to charge for additional compliance work, as required, on a time spent basis at the hourly rate set out below.

Please send us the following when you return these Terms:

- (a) One certified copy of your passport OR whole driving licence (not just the photo ID card). If you cannot obtain a certified copy, please attend our offices with the original and we will take a copy and certify it. We use an Electronic Verification Platform to carry out AML screening which may require us to request that you supply additional copies of the photographic identification you provide if the image cannot be uploaded and read successfully.
- (b) One certified copy of: mortgage, bank or credit card statement or a utility bill (but not a mobile telephone bill) which must state your name and your current residential address and be dated within the last 6 months.
- (c) Confirmation of the source of funds (where any money we will receive from you will come from i.e. the bank name) and source of wealth (how you have come to have the money from which you will be funding your transaction e.g. earnings, savings, inheritance etc) which will be used to complete your transaction. **If you wish to settle our fees from a joint account, you will need to supply us with items (a) and (b) above for the joint account holder.**

Photocopies must be certified by a lawyer, accountant, senior civil servant, licensed banker or police officer. The photocopy must be endorsed with the following:

"This document is a true copy of the original of which I have had sight" and "This photograph is a good likeness of the individual concerned" [delete as necessary].

The name, professional address and signature of the certifying person must appear on the photocopy. Any photocopy of photographic identification must clearly show the photograph, which should be recognisable.



In the case of Limited Companies, this information is required for two of the Directors (one of which must be the person from whom we will receive our instructions). In the case of partnerships, this information is required for all partners. Certain other documentation will be required, which we will notify you of separately.

Under the anti-money laundering, counter of terrorism and proliferation financing legislation we have a duty to notify certain authorities of any transaction which in our opinion may be in breach of legislation or regulation. Accordingly, we have no liability to clients if we believe we have a duty to make such a disclosure. Sometimes the law prohibits us from informing you that a notification has been made.

7. Data Protection/Privacy Policy

In dealing with your matter, we will compile and hold personal data relating to you. Your information will be held in electronic or in our paper filing system, or both. This may include sensitive personal data. Any records or documents received by us will be scanned onto our electronic file management system and the paper copy may be destroyed. All of your personal information will be processed in accordance with the Data Protection Act 2018. In agreeing to these Terms, you confirm that we may use your personal data when carrying out our responsibilities to you or to maintain and preserve records, including release to third parties or transferring data. Such data will be preserved after the conclusion of your case in accordance with our data retention periods in electronic form.

We will, where appropriate use third party service providers and processors appointed by us from time to time for the purposes of AML screening and verification of identity, data and file storage, back-up, destruction, billing, debt collection, legal processing and other similar services while providing our services to you.

For more information please see attached our Data Privacy Policy, which will apply to your data.

8. Document Storage

We are required to store a copy of your file of papers and any Deeds or other documents you have provided to us for a minimum period of 6 years. After that time, the file is likely to be routinely destroyed. We will only store an electronic copy of your file and the paper file will be destroyed. If you prefer that the file should not be destroyed, you should notify us in writing and, at that stage, we will send the file to you for safe-keeping. We will never destroy Deeds, Wills or Securities unless specifically instructed to do so, since they are no longer required.

Charges for document retrieval will not be made for revived, continuing or repeat instructions but, if the file of papers is required for another advocate or to answer queries after the matter has been concluded, an administration charge may be levied to deal with the retrieval or queries.

9. Costs and Fees

(a) Fixed Price



Sometimes it is possible to agree a fixed fee for a matter. If so, this will be notified to you in writing.

(b) Usual Charge Regime

For most cases, however, it is impossible to agree a fixed price because we simply do not know how much work will be involved. We can provide you with an estimate of the costs likely to be incurred, which may change as the matter develops. By signing these Terms, you are expressly agreeing that we are not required to provide you with such estimate as a matter of course. You can however request a written estimate of costs at any time and the same will be provided.

We calculate our costs based on the time we spend on your matter unless we have provided you with a quotation for a fixed fee. The time spent may include travelling to, waiting at and attending Court, dealing with documents, drafting statements, pleadings or schedules, research, telephone calls, e-mails and letters. Time is recorded in units of 6 minutes (which is the minimum unit of recordable time) and your bill will particularise the work done, and the time spent. Emails in and out, short letters and telephone calls will incur a minimum 6 minute charge but longer items will be timed. Each fee earner's charge out rate is detailed below and your matter will be conducted by the appropriate level of fee earner. However, we reserve the right to change the fee earner and/or increase the rate applicable on notification to you, based upon circumstances that may arise.

In addition you will be charged VAT and out of pocket expenses (which are called disbursements).

In long running matters it is in your best interests that we render interim bills and it is our policy to do so unless otherwise agreed. This enables you to budget and assists our cashflow.

Our charge out rates will be subject to periodic variation but we will inform you in writing in advance of any changes.

Charge out Rates

Will be provided upon instruction.

(c) VAT

Any estimate provided does not include any VAT, unless stated to the contrary.

VAT will be charged in addition to our costs at the rate prevailing when the service is provided.

(d) Disbursements

These are out of pocket expenses which we make on your behalf and are not included in our estimate or costs.

They may relate to medical expenses such as obtaining GP records or experts' reports, Court fees or search fees, travelling expenses, agents' fees or barristers' fees. By



agreeing to these Terms and Conditions you give us authority to incur and pay reasonable expenses to deal with your case. If practicable we will inform you of such disbursements in advance, to enable you to specifically authorise such expenses.

We will in addition charge for office expenditure, including postage, telephone or copying charges associated with your matter. We will also pass on the bank charges for telegraphic or BACS payments where appropriate.

Please note that disbursements themselves may be subject to VAT.

(e) Legal Expenses Insurance

Please check to see if you are covered for our work by legal expenses insurance. You may have paid an extra small top up for such cover on your household or motor insurance policy. If so, please contact your insurers immediately and please ensure that you abide by the terms of the policy, otherwise cover may be refused. If you do not have legal expense insurance it may be possible for you to purchase an 'After the Event' policy.

However, our contract is with you and we reserve the right to require you to pay our costs since legal expenses insurance indemnifies you, not us.

(f) Payment on Account

We may have asked you for a retainer at the commencement of your case and will ask you for further retainers if the matter continues. All retainers will be held generally on account of fees, VAT and disbursements. Before we incur any disbursement of a significant sum we will ask you for funds to meet that disbursement.

If we hold any money or property on your behalf, we can deduct fees, VAT or disbursements due under any invoice rendered immediately, or retain that property until payment is made. **On each and every occasion that any retainer monies are applied in part or full for any such purpose, we require from you within 14 days payment to replenish the retainer.**

Should we pay money received from you into our client account, held at Lloyds for the time being, we assume no obligation to you in respect of any amounts which you may be entitled to receive from us over and above the obligation we incur as trustee of such monies. Accordingly, we accept no liability for any loss suffered by reason of the insolvency or other loss of the money, by any bank or building society with whom the firm's client account is maintained from time to time.

(g) Interest on money held

If we hold any money for you, for instance a retainer, this will be held in our client account. By agreeing to these Terms, you agree that (i) interest on the client account, calculated under the Advocates Accounts Rules 2008, will be calculated at the rate from time to time payable on the Lloyds interest bearing current account and (ii) you are not entitled to any money held for a short period of time or resulting in a small amount of interest being due (iii) we will retain the sum of £20 towards administrative and banking expenses in calculating interest due and crediting payments to you (carried out quarterly). This will be retained by way of set-off against interest earned. If interest is less than £20 in any quarter, no additional payment will be required from



you. We may retain interest against any invoice due or disbursement paid or to be paid imminently.

(h) Settlement of Bills

Bills are due on presentation, interest will be charged if payment has not been received within **7 days** of the date of the invoice, interest will be charged on overdue bills at the rate of 8% per annum. Where repeated reminders are necessary an administration charge will also be levied. We reserve the right to cease acting should interim bills not be paid within 14 days, or money not paid to us when reasonably requested for disbursements and/or on account of our costs. If any bill remains unpaid after 14 days you agree that we may terminate instructions, suspend work on any matter until payment is received in full and/or charge interest as set out above, regardless of the urgency of such work. Any prejudice you suffer as a result of such action is your responsibility and will not be actionable by you against us.

If we have to take action to recover fees from you, we reserve the right to pass the entirety of such costs incurred by us in doing so, to you. If legal proceedings are issued by us to recover outstanding fees, you, by signing these Terms and Conditions agree that we can recover the actual amount incurred by us in full and not simply the limited costs set out in Part 11 of the Rules of the High Court of Justice 2009.

If we are instructed by or on behalf of a company the Directors and Shareholders of such company hereby provide a personal indemnity, on a joint and several basis, to pay our fees in circumstances where the company refuses or is unable to pay our fees.

Our charges are payable whether or not the matter has been successfully concluded or the transaction completed. In the case of an abortive fixed fee matter, we are entitled to charge at an hourly rate for work done.

In the case of property transactions, an invoice will be rendered prior to completion with payment being required on or before completion. Outstanding invoices will be deducted from funds on completion. We reserve the right to refuse to complete any transaction unless payment of our costs, VAT or disbursements is paid in full.

(i) Assessment

Within 6 months of delivery of a fee note you may seek assessment of our fees pursuant to Section 23 of the Advocates Act 1995, by the Chief Registrar or by an assessor nominated by the Isle of Man Law Society.

(j) Costs recovered

In some cases, costs may be awarded against a third party or a negotiated agreement may provide that the third party contributes towards your costs. If we recover costs, VAT and/or disbursements from another party we are entitled to retain them to offset against any money due to us under the terms of this agreement.

It is extremely rare for any sums recovered to be sufficient to reimburse you in full. We therefore reserve the right to charge you the difference between the total costs and disbursements and the sum recovered from the other party. Notwithstanding any costs awarded to be paid to you, you remain responsible for the payment of all invoices raised to you in accordance with these Terms.



If agreement as to the sum to be paid by the other party cannot be reached, then the sum to be paid has to be assessed by the Court. This assessment process in itself requires time and work from us and unless otherwise agreed, we will charge you for working on this process on the same basis as for your matter generally.

(k) Other parties' costs

You may be ordered to pay the costs of another party to an action or it may be a term of settlement that you do so. These costs are in addition to our costs, disbursements and VAT. They will be your personal liability and will not be paid by us on your behalf unless you have specifically put us in funds to pay them.

(l) Conditional fees

There are no conditional fee arrangements in this jurisdiction as they are illegal. It is therefore not possible for us to offer a 'no win, no fee' arrangement.

(m) Legal Aid

You may be eligible for Legal Aid. If so, you should apply as soon as possible. We can provide you with the forms. You should first see if you are likely to be eligible by completing the 'Legal Aid Calculator' on the Isle of Man Government web site <https://services.gov.im/civil-legal-aid-calculator/>. The calculation is complex but this will give you some idea as to eligibility and whether you are likely to have to pay some contribution towards your costs. If you are eligible you should print out the calculation and provide this to us at your earliest opportunity. If you are in receipt of any social benefits, please let us know immediately as certain benefits mean that you are automatically entitled to Legal Aid.

10. Limitation on liability

We shall not be liable

(i) for any loss arising out of this agreement unless caused by our negligence or wilful default.

(ii) where the performance or prompt performance is prevented/affected by circumstances beyond our control.

(iii) for direct or indirect loss arising from a failure of communication, error, damage, interception, unauthorised publication to third party, interference, loss or omission of a communication to or from us to you. Communications may be by telephone, post, e-mail, fax, text or courier as appropriate. You acknowledge that certain means of communication are entirely beyond our control once transmitted.

We carry professional indemnity insurance giving cover of four million pounds for professional negligence. We do not accept liability for any loss or damage in excess of the level of our insurance cover, unless we have agreed a special arrangement with you at the outset of your matter. By signing these Terms, you agree that such cover is acceptable for the purposes of your instruction.

11. Lien



A lien is our right to keep all papers, documents, money or other property held on your behalf until all money due to us is paid. We have that right in accordance with this agreement. A lien may be applied after this agreement ends.

12. Complaints

If at any time you are dissatisfied with our service, please raise it with the fee earner assigned to your matter immediately. If you are dissatisfied with his or her response, then please refer the matter to the board of directors, for review. They would be pleased to discuss any areas of concern and welcome your feedback. A copy of our complaints procedure can be provided upon request and should be the first port of call in the case of any complaint. If the problem cannot be resolved informally, we are regulated by the Isle of Man Law Society and they can be contacted at 13 Mount Havelock, Douglas, IM1 2QG Telephone/Fax: 01624 662910

or visit www.iomlawsociety.co.im/complaints.html

13. Governing Law

This agreement shall be governed by and construed in accordance with the laws of the Isle of Man. The parties submit to the exclusive jurisdiction of the High Court of Justice of the Isle of Man.

Conclusion

Unless otherwise agreed, these Terms and Conditions of Business apply to any future instructions you give to us with such variations as may reasonably be appropriate to those instructions.

Your continuing instructions in this matter will amount to your acceptance of these Terms and Conditions of Business, whether or not you return these to us signed and dated. Please do return them, however, so that we can be confident that you understand the basis on which we will act for you. If you do not sign and return the duplicate copy immediately we may not be able to commence or continue working for you and any opportunity you may have to recover your costs from the other side may be prejudiced. Any amendments to these Terms and Conditions of Business will be notified to you in writing. We will ask you to sign to confirm acceptance of any amendment, but should you fail to do so but continue to instruct us, such instructions will amount to your acceptance of the amendments.

If more than one person signs these Terms, then you are each agreeing to be bound by them and to be jointly and severally responsible for our costs and fees.

If you are signing on behalf of some other person you are agreeing that you are authorised to do so on their behalf.

If you are signing on behalf a company, you are agreeing that the company has resolved that you may do so and that you may commit the company to these Terms. If you are signing these Terms on behalf of a company you are hereby agreeing that the Directors and Shareholders of such company have agreed to provide a personal indemnity, on a joint and several basis, to pay our fees in circumstances where the company refuses or is unable to pay our fees.