

Howard Hyman & Co

S o l i c i t o r s

TERMS OF BUSINESS

1. Our Aim

We aim to provide an efficient and friendly professional service to our clients, with a view to satisfying their requirements for legal services at a reasonable cost.

THE CONDUCT OF YOUR INSTRUCTIONS

2. Who will be handling your business?

We believe that our clients prefer their instructions to be dealt with by our Principal where possible, or closely supervised by him. The Principal and his assistant/secretary are stated in the client care letter and if our Mr Hyman is not available when you call, please ask to speak to any staff member as they will be familiar with the progress of your matter.

3. For whom we will Act

We will be acting for our client, as stated in the client care letter. If you are instructing us on behalf of a company, it will be our client, and not you personally. If we have not correctly stated whom you wish to be our client, you should let us know as soon as possible.

We always put our client's interests first, irrespective of who has agreed to pay our fees. Our retainer is for the benefit of our client alone, and is not intended to benefit any third parties. For example, we do not accept any liability to potential beneficiaries of a Will which we are instructed to draw up for our client.

4. Progress of your Business

We aim to keep you informed on a regular basis of any relevant developments, but please feel free to telephone for any information you may require.

5. Communication of Information

It is most important that the fullest information is available to us, so that we can deal efficiently with your affairs. In litigation matters, it may be necessary for us to provide full disclosure of relevant documents even before proceedings are started. Failure to do this, may result in you being penalised and having to pay costs to the other side. Therefore please make sure from the outset that you let us have copies of all documents that affect your particular matter and details of any relevant conversations or developments.

At other times in the conduct of litigation, it may be that we need to take your instructions urgently, e.g. to take statements or to respond to requests from the other side for information. You might also be required to attend Court from time to time; sometimes with only limited notice. It is essential that you make yourself available to assist us or to provide us with information we seek, as a failure to do so might result in the award of costs against you, even if you are successful in your claim.

We advise you not to discuss any settlement proposals with anyone else or to sign any documents proposed to you, without first consulting us, as such proposals may have more wide-reaching consequences than appear at first sight.

We may communicate with you and with third parties on your behalf by e-mail. Such messages may contain personal data or confidential or privileged information about your affairs and may not be encrypted.

6. Third Party Professional Advice

In certain transactions, it may be desirable for you to take the advice of another independent adviser, e.g. a surveyor, a doctor, an accountant or a financial adviser. The need will depend on the transaction, but you should bear in mind that most transactions have several facets, and it is wise to make sure that full advice is received on all important aspects. For example, in property transactions, the advice of a surveyor will be desirable even where a new or fairly new property is being acquired. In commercial property transactions, that advice will need to deal with the terms of any lease, in order to ascertain whether any unexpected obligations may arise as a result of the condition of the premises.

We can advise you when specific third party advice may be needed and we can recommend suitable advisers from our professional contacts.

It is important that any such advice you receive is made known to us, so we can consider its implications for the legal aspects of your case.

7. Problems

Even in the best-run businesses, problems occur from time to time. We believe that the effect of problems can be minimised if those involved communicate at an early stage. The first step if you believe there is a problem is to tell us, as we may be unaware of it. The next step is to discuss it, as a quick and economical solution can often be found if a problem is dealt with early enough.

If you suspect that a problem exists, please telephone our Mr Hyman at once, so that the problem can be discussed and he can investigate matters.

It may be that after such investigation, you are satisfied. If so, we will then seek to resolve the problem in accordance with our Complaints Procedure.

8. File Storage

When we have completed your work, we will return all important documents to you. You may wish us to continue to hold some documents on your behalf, e.g. Deeds and Wills. If so, we will place them in our storage facility and our files will then be archived. We keep files for six years, after which they are normally destroyed. Deeds and Wills are kept indefinitely.

At our discretion, we may charge you for storage in any of the following circumstances:-

- if you ask us to store your files for longer than the above period;
or
- if you ask us to retrieve your file from storage;
or
- if you ask us to keep for you anything other than Deeds or Wills

9. Evidence of Identity

The Money Laundering Regulation 2003 impose a duty upon us to establish your identity and to record the fact that we have done so. We will ask you to provide evidence of your identity unless you are an existing client who has already done so. We ask you to co-operate with us in this task, but reserve the right to terminate our retainer if you fail to provide such evidence within 28 days of being asked.

We will require you to provide information to complete an ID Check as we are obliged to check your data on various databases in order to establish your bona fides. There is a modest charge for carrying out the check for each client.

10. Our Fees

It is difficult to estimate charges for legal services in advance, because the exact scope of the task may not be known when the request for an estimate is received, and even when known, the scope of the work and the circumstances can change during the course of a transaction. Our fees are based on the time required to do the work, but there are a number of other factors which may make a variation to the basic hourly rate appropriate, e.g. the case requires the consideration of complex issues over a relatively short period, the value of the transaction, and its importance to you. The basic hourly rate is £200 plus VAT.

We will charge on one of the following bases:

- ❑ a variable fee based on the time taken (together with letters and telephone calls) with a variation to the hourly rate depending on complexity, urgency or value of the work; or
- ❑ a fixed fee (this will only be agreed where the scope and extent of the work are clear from the outset, and will only apply if they do not materially change. Disbursements and VAT will be charged in addition. If a fixed fee is agreed in respect of a matter which subsequently becomes abortive, you will be charged a fee based on the work actually done).

The fee basis which applies in your case, and any variations, are set out in the client care letter sent to you at the commencement of the matter.

See below for a fuller explanation of how our fees are calculated for different types of work.

11. Interim Invoices

We may require you to pay for the services you receive on an interim basis as your instructions are carried out. Interim invoicing is essential in order to maintain a healthy cash flow and avoid unnecessary strains on our resources; a factor applicable to all businesses.

Interim invoicing will not normally take place where a fixed fee is agreed, unless this is a part of the arrangement (for example a fixed fee may be payable by instalments).

12. Payment of Invoices

Our invoices are payable within 14 days of the invoice date.

We may deduct the amount of our invoice from money held on your behalf, such as proceeds of sale of property or damages recovered in court proceedings.

13. Money on Account of Fees and Disbursements

We may ask you for a payment on account before accepting any instructions to carry out significant legal work on your behalf, or before we incur a direct liability to a third party to pay a disbursement for services or goods required in carrying out those instructions, unless the amount involved is trivial. If we do not receive the amount requested within 14 days, we may decline to take further steps in the transaction.

Sometimes in litigation and family matters we may need to invoice you for disbursements to be paid to the Court. In some instances failure to pay such an invoice promptly could lead to an adverse result in your case, or even to your case being struck out by the Court.

In any case we will seek your agreement before we incur on your behalf a disbursement which exceeds £100 and which has not already been notified in the client care letter.

Cases can be funded by a loan and Barclays offer this facility to Solicitors with the client meeting the interest on the basis of the capital being repaid within 2 years or on completion of the case, if sooner. This can only apply if you are likely to recover a lump sum (often the proceeds from the former matrimonial home) as part of a settlement. Please raise this matter with us if you are unable to fully fund your case. Where we do not receive payment of our costs as a matter progresses we will require you to enter into a Deed of Assignment to assign out of any settlement the outstanding costs due together with accrued interest to be agreed with you. We suggest that in such circumstances you may wish to take independent advice.

14. Photocopying

Routine photocopying is included in the calculation of hourly expense rates, and will not be charged as a separate disbursement unless specified. Where substantial photocopying, colour photocopying or copying of bulky items such as plans is required, we reserve the right to have it done by an outside agency, and to charge the fees incurred as a separate disbursement.

15. Interest on outstanding Invoices

Invoices that remain unpaid for more than one calendar month from the date of issue shall be subject to interest from then on. If you are acting in the course of a business when instructing us, we will claim interest in accordance with the late Payment of Commercial Debts (Interest Act 1998) or we will claim interest at the rate applicable to Judgments in the High Court.

HOW OUR FEES ARE CALCULATED

16. Charging Rates

The Charging Rates applicable to your instructions are shown in the client care letter. Our hourly expense rates are reviewed annually with effect from the first anniversary of our instructions or upon an increase in the rates permitted by the Courts. If we change them, we will notify you in writing. Subject to your rights to withdraw your instructions, the client care letter will then apply as so revised.

17. Estimates

We will provide you with an estimate of the likely number of hours to be spent in dealing with the matter. If we are charging on a variable fee basis this will include an approximate estimate of our likely fee, excluding VAT and disbursements and where it is difficult to provide an accurate arrangement we may quote a range of likely fees.

Our ability to estimate our fees depends on the information we obtain from you as to the elements and circumstances of your instructions, and also on external factors which may arise during the course of the transactions or case. Whilst we hope to gauge the effect of these factors and potential factors, and arrive at an accurate estimate in the light of our experience, any estimate can only be what is says: an estimate.

Unless the estimate is stated to be a "fixed estimate" with no qualification, it can be altered if there are material changes in circumstances or complexities not foreseen initially. If this happens, we will as soon as reasonably possible let you know of any revisions then consider necessary. Subject to your right to withdraw your instructions, the revised estimate will then apply instead of the initial estimate.

18. Your right to Withdraw your Instructions

If the expenditure shown by the revised estimate is outside the scope of your budget, or for any other reason you feel unable to proceed with the matter, you are always free to ask us to take no further action. This is subject to your paying our proper charges up to that time, and if we have undertaken any obligations to third parties on your behalf, to you fulfilling any responsibilities to those third parties of procuring our release from our undertaking.

19. Components of our Fees

Solicitors' charges whether in contentious or non-contentious case, are subject to control by the Courts. Since the aim of that control is for the charges to be fair and reasonable as between clients and solicitors, it has become somewhat elaborate. It applies to our charges as follows.

Simply, our fees are normally calculated by multiplying the time spent on the matter by the effective hourly rate(s).

The time spent on the matter is the total of (a) all time reasonably spent by the principal and assistant dealing with your matter in seeing you, interviewing any third parties or witnesses, drafting and perusing documents, reports, statements etc. and other meetings or hearings (b) travelling and waiting time (c) the time equivalent of correspondence and telephone calls as to whether they are short or have been specifically timed. Short letters out (one page or less) and short telephone calls (under 6 minutes) are charged at fixed rates.

The effective hourly rate is based on the normal charging rate of the fee earner concerned, but may be varied up or down to reflect the complexity, urgency, importance and other factors.

When there is a recognisable value or consideration our fee estimate may include a fixed "value factor", which reflects the skill required and risk attached to dealing with that particular size of matter and the importance of that transaction.

20. Fee Limits

If we are charging on a time basis you may in an appropriate case set an upper limit on our fees, and you will not then be liable for more than that limit (plus disbursements and VAT) unless you agree otherwise. If we reach that limit, we will stop any further work and advise you the limit has been reached. You may then set a new limit, or just pay for the work done so far. It will not usually be appropriate to set such a limit in a contentious case once proceedings have been issued, as it may prevent us from taking necessary steps in the proceedings.

21. Value Added Tax

All estimates, charges rates and factors and other fees and disbursements which we quote to you, in the client care letter or otherwise, are exclusive of VAT. If you are registered for VAT elsewhere in the European Union, please provide us with your registration number, as this will enable us to charge you VAT at 0%.

COSTS OF LITIGATION

22. Liability for our Charges

Whatever the outcome of any case in which you may be involved, you will be responsible for paying the invoices we render in respect of our charges.

23. Recovery from your Opponent

The Court has discretion as to the award of the "costs" of proceedings but in matrimonial matters it is usually the case that the parties bear their own costs. The Court must, however, take into account in any application for the opponent to pay your costs, all the circumstances, including conduct of all the parties, success of some or all of the issues, and any payments

into Court or any admissible offer. The conduct that may be taken into account includes compliance with pre-action protocols, the refusal to make admissions, and any failure to negotiate or otherwise to comply with the overriding objectives of the Court (which now include saving expense and incurring expense proportionately to the issues involved). If you obtain an Order for payment of part or all of your costs these have to be agreed or determined by the Court. These may well be less than the winner's solicitors is entitled to received from the winner so you may not be able to recover in full from the other party the charges we may properly make to you.

24. Payment of your Opponent's Costs

In the unhappy event that you lose a case in Court or that some costs are awarded against you even where you win, you will normally be obliged to pay the agreed or assessed costs of your opponent in addition to meeting your liability to us for our charges for acting on your behalf.

25. Public Funding

We do not offer Legal Aid but will advise you if it appears you may be eligible for Legal Aid funding.

INFORMATION CONCERNING ENFORCEMENT OF SOLICITORS' BILLS

26. Non-Contentious Work – Notice of Rights under Solicitors' (Non-Contentious Business) Remuneration Order 1994

You have the right under paragraph (1) of Article 4 of the Solicitors' (Non-Contentious Business) Remuneration Order 1994 within one month of the receipt of our invoice to require us to obtain a certificate from The Law Society stating that in their opinion the costs charges are fair and reasonable. There are also provisions in Sections 70, 71 and 72 of the Solicitors Act 1974 relating to assessment of costs, which give you the right to have the bill checked by an officer of the High Court.

27. Contentious Work

There are provisions giving you the right to have our invoice assessed (i.e. checked) by the relevant Court.

FURTHER INFORMATION

28. Need further Information?

If you require any further information on any matter referred to above, or indeed on any other point, please do not hesitate to contact the person responsible for your matter.

VISIT OUR WEBSITE

www.howardhyman.com

FOR DETAILS OF OUR SERVICES

Regulated by the Solicitors Regulation Authority

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Howard Hyman & Co

S o l i c i t o r s

I (insert printed name) of
..... (insert address) confirm
that I have received and read the Business Terms for my solicitors, Howard Hyman &
Co and that by signing and returning to them this receipt I am bound by the terms
and conditions unless specifically varied in writing between us.

Signed

Dated