

Terms and conditions

1. INTRODUCTION

The purpose of these General Terms of Business is to set out the basis on which Handley Brown LLP will act for you. Please note that your agreement is solely with Handley Brown LLP operating as a limited liability partnership. Whilst we refer to "Partners" this means members of the Limited Liability Partnership and does not mean that the "Partners" will be operating an 1890 Act Partnership. For the avoidance of doubt where there is any conflict between these General Terms of Business and any engagement letter we send to you the engagement letter will prevail over these General Terms of Business. All of the work we do for you is carried out under these terms unless variations are agreed with you in writing.

These terms are accompanied by a Client Care letter / Letter of Engagement which includes the detailed terms of our engagement with you and expands on some of the terms which follow.

In order to avoid repeating your name and ours in this document, we have used the expressions "we" and "our" to refer to Handley Brown LLP and "you" and "your" to refer to you, our client. We have also used the expression "charges" to avoid repeating the expression "fees, disbursements and expenses", all of which are referred to on each occasion this word is used. Where we use the word "partner" we are referring to a member of Handley Brown LLP or an employee or consultant with equivalent standing and qualifications.

2. INSTRUCTIONS

We have set out the agreed scope and objectives of your instructions in the Letter of Engagement. Any subsequent change will be discussed with you and, where appropriate, a new Letter of Engagement will be agreed.

We shall proceed on the basis of the instructions we have received from you and rely upon you to tell us as soon as possible if anything occurs which renders any information previously given to us incorrect, inaccurate or incomplete. We shall not be responsible for any failure to advise or comment on any matter which falls outside the scope of your instructions. We cannot accept any responsibility for any event, loss or situation unless it is one against which it is the express purpose of those instructions to provide protection.

Advice given by us is provided in light of the instructions to which it relates and for your benefit only. It may not be used or relied upon for any other purpose or by any person other than you without our prior written consent.

We may transfer our rights under this contract to any organisation within which our practice may continue in the future (and in such an instance you agree that our obligations under the contract will be assumed by such organisation). We will not otherwise transfer our rights unless we get your written permission first.

We will give you reasonable prior written notice if we decide for whatever reason that we are no longer willing or able to act for you. If we are on the court record on your behalf you must, if we have given such notice, arrange for other solicitors to file Notice of Acting on your behalf or file a Notice of Acting in Person. If you fail to do so we shall rely upon this condition in applying to be removed from the record as acting for you.

3. PARTNERS AND EMPLOYEES - OUR LIABILITY TO YOU

In order that our liability to you arising from our negligence or wilful default shall be fair and proportionate, we may include provisions in the Letter of Engagement which limit our liability in certain circumstances. In any event, please note carefully the exclusion of liability in circumstances where matters fall outside our instructions. Nothing in this condition shall be construed as purporting to exclude nor limit any liability the exclusion or limitation of which is prohibited by law.

You acknowledge that we are a limited liability partnership and that there is no contract between you and any of our individual employees, consultants or members. Any advice given to you by an employee, consultant or member is given by that person on our behalf and that person does not assume any personal responsibility to you for that advice. Accordingly you will not bring any claim against any individual employee, consultant or member in respect of any losses which you suffer or incur, directly or indirectly, in connection with our services. None of the provisions of this condition will limit or exclude our liability for the acts or omissions of our employees, consultants or members.

4. MEDICAL AGENCY - DISCLOSURE OF PERSONAL INTEREST

We will instruct a medical agency in your case, which may be Bluebell Medico Legal Limited.

Bluebell Medico Legal Limited is wholly owned by Laurence Brown in his personal capacity. Laurence Brown is a Solicitor and a member of Handley Brown LLP.

Bluebell Medico Legal Limited is a separate non-law firm business and as such is not regulated by the Solicitors

Regulation Authority (SRA). The statutory protections available to you as a client of Handley Brown LLP,

which is regulated by the SRA, are not available to you as a customer of Bluebell Medico Legal Limited.

Handley Brown LLP will pay a fee to Bluebell Medico Legal Limited for the delivery of its services to you in

your case. The profit generated by Bluebell Medico Legal Limited will be retained by Laurence Brown.

5. PROFESSIONAL INDEMNITY INSURANCE

Details of our compulsory layer of Professional Indemnity Insurance are available in hard copy at the Preston office.

6. EQUALITY AND DIVERSITY

Handley Brown LLP is committed to promoting equality and diversity in all of its dealings with clients, third parties and employees. Please contact us if you would like a copy of our equality and diversity policy.

7. DATA PROTECTION, CONFIDENTIALITY AND FILE VETTING / AUDITING

Handley Brown LLP are registered under the provisions of the Data Protection Act 1998. The information which you provide to us is confidential.

We place great emphasis on maintaining the highest standards of confidentiality. Our partners and staff are under an obligation not to disclose any confidential information to third parties without your authority. This applies to most client information, as well as the reports, letters, documents, information and advice we provide to you. In addition our agreements as to fees are given in confidence and are provided on the condition that you undertake not to disclose these or any other confidential information made available to you by us during the course of our work (other than within your own organisation, if applicable) without our prior knowledge. This said, we are required to comply with Law Society rules and the firm may be required to make disclosure of certain information to comply with professional rules or the general law.

In some cases where reports, letters, documents, information or advice given by us to you will be provided by us or you to or used by a third party, we reserve the right to stipulate terms regarding such use or we may require the third party to enter into a direct relationship with us. Where reports, letters, documents, information or advice given by us is disclosed to a third party we recognise no obligation to that third party.

Before we undertake any work on your behalf we will ask for information about you, including your name, address and date of birth together with some identification, for example, your passport and proof of residence and we will keep a copy of this ("your Data"). We may use your Data to undertake a search with a credit reference agency. We will keep a copy of any searches made and the results which will be used for internal decision making purposes. The credit reference agency may also keep a copy of the search and they may share that information with other businesses who undertake similar searches in respect of you.

We may use your Data and other information we obtain as a result of the work we do for you to provide you with legal services and to administer your account with us including tracing and collecting any debts. We may also use it for fraud prevention (for example by verifying your

identity to comply with our money laundering obligations), to ensure client satisfaction and to improve services and for the safety and security of our offices and staff.

We may, from time to time, contact you by letter, phone, email or otherwise about our services and events (such as newsletters, seminars and hospitality) which we believe will be of interest to you. If you do not want us to send you details of these, say so when returning a signed copy of this document to us. You can change your mind at any time.

Under the Data Protection Act 1998 an individual has the right upon payment of a fee to obtain copies of personal data about them held by us. If you have any queries in relation to the above please do not hesitate to contact us.

Inevitably we may have to disclose some information to third parties and we accept instructions only on the understanding that we have the authority to do so when reasonable and necessary for the purposes of dealing with any matter on which you instruct us. If we have any doubt as to whether you might object to the disclosure of any information we will seek to obtain your consent before doing so unless disclosure is required as a matter of law.

If we instruct counsel on your behalf we may keep a copy of an opinion given by counsel in electronic form for internal know-how purposes but we will ensure that client confidentiality is preserved.

External Firms or organizations may conduct audit or quality checks on our practice. These external firms or organizations are required to maintain confidentiality in relation to your files. The firm is working towards the Lexcel quality standard of the Law Society. As a result of this we are or may become subject to periodic checks by outside assessors. This could mean that your file is selected for checking, in which case we would need your consent for inspection to occur. All inspections are, of course, conducted in confidence. If you prefer to withhold consent, work on your file will not be affected in any way. Since very few of our clients do object to this we propose to assume that we do have your consent unless you notify us to the contrary. We will also assume, unless you indicate otherwise, that consent on this occasion will extend to all future matters which we conduct on your behalf. If you would prefer to withhold consent please put a line through this section in the copy letter before return to us.

8. OUTSOURCING OF WORK

Sometimes we ask other companies or people to do work such as typing / photocopying / call handling / other work on our files to ensure that work is done promptly. We will always seek a confidentiality agreement with these outsourced providers. If you do not want your file to be outsourced, please tell us as soon as possible

9. STORAGE OF PAPERS AND DOCUMENTS

Upon completion of any matter for you we are entitled to retain your papers, documents or other property held by us if there is any money owing to us in respect of our charges until you have paid any outstanding amount, including interest.

We shall keep our file of papers (except for any of your papers which you ask to be returned to you) in storage but on the understanding that we have your authority to destroy the file six years from the date of delivery of our final invoice in respect of the matter.

We shall not, however, destroy documents which you specifically ask us to deposit in safe custody.

We do not normally make a charge for retrieving stored papers or deeds in respect of continuing or new instructions to act for you. However, we reserve the right to make a charge based on the time we spend reading papers, writing letters and other work necessary to comply with your instructions.

If we are given or asked to take custody of any documents or deeds belonging to you, those documents or deeds will be retained in our storage system to your order until their return is requested by you or separate arrangements have been made with your consent. We reserve the right to withhold release of any documents or deeds until payment of any outstanding charges is made by you. We will make every reasonable effort to keep documents left with us safe and undamaged and in the event of loss or damage will help to restore or replicate any document, but we do not guarantee absolute safe custody and if this is required any deeds or documents should be deposited with a bank.

10. JURISDICTION AND APPLICABLE LAW

These standard terms and conditions shall be construed in accordance with the law of England and Wales.

You nevertheless agree (this provision being included for our benefit alone) that we shall retain the right to bring proceedings against you in our absolute discretion in the courts of any other country which may have jurisdiction.

11. FUNDING, FEES AND COSTS RELATED MATTERS

Costs and Funding Information

There are a number of ways in which you can fund your case including:

Paying yourself - you may wish to simply pay our charges and any disbursements as they arise. We would ask for money on account and provide interim bills every 6 months.

Before the Event (BTE) legal expense insurance policies - You may have such a policy with your motor insurance or credit card or household insurance. You will have taken out of the policy before the accident. We will write to the provider to act under the policy. This policy provides

for your legal costs and indemnifies you in the event that you lose your case. Please check all your policies. This refers to any policy for you, a spouse or partner living in the same household, or in the case of a road traffic accident, your passengers or driver of any vehicle in which you were a passenger. If you have a BTE policy you may not require a CFA.

In some cases the Insurers may insist on your case being dealt with by solicitors who they appoint on your behalf. It is important to remember that you have freedom of choice and you are able to appoint a solicitor of your choice to ensure that you have the best independent expert legal advice.

Conditional Fee Agreement ("CFA") - A CFA is an agreement between you and us (commonly known as a "no win - no fee" agreement) which means that we will not seek our costs from you if we lose your case. It allows us to recover our fees from the other side if your claim is successful together with a % uplift in our costs to represent the risk of not being paid if we lose. Before entering into a CFA with you, we are required to check whether you have access to any other legal expenses insurance. It is important that you understand the CFA and provided you comply with its conditions, whether your case is won or lost you will not be required to pay our legal costs. The basic conditions (recommended by the Law Society) are attached to the draft CFA included in these papers. We would urge you to read that document carefully before proceeding further.

If you have a CFA agreement you also need to have in place an after-the-event insurance policy (ATE) to indemnify you against the opposition's costs should you lose your case.

"After the event (ATE)" legal expense insurance - these are insurance policies to indemnify you against your opponent's costs and to cover your disbursements should you lose your case. In compliance with Appendix 1 to the Solicitors' Financial Services (Conduct of Business) Rules 2001 we are required to review your case and your needs and ensure that the policy of insurance is satisfactory for your needs. We will discuss with you whether you require ATE and which policy we recommend.

Funding from trade unions or other sources - if you are a member of a trade union you may be able to obtain funding from your union or your employer may have a scheme for assisting you with funding.

Community Legal Service Funding (formerly known as legal aid) - this is only available in very limited circumstances for personal injury and other cases. For most personal injury claims public funding is no longer available. It is still possible to obtain public funding for clinical negligence cases subject to financial qualification. You will need to give us your financial details to determine if you are eligible and if appropriate an application will have to be made for the funding.

In the event that you are eligible for legal aid, you will remain potentially liable not only for your own costs but those of any other party. In this context, we will explain to you:

The effect of the statutory charge and its likely amount;

our obligation to pay any contribution assessed and the consequences of failing to do so;
The fact that you may still be ordered by the court to contribute to the opponent's costs if the case is lost even though your own costs are covered by legal aid; and
The fact that even if you win, the opponent may not be ordered to pay or be capable of paying the full amount of your costs.

Contingency Fee Agreement - a Solicitor and client are entitled to enter into a Contingency Fee Agreement where court proceedings are not issued. Any claim involving the issue of court proceedings cannot be the subject of a Contingency Fee Agreement. A contingency fee exists where a Solicitor agrees to accept a percentage of damages recovered for pursuing the claim on your behalf. They are useful in situations where costs cannot be recovered and may be offered, for example, in claims against the Criminal Injuries Compensation Authority. In effect, they are a type of no win-no fee arrangement.

How legal costs are incurred

If you do not have the right funding package in place you personally will be primarily liable for any costs incurred not only by us but any costs due to your opponent during the conduct of your claim.

At the conclusion of a claim costs are normally awarded to the successful party. The amount will be negotiated between ourselves and your opponent or assessed by the court. However, even if you are successful in your claim not all of the costs incurred may be recovered.

The court differentiates between costs which have been incurred simply to progress the case (which will generally be payable by the losing party to its opponent) and those costs which are incurred entirely for your benefit (for example, regular updates, including telephone advices). You will be liable for any shortfall due to this Firm. There may also be a shortfall if the court decides that the other party should not have to pay the hourly rate which you have contractually agreed with us.

If you are bringing the case and you lose the case or fail to better a Part 36 Offer then, unless you have entered into the appropriate funding arrangement, you may be required to pay the costs of your opponent.

In most cases we do not seek the balance of our costs from you unless there is evidence of fraud or misrepresentation.

Since you are liable for our charges and expenses whether you win or lose the case and whether or not your opponent is ordered to pay your costs it is important for you to note that, if you are ultimately unsuccessful, you may be responsible for the costs incurred by the other party to the action in addition to the costs of this Firm. If you have a CFA with an ATE or BTE policy we will not seek costs from you.

If you are successful and the court orders the other party to pay for some or all of the charges and expenses interest can be claimed on them from their date of any court order.

We have set out our fees and charges fully in the document entitled Standard Terms and Conditions a copy of which is attached to this letter. We would draw to your attention to the details contained in that document and suggest that you read it carefully. Please sign and return a copy for our records.

Our charges are based on the time spent dealing with your cases. Time spent will include general correspondence, telephone calls, preparing and considering papers, travel and meetings with you or any other party involved.

We will charge you for each hour engaged on your case from now until our costs review date which is in January each year, or until there is a change of fee earner. You will be informed immediately of any change in our hourly rates. Our current hourly rates are specified in our Standard Terms of Business, a copy of which is attached for you to read.

In addition to this time spent, we may take into account a number of factors. These include the complexity of the issues; the speed at which action must be taken; the expertise or specialist knowledge required; and if appropriate the value of your case. On the basis of the information currently available we expect these factors to be adequately covered by the hourly rate indicated above. However, this rate may be higher if for example the matter becomes more complex than expected. As indicated previously, we would advise you of any change in the charging rate.

Our fees are subject to VAT at the rate which applies when the work is done. At present this is 20.00%. Please refer to section 11 for further information about VAT.

In addition to the hourly rate charges there will also be the need to incur disbursements to enable us to gather evidence to support your case. Disbursements will be passed on to you at the same cost as they are charged to us.

Costs arising as a result of Applications or Hearings during the course of proceedings

There are often Court hearings or applications before the final hearing. It is important that you provide us with information we may request promptly because your opponents can request the Court to order payment of their costs because of any delay. Whilst the costs order may not be related to overall liability any costs ordered by the Court to be paid to your opponents in such circumstances will usually be payable within 14 days from the date of the Court order. If you have entered into a conditional fee agreement and have not taken out a policy of legal expense insurance you may have to make arrangements to pay this.

Where costs are ordered to be paid to you as a result of a costs order in your favour, we are entitled to retain those costs in reduction of an interim bill or generally in relation to costs and disbursements due from you. We will advise you on the merits of any application and the likelihood of an order for costs being made either for or against you.

Costs estimates

In litigation cases it is rarely possible to give an accurate estimate in advance of the total costs of the case. If you require us to do so, we will provide you with the best possible advice on costs.

If your claim is a road traffic case and is settled prior to proceedings being issued, Part 45 of the Civil Procedure Rules and the associated Costs Practice Direction, covers a scheme of fixed fees which apply to cases where the total agreed value of damages exceed £1000 but do not exceed £10,000. If your case falls within these criteria then, unless we advise you to the contrary, our costs would follow the formula set out below: -

- (i) settlement for less than £10,000: base costs £800;
- (ii) £800 plus 20% of the agreed damages up to £5000; and
- (iii) £800 plus 15% of any agreed damages between £5000 and £10,000.

We would usually provide an update of the amount of costs incurred on your case every 6 months. If your case is funded by conditional fee agreement we would not propose to provide these details unless you specifically request an update.

Handley Brown Standard Fee Basis

Our intention is that our fees should be fair and reasonable having regard to all the circumstances. Our charges are based on the time spent dealing with your claim. Time spent may include but will not necessarily be limited to:

- Perusing and working on papers and correspondence;
- Telephone calls to third parties;
- Time spent with you on the telephone or in fact to face meetings;
- Time spent with others in preparing the case on your behalf (which may include witnesses, experts and counsel);
- Dealing with other parties involved in the matter;
- Travelling and waiting time.
- Routine letters and telephone calls are charged as units of 1/10th of an hour. Other letters and telephone calls and any other items of work will be charged on a time expended basis.

The hourly rates are:

- A) £201 for partners & solicitors over 8 years post qualification experience
- B) £177 for solicitors and legal executives with over 4 years experience
- C) £146 for other solicitors and legal executives and other staff of equivalent experience
- D) £111 for trainee solicitors, trainee legal executives and other staff of equivalent experience

We reserve the right to review the hourly rate each 6 months (in January and July) and we will notify you of any increased rate in writing.

Our hourly rate may also change in light of various factors such as the complexity of the issues, the speed at which action must be taken, the expertise or specialist knowledge that the case requires and of the appropriate value of your case. In addition, we take into account the value of the matter and its importance to you. On the basis of the information currently available we expect these factors to be adequately covered by the hourly rates set out above. The rates may be

higher for example if the matter becomes more complex than expected and we will notify you of this.

Estimate of Fees

Any estimate provided as to fees is only a guide and must not be taken as a firm quotation, unless we have confirmed in writing that we shall charge a fixed fee.

Our estimate will include, where possible, details of any third parties to whom you will need to make payments and when those payments are likely to be needed

Our estimate will aim to give you a breakdown between likely charges and VAT. Where time is a factor in assessing fees, we will explain clearly to you how we intend to use the time. It is likely that our estimate will be expressed as a range.

Where, in our judgment, it is not possible to provide you with a fixed or realistic estimate of charges, we shall, at your request, give you the best information about the total cost of the next stage of the matter.

We shall review the original estimate regularly and provide you with written revised estimates, where applicable, giving the reasons for any changes made.

Cap on Fees

If a cap or limit is agreed on the level of our fees, then our fees will not exceed the amount specified in the Letter of Engagement.

However, the application of the cap or limit is agreed on the basis of the instructions and information supplied to us and on any assumption set out in the Letter of Engagement.

Unless the Letter of Engagement states otherwise, expenses and disbursements shall be payable in addition to any cap or other limit on fees.

Fixed Fees

If we have agreed a fixed fee with you, then the Letter of Engagement will include a detailed description of what we have agreed to do for that fee and a summary of the information which you have given us. In order to provide that description, on which the fixed fee is based, we must have as much information as possible about the work which you want us to do so that we can estimate the time it will take us.

We will complete your instructions for the fixed fee. If any one of the three provisos is not satisfied, we shall advise you that in our view the fixed fee agreement should cease to have effect. If you agree with our view, we shall seek a new agreement with you for a new/revised fixed fee or agree a different method of charging fees.

If you do not agree with our view, then the Complaints Handling Procedure will operate provided:

- The scope of your instructions does not change; and
- The information in the summary is accurate; and
- There is no material delay beyond our control in progressing or completing the matter.

Expenses and Disbursements

In addition to the hourly rate or fixed fee charges there will also be the need to incur disbursements and expenses to enable us to gather evidence to support your case.

Unless you instruct us to the contrary, your instructions authorise us to incur such disbursements and expenses as we consider necessary to comply with your instructions. You will be required to reimburse them to us on request either by payment on account or against submission of a bill.

Examples of common disbursements and expenses are experts' fees, court fees and counsel's fees.

Expenses of travel, accommodation and meals when travelling away from the office (and exceptional costs of in-house provision of food, subsistence items, or other amenities) in fulfilling your instructions. Expenses are charged at cost. We reserve the right to charge you for:

Some non-standard technologies may be the subject of specific charges, but if we anticipate the need to deploy such technologies in discharging your instructions this is referred to in the Letter of Engagement. We will not charge you for incidental meals and refreshments taken in our offices. These are provided as part of our service to you. Late night transport home for partners or staff or the costs of overnight accommodation where the work necessary to fulfil your instructions must necessarily be undertaken after 21.00 hrs; Photocopying and scanning expenses incurred on your behalf; CHAPS transfers on your behalf by our bank. These items will be shown by category on your bill. Current rates of charge are as follows:

Photocopying and scanning - 25p per copy;
A4 or smaller colour photocopying and scanning - £1.00 per copy;
Larger colour photocopying and scanning - at such higher rate as may be reasonable in all the circumstances;
Computerised legal research - at cost;
Travel by car - 40p per mile;
Taxis and other public transport - at cost;
CHAPS payments - £30 per payment.

Detailed Information

At any time at your request we will provide you with a full breakdown of the fees and expenses incurred to date.

Payments on Account

We may ask you to provide sums in advance to cover charges.

If we do, any payment will be held on deposit account generally on account of charges which we are likely to incur on your behalf. Any interest earned will be credited to you.

We will discuss with you the amount which is appropriate at the outset of any new matter. It will be helpful if you could please meet any requests for payment promptly. However, if there is any difficulty in this respect, please contact the Matter Partner.

Save for any advance payments for expenses and disbursements which may be applied when the expenses or disbursements are incurred, the money will be retained until completion of the matter although, at our discretion, some or all of it may be applied towards any bill which has remained unpaid for more than 28 days. If part or all of the money is used in this way, or if for any reason it is reasonable to review the amount held by us, we may ask you to provide a further sum to cover future charges.

In the unlikely event that you decline or fail within 14 days to meet a request for payment on account of our charges, we must reserve the right to decline to act any further.

Interim Bills

We will bill charges on the basis set out in the Letter of Engagement. Payment of interim bills helps us to spread our charges fairly between clients for whom we are working over different periods of time.

If you ask us to obtain a remuneration certificate then unless we already hold the money to cover our fees, you must pay half our fees shown in the invoice, all the VAT and expenses and disbursements shown in the invoice. However, you may ask the Law Society to waive this requirement so that you do not have to pay anything for the time being although you would have to show that exceptional circumstances apply in your case. Your rights are set out more fully in the Solicitors' (Non-Contentious Business) Remuneration Order 1994.

If you wish to dispute any invoice you should speak to the person responsible for the relevant work within 7 days after the invoice date, so that any necessary action can be taken before the end of the credit period. This constitutes notice of your right under paragraph (1) of article 4 of the Solicitors Remuneration Order 1994 to require us within one month of the receipt of an invoice from us to obtain a certificate from the Law Society stating that in their opinion the costs charged are fair and reasonable or, as the case may be, what lesser sum would be fair and reasonable. Also there are provisions in sections 70, 71 and 72 of the Solicitors Act 1974 relating to taxation of costs (now called "assessment") which give you the right to have the bill checked by an Officer of the High Court.

General Provisions about Bills

Bills will contain a brief description of the work performed during each billable period but not a detailed narrative. If you require such a narrative or need any additional explanation, please let the Matter Partner know and it will be provided.

Bills are due for payment upon delivery and must be paid within 28 days of delivery unless that period is extended, in writing, by your Client or Matter Partner.

If you wish to make payment by way of bank transfer, we will provide you with our bank details with each bill or at your request.

We reserve the right to charge interest on any sum which remains outstanding for more than 28 days after delivery of the bill at the rate then payable on judgment debts (which is currently 8% per annum).

In the unlikely event that a bill remains unpaid for more than 28 days or if you decline or fail within 14 days to meet a request for payment on account of our charges, we must reserve the right to decline to act any further.

We may apply amounts credited to your client account towards any outstanding fees or disbursements.

We may, in order to secure payment of our charges, have first call upon any money or other property recovered or preserved for you by our efforts pursuant to Section 73 of the Solicitors Act 1974.

You must inform us whether, in the event that you are found liable for costs (including the costs of another party) if these costs are to be paid by another person, for example, an employer or Trade Union.

If a third party undertakes responsibility for payment of some or all of our charges on your behalf and payment is not made as set out above, then you will be responsible for settling any outstanding amount.

If your instructions are given to us by, or on behalf of, more than one person or company, each person or company for whom we are acting will be responsible for the payment of the full amount of our charges regardless of whether our bills are addressed only to one or some of such parties.

Court Assessment

You have the right to object to any bill of costs submitted to you for payment and to apply to the court for an assessment of the bill under Part III of the Solicitors Act 1974.

12. VAT

VAT will be charged on all fees and expenses as appropriate at the rate prevailing at the tax point on which an account is delivered. If you are VAT registered we will supply you upon request

copies of any disbursement invoices against which you may reclaim the input VAT. Our VAT registration number is on our invoice.

Our aim is to be as flexible as is commercially sensible in our approach to fees and we are prepared to consider alternatives to hourly rates including, by way of example, fixed fees, blended rates, percentage fees based on specific criteria or retainers. The Letter of Engagement will set out any agreement reached as to the basis of our fees.

13. DISBURSEMENT FUNDING

Where we agree to fund your disbursement during the course of the matter we may borrow money from a disbursement funder to do so. If we do borrow money to fund your disbursement you agree that the funder will retain a lien on your file until the disbursement funding has been repaid both as to capital and interest.

14. INTEREST ON CLIENT MONEY

Any of your money which we hold for you, for whatever reason, will be held in a bank account, separate from your own money. We will account to you for interest on this money, in accordance with the current Solicitors' Accounts (Deposit Interest) Rules but we do not account to clients if the interest earned is less than £20. Generally such interest is paid to UK resident clients without deduction on account of tax and should be declared by recipients to the appropriate taxing authorities accordingly.

15. COMMISSION

We may receive a commission for placing business on your behalf; for example, arranging legal expenses insurance. If we receive a commission you agree that we retain the commission where it is £20 or less.

Typically commissions for arranging after the event legal expense insurance will be between £50 and £100. Arranging the cover on your behalf is work which is not covered by a Conditional Fee Agreement and is work for which we are entitled to charge you. However, we agree to waive our entitlement to charge you for arranging the cover if you confirm that we may retain this commission. You do not have to consent to us keeping the commission and if you do not then the commission will belong to you once it is received by us. If however you withhold your consent then we shall charge you for arranging the policy on your behalf, calculated at our standard hourly rates.

16. MONEY LAUNDERING LEGISLATION

Handley Brown LLP is required to comply with the statutory regulations regarding money laundering. These regulations require us to provide objective confirmation of our clients' identity. Our policy is one of strict compliance. We shall not therefore be able to act upon your

instructions until we have completed such procedures we deem necessary to satisfy the legislation to which we are subject.

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.

Since the beginning of 2002 there has been extensive new law designed to prevent money laundering. Under this law we have a duty to report any financial transactions which we regard as suspicious. It is important that you are aware of this.

If the matter you are instructing us on involves the movement of money or other property through this Company directly or through another party we have to be satisfied that the relevant transaction is legitimate. This is a legal requirement and it may be necessary for us to ask you a series of questions touching upon your own identity, place of residence and the source or any relevant funds.

We are sorry that we have to undertake this level of enquiry but we do not have a choice. We are obliged by law to follow certain procedures and we do hope you will understand this.

The Proceeds of Crime 2002 Act ("the Act") creates a number of offences relating to the proceeds of crime which you should be aware of when you instruct us. The proceeds of crime are any monies/property/assets which have arisen as a result of any crime. These include, for example, monies (however low in value) saved as a result of tax evasion or benefit fraud, whether that money has been saved or spent.

If we become aware or suspect the existence of the proceeds of crime in your case (whether from you or from any other person), we may have to report the irregularity to the Serious Organised Crime Agency (SOCA). SOCA may withhold permission for us to continue with the case. SOCA can pass the information received to any relevant body such as HM Revenue & Customs and an investigation may take place at any time in the future.

It follows from the above that if you have any concerns about irregularities in your financial position you may wish to seek specialist accountancy or welfare benefits advice to correct those irregularities. We strongly recommend that you do this before proceeding further. Please note that accountants are also required to comply with the provisions of the Act.

It is important that you are aware that we may have a legal duty under the Act to report known or suspicious circumstances without telling you. This could have serious consequences for you. In rare circumstances you could find that you then become subject to a HM Revenue and Customs investigation or benefits investigation and/or criminal proceedings.

The obligations which we have under this Act can, in certain instances, override the duty of solicitor/client confidentiality.

Circumstances may arise where we have to approach you to seek your permission to report certain matters to SOCA. For instance we may take the view that by proceeding further with your case (without permission from SOCA) we may be assisting in the commission of a money laundering offence. In the event that you refuse such permission we reserve the right to

terminate your instructions and if we do so in these circumstances you will be liable for all our fees and expenses incurred up to the date of such termination.

We will not be liable to you for any losses arising out of our statutory reporting obligations under the Act. The limitations of our liability to you under this paragraph will only apply if we have acted (in terms of such reporting obligations) in accordance with the requirements of the Act and any anti-money laundering guidance published from time to time by the Law Society.

It will help us to avoid any problems with your legal work if you bear in mind the following points.

Identification checks: We may need to obtain formal evidence of your identity. This may be necessary even though we have acted for you before, or even if you are known personally to a member of staff. We will tell you if such evidence is necessary but it may help us if you are able to bring evidence to our first meeting. Normally the evidence we would ask for is your passport, driving licence with a photograph plus another documents to establish your address, such as recent utility bills, council tax statements, but not mobile phone bills. If we choose, we may carry out electronic verification of your identity. The cost of any such search (which is likely to be less than £10) will be charged to you.

Cash: We will only accept cash up to a limit of £500.00 per transaction. 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.

Source of funds: At the start of any matter we will normally ask you to tell us the source of any funds you will be using. It is simplest for us if the source is an account, in your name, in a UK bank or building society. If the source is an unusual one, such as an account in another country, or in the name of someone other than yourself, please tell us as early as possible, including the reason.

Destination of funds: Where we are to pay money out to you, we will normally do so by cheque in your favour, or into an account in the UK in your name. If instead you want us to pay money into the name of someone other than yourself, please tell us in writing as soon as possible, including the reason, in order that we may consider this further. We reserve the right to refuse to make any such payment to a third party.

16. IDENTITY AND DISCLOSURE REQUIREMENTS

Solicitors are not allowed to disclose information about a client's affairs without the client's authority. By signing this Terms and Conditions of Business and returning it to us you authorise us to disclose to the other parties in the transaction and, if applicable, to all other parties in the chain of transactions and their agents and advisers, all information which we have in relation to your involvement in the transaction including any related sale or mortgage and other financial arrangements and wishes as to dates for exchange and completion. You may withdraw this authority at any time but if you do so you should appreciate that we will inform the other party or parties and their agents or advisers that this authority has been withdrawn.

We will not be liable for any loss, damage or delay arising out of the firm's compliance with any statutory or regulatory requirement.

18. FINANCIAL SERVICES

Exempt Financial Services

We are not authorised by the Financial Services Authority. If, while we are acting for you, you need advice on investments, we may have to refer you to someone who is authorised to provide the necessary advice.

However, we may provide certain limited investment advice services where these are closely linked to the legal work we are doing for you. This is because we are members of the Law Society of England and Wales, which is a designated professional body for the purposes of the Financial Services and Markets Act 2000.

The Solicitors Regulation Authority is the independent regulatory arm of the Law Society. The Legal Complaints Service is the independent complaints-handing arm of the Law Society. If you are unhappy with any investment advice you receive from us you should raise your concerns with either of those bodies.

*After repeal of Section 37A of the Solicitors Act 1974, the Legal Complaints Service shall be changed the Office for Legal Complaints.

Exempt Insurance Mediation Services

This Company is not authorised by the Financial Services Authority. However we are included on the register maintained by the Financial Services 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 goes wrong, is regulated by The Law Society. The register can be accessed via the Financial Services Authority website at www.fsa.gov.uk/register

The Law Society of England and Wales is a designated professional body for the purposes of the Financial Services and Markets Act 2000. The Solicitors Regulation Authority is the independent regulatory arm of the Law Society. The Legal Complaints Service* is the independent complaints-handing arm of the Law Society. If you are unhappy with any insurance advice you receive from us you should raise your concerns with either of those bodies.

*After repeal of Section 37A of the Solicitors Act 1974, the Legal Complaints Service shall be changed the Office for Legal Complaints.

Taxation

We will not advise on tax issues and you should ensure that you consult with an appropriately

qualified person outside this Company.

19. JOINT INSTRUCTIONS AND COMPANY INSTRUCTIONS

Where we are instructed by more than one person, firm or company to represent their legal interests those instructions will be considered to be joint and several unless the instructions are otherwise varied and agreed in writing between us.

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 earlier. Instructions are accepted from a limited company on condition that all the directors of the company are personally and jointly and severally liable for any sums due to us for costs and expenses.

20. THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Except as expressly provided in the Letter of Engagement and as set out above, no person other than a party to the agreement established by the Letter of Engagement may enforce any terms of such agreement by virtue of the Contracts (Rights of Third Parties) Act 1999 ("the Act"). Notwithstanding any benefits or rights conferred by such agreement on any third party by virtue of the Act, the parties to such agreement may agree to vary or rescind any of its terms without any third party's consent. Except to the extent that Handley Brown LLP employees can benefit from the provisions thereof, the Contracts (Rights of Third Parties) Act 1999 does not apply to these terms or any subsequent amendment to these terms unless expressly confirmed in writing by us that the said Act does apply.

21. THE CONSUMER PROTECTION (DISTANCE SELLING) REGULATIONS 2000

Under the Consumer Protection (Distance Selling) Regulations 2000, for some non-business instructions, you may have the right to withdraw, without charge, within seven working days of the date on which you asked us to act for you. However, if we start work with your consent within that period, you lose that right to withdraw. Your acceptance of these Terms and Conditions of Business will amount to such consent. By signing and returning the copy of these Terms of Business you are agreeing that to avoid any delay in the transaction we may start work on your behalf immediately and that we do not have to wait for the cancellation period to expire. If you seek to withdraw instructions, you should give notice by telephone, e-mail or letter to the person named in the Client Care Letter of Engagement as being responsible for your work. Regulation 19 of the Consumer Protection (Distance Selling) Regulations 2000 requires us to tell you if it is likely that it will take longer than 30 days to complete the contract between us. You will appreciate that this 30-day period may not be met. In signing and returning the copy of this letter you are acknowledging this.

22. INTRODUCTIONS AND REFERRALS

You may have been introduced to this Company by a third party, Community. Under the Solicitors' Regulation Authority rules, we must give you information about the arrangement we have with any such introducer for the payment to them of any referral fee. The referral fee paid in this case is £0 exclusive of VAT. More specific information will be provided on request.

23. SURVIVORSHIP AND SEVERABILITY OF CONDITIONS

Any of these conditions which expressly or impliedly have effect after termination or expiration will continue to be enforceable notwithstanding termination or expiration.

If any part of any of these conditions is held by the court to be illegal or unenforceable, then the remainder of such condition and the other conditions of this contract shall be enforceable notwithstanding such illegality or unenforceability.

24. INTELLECTUAL PROPERTY

We retain all copyright and other intellectual property rights in everything developed or prepared by us either before or during the course of a matter relating to you including all reports, letters, documents, precedents, written advice or other materials we provide to you.

25. PUBLICITY

Subject to our ongoing duty of confidentiality and in compliance with the Data Protection Act we may wish, with your consent, to seek publicity concerning our involvement in any transaction or case. You will have the opportunity to review any proposed publicity material prior to its release.

26. OUR CONTRACT WITH YOU

Terms and Conditions of Business

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 this firm.

Although your continuing instructions in this matter will amount to an acceptance of these Terms and Conditions of Business, it may not be possible for us to start work on your behalf until one copy of them has been returned to us for us to keep on our file.

These terms will remain effective until replaced by any updated Standard Terms of Business which we may issue to you, or other written agreement between us. Please confirm in writing your agreement to these terms by signing one copy in the space below and returning it to us. If you do not return these terms but still decide to instruct us you do so on the basis of these terms and conditions. Please do not hesitate to contact the member of our professional staff you are dealing with if you wish to discuss these terms before replying.

Variation of these Terms and Conditions

These standard terms and conditions shall apply to any instructions which you give us. We may change these standard terms and conditions from time to time but if we do so we will notify you of any changes in writing. Together within the Letter of Engagement, they comprise the whole contract between you and us and no variation shall be binding on us unless in writing. In the event of any inconsistency between the provisions of these standard terms and conditions and the Letter of Engagement the latter shall prevail.

27. TERMINATION

On a Private Basis

You may terminate your instructions in writing at any time but the Company will be entitled to keep all your papers and documents while there is money owing to us for charges and expenses.

In some circumstances, we may consider that we ought to stop acting for you, for example if you cannot or will not give clear or proper instructions on how to proceed, or if it is clear that you have lost confidence in how the work has been carried out, or if you do not pay our costs.

We may only decide to stop acting for you with good reason; for example, if we do not receive instructions from you, or otherwise do not have the assistance we need to progress the matter properly, or if our costs are not paid. We will however always give reasonable notice for ceasing to act so that, if possible, any problems can be dealt with and we can continue to act on your behalf.

On a Conditional Fee Agreement

You will see that the conditions applicable to a Conditional Fee Agreement provide for termination and its consequences.

We can end the agreement if we no longer think it likely that you will win the matter or if you do not keep to your responsibilities as set out in paragraph 2 of the conditions.

You can end the agreement at any time.

It is particularly important to note that if you do end the agreement, or we end the agreement because you have not kept to your responsibilities, you would then be responsible to pay our costs, under that agreement, whether or not the matter had then reached a successful conclusion.

28. COMPLAINTS PROCEDURE

Handley Brown LLP are committed to providing high quality legal advice and client care. If you are unhappy with any aspect of the service that you have received, or about the bill, please contact Laurence Brown on 01772 652255 or lbrown@handleybrown.com or by post to our Preston office. We will fully investigate your complaint and endeavour to provide you with a

response within 8 weeks, however if you are not satisfied with our decision or handling of any complaint you can ask the Legal Ombudsman for England and Wales which was established by the Office for Legal Complaints under the Legal Services Act 2007, to look at your complaint. The contact details for the Legal Ombudsman are (w) www.legalombudsman.org.uk (p) P O Box 15870, Birmingham, B30 9EB, (t) 0300 555 0333 (if calling from overseas +44 121 245 3050) or (e) enquiries@legalombudsman.org.uk. Strict time limits apply. If you wish to lodge a complaint with the Legal Ombudsman you must do so within 6 months of our final decision on your complaint.

29. CONFIRMATION AND CONSENT TO TERMS

The Terms of Business set out the Company's terms of business with you, and so your continuing instructions in this matter will amount to acceptance by you of the terms, either on a Conditional Fee basis, subject to entering a formal Conditional Fee Agreement, or on a private basis, according to which you choose. However, we should be grateful if you would sign and date in the space provided in the enclosed copy of the Terms of Business. We can then be assured you understand, and are happy with, the basis on which the Company will act for you.

As these Terms of Business are an important document, please keep it in a safe place for future reference, by using this website you acknowledge receipt of the Terms of Business