

## TERMS OF ENGAGEMENT AND CLIENT INFORMATION

The following terms (as amended by us from time to time) will apply to the work referred to in the engagement letter that accompanies this document ("**Letter of Engagement**") and, unless otherwise agreed by us in writing after the date of the Letter of Engagement, to all other work carried out by Thorntons Law LLP ("**the Firm**") on your behalf. Where applicable, we will issue separate terms of engagement to clients in respect of investment, mortgage and general insurance business.

### Communication with you

Our offices are open from 9am to 5pm Monday to Friday. Our telephones are answered from 8.30am until 5.30pm. Our address, telephone, fax and e-mail details are detailed in the Letter of Engagement. Information can also be obtained at [www.thorntons-law.co.uk](http://www.thorntons-law.co.uk).

Unless we receive specific instructions from you, we shall communicate and take instructions from you in person and by post, e-mail, telephone and fax. We may require you to confirm in writing any verbal instructions given.

We will keep you informed about work carried out on your behalf and, in particular, we shall provide an explanation of what action we are taking and why, information about the progress being made and a timeous response to all incoming mail, e-mail, telephone calls and faxes.

To allow us to advise you fully, we need to have full details of the matter. You can help us by giving clear instructions, providing all relevant documents, acting promptly and informing us of any time limits that you consider relevant.

Our advice is personal and confidential to our clients only. If you pass that advice on to a third party or ask us to do so, that third party will not have an enforceable right against the Firm or any of its members, staff or other agents (whether under these terms, the Letter of Engagement or otherwise).

### Authority to Act

It is important that we are able to identify our client. We shall be entitled to assume, unless otherwise instructed in writing, that the person providing us with the initial instructions in relation to a piece of work is our client. In particular, we shall be entitled to assume that:-

- i. if the client is a company, we can take instructions from any director or the company secretary or anyone authorised by them to do so;
- ii. if the client is a limited liability partnership or partnership, we can take instructions from any member, partner or anyone authorised by a member/partner to do so;
- iii. if the client is a corporate or unincorporated body (other than a company, LLP or partnership), we can take instructions from an authorised officer of the body or anyone authorised by the body to do so; and
- iv. if there are joint clients, we can take instructions from either or any of them.

Where we do act for more than one person, each person for whom we do work is jointly and severally liable for the instructions given to us and for payment of our fees and outlays in connection with that matter. If you do not understand what this means, please ask us to explain.

### Proceeds of Crime Act, Money Laundering & Other Reporting

To meet our statutory requirements under the Proceeds of Crime Act 2002, the Money Laundering Regulations 2007 and the Terrorism Act 2000, we are required to confirm our client's identity and that of directors, partners, trustees, controllers of companies or firms and all of the connected shareholders. This may involve passing certain personal details (i.e. name, address & date of birth) to an external organisation specialising in identity verification such as credit reference agencies/fraud prevention agencies. Such organisation will use the personal details provided for the purposes of verifying identity only and will retain such information in order to show that a search of identity has been undertaken on the Firm's behalf. The undertaking of such a search will not affect the credit history of the individual searched against and the external organisation will not use the personal details provided for any other purpose.

In certain circumstances, we are legally obliged to provide confidential information to certain authorities without prior reference to you. In such a situation, we may be required to (and we shall be entitled to) cease work on a matter until such time as we receive formal authorisation from such authorities to continue.

### Responsibility for your work

The Letter of Engagement provides you with details of the partner who has responsibility for the particular matter ("**the Responsible Partner**") and, where applicable, details of the person who will be your first point of contact on a day to day basis. We shall try to maintain continuity with the people who are handling your work. If a change is required, we shall let you know as soon as possible and tell you why the change is necessary. If we require to use the specialist skills of other members/employees/agents of the Firm, we shall advise you of their involvement and, if appropriate, of any change to the basis for charging fees.

Our services shall be provided using reasonable skill and care.

### Fees

Before engaging our services, we will inform you in writing of the basis on which we shall charge a fee for work carried out on your behalf.

The Letter of Engagement sets out how we will calculate our fees for the work it relates to. In the absence of our written agreement to the contrary after the date of the Letter of Engagement, fees for any other work will, primarily, be calculated using the hourly rates (if any) set out in the Letter of Engagement or, if no such rates are set out therein, the hourly rates (based on the level of experience of the person(s) carrying out the work) prevailing for our general business from time to time. In addition to time spent other factors that will be taken into account by us in determining our fees include the urgency, complexity, novelty and materiality involved in the work in question. In the absence of written agreement to the contrary, time spent on a matter and chargeable to you will include all administration duties associated with the work being carried out, time spent by us in discharging regulatory responsibilities including our procedures to ensure compliance with anti-money laundering regulations and the process of assessing, reconciling and rendering invoices to reflect sums received and payable.

Where a basic hourly charge rate has been indicated it is that which is then current. As and when our hourly charge rates are reviewed (normally annually on 1 June), the amended rate will be applied. Further detail can be provided on request.

If you are dissatisfied with the amount of our fees, you and we may jointly nominate a Law Accountant to formally assess these. In the event that you and we cannot agree upon a Law Accountant, either of us may ask the Dean of the Faculty of Procurators and Solicitors in Dundee to nominate a Law Accountant. If the Law Accountant assesses the fee chargeable at a lower level than we propose charging, we shall only charge that reduced amount and we shall pay the Law Accountant's costs. If the Law Accountant confirms that our fee is appropriate, you will be responsible for the Law Accountant's costs. If the Law Accountant assesses the fee chargeable at a higher level than we propose charging, we shall be entitled to charge the higher amount and you will be responsible for the Law Accountant's costs.

The Letter of Engagement may set out an *estimated fee*. This is an indication only, made in good faith and on the basis of the information we have available to us at the outset. Estimates are subject to revision and are not a commitment by us to carry out the work for the fee stated. We undertake to notify you if it becomes apparent that our fee will exceed any initial estimate.

The Letter of Engagement may set out a *fee quotation*. The scope of work we commit to undertake for the quoted fee will be detailed in the Letter of Engagement. If further work is requested or we are required to carry out additional work not previously specified or as a result of circumstances not disclosed to us or circumstances that could not reasonably have been foreseen at the outset, then our fee will be increased (by reference to our standard hourly rates and the other factors referred to above). In terms of Section 61A of the Solicitors (Scotland) Act 1980, where we enter into a written fee charging agreement, it is not competent for the court to refer any dispute in the matter to the auditor for taxation.

In addition to our fee, the costs of all (if any) outlays and expenses incurred by us on your behalf (such as Counsel's fees, search fees, registration/recording fees, Land and Buildings Transaction, bank charges, currency exchange costs, travel and accommodation costs, taxi costs, photocopying costs, courier and other third party accounts) will be payable by you.

Unless you notify us in writing to the contrary, we shall assume that we have your authority to incur those outlays and expenses which we regard as being reasonable to incur in carrying out our work for you.

#### **Value Added Tax ("VAT")**

VAT will be charged, where applicable, on our fees and certain outlays/expenses we incur on your behalf in accordance with the current VAT regulations. . Our VAT Registration number is GB268327436.

#### **Rendering and Payment of Accounts**

We shall send an invoice for our fees, outlays and/or expenses to you when we, in our absolute discretion, determine it is appropriate to do so. This may be done on an interim basis where the work instructed by you has not been finalised. Details of outlays/expenses will be itemised separately.

Payment of an account is due within 14 days of the date of the invoice and requests for payment of outlays incurred should be met within a similar period or earlier, if required. Interest will be charged from the 28th day on any amounts which are overdue, at the rate of 5% above the base lending rate of the Royal Bank of Scotland plc. Should payment not be made when due your details will be passed to our Credit Control team to contact you. Until the position is remedied we reserve the right not to carry out further work for you (after intimation to you to this effect) in which case we shall issue a final account to you

If we are holding funds on your behalf including monies received as a result of the work carried out for you, our fees, outlays and/or expenses may, at our sole discretion, be deducted from the sums held in accordance with the Law Society of Scotland Practice Rules 2011.

Due to Money Laundering Regulations 2007 it is the Firm's policy not to accept cash payments in excess of £1000 in aggregate.

We also reserve the right to refuse any amount of cash at our discretion.

#### **Commissions**

We may receive commission or loyalty dividend payments from some of the organisations that provide us with search and other reports.

#### **Funds Belonging to You**

We will maintain a ledger account for funds held on your behalf and, in accordance with Law Society of Scotland rules, will hold funds on interest bearing accounts where appropriate. Our main clients' account is held with the Royal Bank of Scotland plc. The overall size of CMS (Client Monies Service) balances held for clients of the Firm enables us to arrange a competitive rate of interest from the Royal Bank of Scotland on the total of all our clients' CMS balances and the benefits of this interest rate are shared with our clients. Rates of interest we pay on Royal Bank CMS balances are displayed in our legal offices. We make no charge for the collection of interest on clients' deposits but we are entitled to retain an element of the interest paid to us by the bank. Details of rates prevailing from time to time can be obtained from our website – [www.thorntons-law.co.uk/cmsrates](http://www.thorntons-law.co.uk/cmsrates)

If you wish the funds we hold on your behalf to be deposited in a different bank or banks we will require your instructions in writing. We will advise you of the interest rate payable at the time of deposit and as and when requested by you.

If when returning funds held on account to you we discover that the address and contact details you have provided us with are not current we are not required to make further enquiry as to your new address and can dispose of the balances in accordance with the Law Society of Scotland Solicitors (Scotland) Accounts, Accounts Certificate, Professional Practice and [Guarantee Fund](#) Rules 2001.

The Firm does not accept liability for funds held on your behalf in the event of an "authorised deposit taker" ( as defined by the Financial Services and Markets Act 2000 as amended and subsidiary legislation), such as a bank or building society, being unable or likely to be unable to return funds which have been deposited with it. This applies also to funds held on your behalf but awaiting clearance through the banking system where such funds are held in our clients' account. In such an event, you may be entitled to receive compensation in accordance with the prevailing Government's Indemnity Limits from the Financial Services Compensation Scheme

#### **Cleared Funds Policy**

If payment is received by cheque the onward transmission of these funds cannot be processed until the cheque is cleared through the banking system. Interest does not accrue until this clearing process is complete.

#### **Disbursement of Funds**

These will be paid to the client or named beneficiary only.

#### **Complaints**

We value our good relationships with clients. However, we accept that, from time to time, difficulties and misunderstandings may arise. If you are dissatisfied with the service you receive from us, you should take the matter up, in the first instance, with the Responsible Partner. If the matter is not resolved to your satisfaction, your comments should be referred to our Client Relations Partner (preferably in writing) who will review the matter. Our current Client Relations Partner is Mr Scott Milne whose contact details are Whitehall House, 33 Yeaman Shore, Dundee, DD1 4BJ (Telephone No. 01382 229111). It should be noted that strict time limits for accepting complaints apply. Complaints require to be made within one year of the service ending or the conduct occurring. A copy of our complaints procedure is available on request.

## Law Society of Scotland and Scottish Legal Complaints Commission

We are members of the Law Society of Scotland, and subject to its professional rules including the Solicitors (Scotland) (Standards of Conduct) Practice Rules 2008 and Standards of Service. The Law Society of Scotland can be contacted at 26 Drumsheugh Gardens, Edinburgh, EH3 7YR or at <http://www.lawscot.org.uk/about-us/contact-us>

The Legal Profession and Legal Aid (Scotland) Act 2007 provides recourse to a non-judicial dispute resolution process through the Scottish Legal Complaints Commission (SLCC). The SLCC can be contacted at The Stamp Office, 10-14 Waterloo Place, Edinburgh, EH1 3EG or at <http://www.scottishlegalcomplaints.com>

### Conflict of Interests

A conflict between your interests and those of another client of the Firm may arise. If we become aware that a conflict of interest exists, or may exist, in our acting or continuing to act for you, we will take immediate steps to advise you (and, if appropriate, the other party in conflict) and will ensure no conflict prevails if we continue to act for you. Where appropriate, we shall facilitate you making alternative arrangements and can help you to instruct other solicitors. All fees and outlays/expenses (and related VAT) up to the date of termination of our engagement will be charged and become due.

### Confidentiality

In carrying out work on your behalf, our first responsibility will be to you as our client. We will not, without your permission, disclose to any person any confidential information relating to you or to any matter handled by us on your behalf, except in the proper course of the work carried out, or if we are required to do so by law or any regulatory authority or to our professional indemnity insurers in circumstances where you or anybody on your behalf intimates a claim against the firm or where a potential claim may arise. When working with Thorntons Investment Management Limited or if, on your authority, we are working with other professionals, we will be entitled to assume that we may disclose any such confidential information to them.

We are audited by a number of organisations which monitor standards of performance. We have a duty of confidentiality to you and, therefore, need your permission for your files to be inspected. We will assume that you have given us this permission by your acceptance (whether deemed or actual) of the Letter of Engagement.

### E-mail & Mobile Communication

E-mails and mobile telephones are potentially insecure channels of communication. Information communicated in this way may be intercepted and e-mails may be lost, amended, destroyed, delayed or unsafe to use. We take all reasonable steps to ensure that confidentiality is maintained in all our communications with you and we will check for computer viruses before sending information electronically. However we shall not be liable for any loss or damage which you may suffer or incur as a result of using such communication channels (and, without prejudice to that generality, it is your responsibility to scan e-mails and attachments received from us for viruses). If you do not wish us to use such channels of communication, please advise us accordingly.

E-mail entering or leaving the Firm's system may be subject to monitoring and recording for business and other lawful purposes.

### Our Liability

The aggregate liability of the Firm, its members, partners, employees and other agents (collectively, "**Thorntons Parties**") for losses, damages, costs, claims and/or expenses (whether arising under contract, tort, delict, statute or otherwise) in relation to the work referred to in the Letter of Engagement or any other piece of work (or series of connected pieces of work) done for you shall not exceed £5,000,000.

None of the Thorntons Parties shall have liability for losses, damages, costs, claims and/or expenses which arise as a consequence (whether direct or otherwise) of:-

- information provided by you and/or on your behalf being incomplete, inaccurate, illegible, out of sequence, misleading, missing, late or deficient in any respect whatsoever; and/or
- any other failure attributable to you and/or a third party;

and you shall indemnify each of the Thorntons Parties, on demand, in respect of the same. None of the Thorntons Parties shall have liability to you in respect of any indirect or consequential loss or damage (whether in the form of loss of profit or otherwise) howsoever arising. None of the Thorntons Parties shall have liability to a third party for losses, damages, costs, claims and/or expenses which arise in connection with (whether directly or indirectly) services provided to you and you shall indemnify each of the Thorntons Parties, on demand, in respect of the same.

Nothing in the preceding terms shall exclude or restrict any rights you may have in respect of fraud or fraudulent misrepresentation or operate to exclude or restrict liability in respect of breach of contract and/or negligence which results in death or personal injury and the preceding terms shall be subject to this condition. Similarly, nothing contained in the preceding terms will exclude or restrict a liability of the Firm to the extent that the same cannot be excluded or restricted by law or the professional rules of the Law Society of Scotland.

By your acceptance (whether deemed or actual) of the Letter of Engagement, you:-

- agree not to make a claim against any of the Thorntons Parties other than the Firm in respect of the services referred to in the Letter of Engagement or in relation to any other piece of work (or series of connected pieces of work) done for you;
- acknowledge and agree that any advice given to you by a member, employee or other agent of the Firm is given on behalf of the Firm and not in his/her capacity as an individual; and
- acknowledge and agree that no special duty is owed to you by a member, employee or other agent of the Firm.

The Firm accepts the benefit of this letter for itself and as agent of and trustee for each of the other Thorntons Parties.

### Provision of Services Regulations 2009

In accordance with the disclosure requirements of the Provision of Services Regulations 2009, as a Scottish solicitor's practice, we have cover under the Law Society of Scotland's compulsory Master Policy for Professional Indemnity insurance.

The cover is provided by a panel of insurers, the lead insurer being Royal and Sun Alliance plc of 200 St Vincent Street, Glasgow G2 5SG. The territorial cover of our policy is worldwide.

### Ownership of Correspondence Files

All correspondence, attendance notes, file notes, internal memoranda and draft documents (whether or not in writing or electronically held) pertaining to the work carried out on your behalf will remain the sole and absolute property of the Firm. You will have the right to inspect correspondence in which you have an interest and also to receive at our sole discretion, a paper or electronic copy. Any papers provided by you and any deeds or documents provided by us in connection with the work carried out will become your property.

### **Destruction of Correspondence Files**

It is our normal practice to destroy our correspondence files (whether paper or electronic) predominantly in accordance with Law Society of Scotland guidance (details can be provided on request). In the absence of contrary agreement in writing, we shall assume you are content with this arrangement, and you are deemed to consent to the file's destruction.

### **Electronic Storage of Correspondence Files**

We reserve the right to store documents electronically. Where documentation is scanned, this is scanned and destroyed in accordance with guidance from the Law Society of Scotland. Original documentation will be retained for a period of 28 days; thereafter it will be destroyed in a secure manner. It should be noted that electronic copies may not have the same status as original documentation and therefore potentially have a reduced evidential value, in the event of the content of the documentation becoming a matter of dispute.

### **Storing of Title Deeds & Documents**

We may store title deeds and other documents for you. At the moment we make no charge for this service, but we reserve the right to charge you for doing so. If we propose to charge you for such a service, we shall notify you of the charges in advance. Documents given to us for safe keeping will not be destroyed without your prior approval, providing it is clear from your instructions that the documents are to be retained.

### **Data Protection**

During the course of carrying out work on your behalf and for as long as is necessary at the end of that matter for our internal record keeping purposes, we shall need to collect and keep information about you (e.g. name, address, email etc). This information will be processed and kept securely in accordance with the data protection legislation prevailing from time to time and shall only be used for the purposes of providing you with our legal services, marketing or as otherwise agreed with you. By your acceptance (whether deemed or actual) of the Letter of Engagement, you are consenting to our use of personal data as appropriate (including any transfers of such data outside the EEA).

We value the relationships we have with our clients and we would like to keep you informed about legal and other commercial developments that may affect you, send you invitations to seminars/events that we feel may be of interest and keep you up to date with any developments at the Firm and our investment services company, Thorntons Investment Management Limited. In order to do this, we shall add your contact details to our marketing database. If you do not wish to receive any of this material, please advise the Responsible Partner.

### **Third Parties**

If we have engaged the services of others on your behalf as approved by you (such as Counsel, overseas lawyers and/or expert witnesses) or services are provided by other professionals (such as accountants or surveyors) engaged by you, we are not liable for any service/advice provided (whether or not such service/advice is provided directly to us) and we will not be responsible for any act or omission of such other persons.

### **Termination of Engagement**

Either you or the Firm may terminate our professional relationship at any time by giving written notice to that effect. In the event that you choose to terminate our professional relationship, we will render an account showing all fees, outlays and expenses incurred prior to the termination and due to the Firm. Should you wish any correspondence file (or a copy) or any other documents sent to another solicitor, an additional charge may be made by us in connection with this request. Delivery of the file and any other documents may, at our option, be subject to payment of this charge and settlement of all outstanding fees, outlays and expenses. We will not terminate our professional relationship without good reason (eg. where a conflict of interest has arisen, if the action you are requesting us to take is contrary to our professional rules of conduct or if a breakdown in our relationship occurs), whether in its entirety or with respect to a particular piece of work.

### **Variation**

These terms may be amended by us, in our absolute discretion, from time to time. The form prevailing at any time shall be available at [www.thorntons-law.co.uk](http://www.thorntons-law.co.uk).

### **Governing Law**

Our engagement shall be governed by and construed in accordance with the law of Scotland and, by your acceptance (whether deemed or actual) of the Letter of Engagement, you agree that in the event of any dispute, the matter may be dealt with only by the Scottish courts.

Dundee      Anstruther      Arbroath      Cupar      Edinburgh      Forfar      Kirkcaldy      Montrose      Perth      St Andrews

[thorntons-law.co.uk](http://thorntons-law.co.uk)

Thorntons is a trading name of Thorntons Law LLP, a limited liability partnership registered in Scotland no SO300381. Registered office Whitehall House, 33 Yeaman Shore, Dundee DD1 4BJ. A list of members' names is available for inspection at this address. All correspondence signed by a named individual is signed for and on behalf of Thorntons Law LLP.