

NHLEX LIMITED
Terms of Engagement

1 Introduction

- 1.1 These Terms of Engagement and the Letter of Engagement which you will receive from us at the beginning of the matter set out the terms on which Novum Law (which is the trading name of nhlex Limited) are accepting your instructions. Please read both the Letter of Engagement and these Terms of Engagement carefully as these will govern our relationship with you. By signing and returning the Letter of Engagement or by continuing to instruct us in the matter, you are accepting that you fully understand and accept the Letter of Engagement and these Terms of Engagement.
- 1.2 Any reference in these terms and in the Letter of Engagement to "Novum Law", the "Company", "we", "our" or "us" means nhlex Limited. Any reference to "partner" means a director of nhlex Limited. These Terms of Engagement may not be changed, unless agreed in writing by a partner (director) of this company. If there is any conflict between these Terms of Engagement and the Letter of Engagement then the Letter of Engagement will take precedence.
- 1.3 nhlex Limited is a limited company). Even though some of our senior lawyers have the traditional title of "partner", there is no partnership between them and the Company. Our engagement is only between you and the Company, and not with any partner (director), employee or consultant of the Company.
- 1.4 We aim to provide an efficient service and our Letter of Engagement sets out contact details if you should have any concern. You should contact Marion Back, at our office at 6 Drakes Meadow, Penny Lane, Swindon SN3 3LL (email feedback@novumlaw.com).
- 1.5 At the conclusion of the complaint and if you are not satisfied with our handling of the complaint and/or we have not dealt with the complaint within eight weeks, in some instances clients also have a right to ask the Legal Ombudsman, contact details P O Box 6806, Wolverhampton WV1 9WJ, telephone 0300 555 0333, email enquiries@legalombudsman.org.uk, website www.legalombudsman.org.uk to consider the complaint. The Legal Ombudsman deals with service complaints from members of the public and very small businesses, charities, clubs and trusts. Any complaint to the Legal Ombudsman must usually be made within six years of the date of act/omission, or three years from when the complainant should have known about the complaint and within six months of the complainant receiving a final response from their solicitors if applicable. The limits changed as from 1 February 2013 and will be introduced gradually by the Legal Ombudsman. In any event, the Legal Ombudsman will not accept complaints where the act or date of awareness goes beyond 6 October 2010.
- 1.6 You may also have the right to apply to the court for an assessment of a bill under Part III of the Solicitors Act 1974. Please note that if all or part of a bill remains unpaid we may be entitled to charge interest. The Legal Ombudsman may not deal with a complaint about a bill if the client has applied to the court for assessment of that bill.

2 People Responsible for your Matter

- 2.1 The Letter of Engagement will confirm the people who will carry out most of the work on your matter and their charges. It will also set out the contact details of the partner who is ultimately responsible for your matter.
- 2.2 We try hard to avoid changing the people who are handling your work but, if this cannot be avoided, we will let you know as soon as possible and tell you why the change is necessary.
- 2.3 It may sometimes be appropriate to use the specialist skills of other members of the Company. Their hourly rates may be different from the people carrying out most of the work on your matter. We will try to let you know their hourly rates before they become involved but that may not always be possible.

3 Your Responsibilities

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

4 Scope of Advice

- 4.1 Our advice is personal and confidential to you only. If you pass any of that advice on to others or ask us to do so, that other person will not have any enforceable right against this Company under these Terms of Engagement.
- 4.2 We may advise you to seek advice from other professionals such as accountants or surveyors. We are not liable for any advice they give you (whether or not such advice is obtained by us as your solicitors). If you instruct us to obtain any such advice and to take action as a result of that advice, you will be responsible for our charges and expenses incurred in carrying out your instructions.

5 Charges and Expenses

- 5.1 We generally calculate our charges based on the hourly rates of and the time engaged by those acting on your matter. Time spent on your

matter is recorded in units of six minutes, and fractional units are rounded up to the next whole unit.

- 5.2 We reserve the right to increase the level of the hourly rates set out in the Letter of Engagement where a case or transaction is one of exceptional urgency or complexity or your instructions require that meetings take place or other work is carried out outside normal office hours.
- 5.3 We will periodically review our hourly rates, usually in May of any year, and reserve the right to vary them at any time by written notice to you.
- 5.4 We will also have to pay expenses on your behalf during the course of most matters (such as experts' fees, court fees, counsel's fees, travel costs, company searches and where appropriate photocopying costs). These will be shown separately on our invoices. Unless you ask us to do so, we will not usually check with you before paying expenses on routine items. If we have to pay non-routine expenses, we will usually ask you first. You will have to repay us for any expenses or payments we make on your behalf. We are under no obligation to effect such payments on your behalf unless cleared funds have first been provided by you for that purpose.
- 5.5 Any travel that we undertake on your behalf will be charged at the Fee Earner's hourly rate or on some occasions at a percentage of that hourly rate.
- 5.6 If a Barrister is instructed on your behalf, it will be necessary for us to disclose your address to the Barrister in connection with the instructions to Counsel. The Barrister will wish to write to you direct to confirm the Bar Council's complaints procedure (a requirement under the Legal Services Act 2007) in connection with the arrangement made with the Solicitors Regulation Authority.
- 5.7 Unless zero rating or an exemption applies, we will add VAT to our charges and certain expenses we incur on your behalf at the rate which applies when the work is done. Our VAT number is 762 271043.
- 5.8 We are not authorised by the Financial Control Authority nor were we at the previously known Financial Services Authority. However, we are included on the Financial Services Register 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 the arrangements for complaints or redress if something goes wrong is authorised and regulated by the Solicitors Regulation Authority. The register can be accessed via the Financial Services Register website at www.fca.org.uk. 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 Ombudsman (details set out in 1.5) is the independent complaints-handling service. If you are unhappy with any insurance advice you receive from us, you should raise your concerns (after raising the concern through our internal process with either of those bodies).

6 Estimates of Costs

- 6.1 Unless stated to the contrary in the Letter of Engagement, any estimate of costs given in the Letter of Engagement is not intended to be fixed.
- 6.2 We will give you further estimates of our likely charges and expenses as the matter progresses and at least every six months. We will, where applicable, make a separate charge for each administration in relation to fund transfers, e.g. telegraphic transfers, BACs payments etc of usually £25. plus VAT which will include a relevant check if applicable of the recipient's details if available.
- 6.3 We will, on occasions, require an electronic search for identification purposes to be carried out when we will make an administration charge of £15 plus VAT. This charge will be incurred in respect of each such electronic search. If this should be necessary, we will contact you before such search is carried out to obtain your consent.
- 6.4 You may ask us to set a limit on the charges and expenses to be incurred on your matter. If we have agreed to set such a limit, this will be set out in the Letter of Engagement or later estimates. This means that you must pay our costs incurred up to the agreed limit without our needing to refer back to you. We will let you know if it appears that costs will exceed the agreed limit and we will not incur costs in excess of the agreed limit without first obtaining your approval.
- 6.5 You may also ask us to work on a "Fixed Fee" basis. If we have agreed to work on a "Fixed Fee" basis, this will clearly be set out in the Letter of Engagement.
- 6.6 We use the services of Paragon Costs (a trading style of Thrings LLP) to deal with any legal costs issues which may arise. Paragon Costs is owned by a separate organisation which is part of the same group as Novum Law. We review our use of Paragon Costs regularly to ensure that we continue to obtain the best value for our clients. If you have any questions about this please contact us.

7 Interest

- 7.1 We will normally pay sums in lieu of interest on any funds which we hold for you in accordance with the SRA Accounts Rules. The relevant interest rate may be less than the rate at which you could have invested the money yourself. Small amounts of interest (under £20) will not be paid to you nor credited against our invoices. The period for which any sums in lieu of interest will be paid will run from the date when funds are

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- received by us until the date of issue of any cheque to discharge such sums.
- 7.2 If we hold sums of money for you in relation to different matters we will normally treat the money relating to each of the different matters separately.
- 7.3 We will not pay interest on money held for the payment of a disbursement, once the intended recipient has requested a delay in payment.
- 7.4 If you are obtaining finance from a lender for your transaction, we will ask the lender to arrange for funds to be forwarded by telegraphic transfer in advance of completion, in order to ensure that cleared funds are available. You should note that your lender may charge interest from the date that the transfer is made.
- 8 Invoice Arrangements**
- 8.1 It is normal practice to ask clients to pay sums of money, from time to time, in advance to cover the cost of the Company's future costs and expenses. We will normally ask for the first payment in the Letter of Engagement.
- 8.2 To help you budget, we will send you regular interim statute invoices for charges and expenses, usually on a monthly basis. We are entitled to offset any funds held in the Company's client account against those invoices in accordance with the after delivery of any invoice to you in accordance with Rule 17(2) and (3) of the SRA Accounts Rules. We may require you to provide us with further payments on account as the matter proceeds or to make payment of any balance outstanding to us immediately you receive any invoice before we proceed further.
- 8.3 Payment is due to us as soon as you receive our invoice. If you do not pay an invoice (in whole or in part) within 28 days of the date of the invoice, we may charge you interest on the amount outstanding from the date of invoice until payment. Interest and compensation will be payable pursuant to the Late Payment of Commercial Debts (Interest) Act 1998 or where that does not apply, at 8 per cent per annum from the date of the invoice until payment. We at any time also reserve the right to stop acting for you or suspend our work at that time completely or while any invoice remains outstanding.
- 8.4 Please note that although it may be the case that some other person agrees or is ordered to pay our costs, you will remain personally responsible for paying our costs and expenses as and when they become due. We will not usually allow delays in payment of our charges and expenses because someone else has agreed to or is under an obligation to pay them.
- 8.5 If you have any query about an invoice, you should contact us straight away. Contact details are given on the invoice.
- 8.6 If you do not pay an invoice, we may begin legal proceedings against you for payment of our charges and expenses. In all such cases, you will be responsible for the payment of all further charges and expenses incurred in those proceedings, even if that claim is for less than £5,000.
- 8.7 We may, at our discretion, accept payment by credit card. If we do, then the right is reserved to make a charge of the appropriate fee under The Consumer Protection (Payment Surcharges) Regulations 2012.
- 8.8 We do not make any charge for payments received by debit card.
- 8.9 We reserve the right to charge interest in accordance with any payment plan we enter into with you for payment of our charges.
- 9 Copyright**
- 9.1 We own the copyright in all documents created by us for you. You may use those documents for the particular purpose for which they were created if you have paid all costs and expenses due to us. If you wish to use them for any other purpose, you should obtain our permission to do so first.
- 10 Documents and Storage**
- 10.1 Please make sure that you keep safe all letters, papers and documents which may, in any way at all, be connected to a matter.
- 10.2 On completion of your matter or termination of our instructions, we are entitled to keep all your papers and documents while there is money owing to us for our charges and expenses. This is referred to as a "lien".
- 10.3 We will retain files after completion for such period as is required by law or under the SRA Rules and Codes. We reserve the right to destroy files at the end of that period, which will usually be six years from the conclusion of the matter/retainer. If you require any of the documentation, we would ask you to request such documents at the conclusion of the matter/retainer. We will not destroy any documents which you ask us to deposit in safe custody.
- 10.4 We cannot commit to retaining any papers longer than six years from the end of the matter/retainer. We reserve the right to destroy them after that time without further notice to you.
- 10.5 We are able to keep important documents such as Deeds and Wills in safe custody on your behalf.
- 10.6 If we retrieve papers or documents from storage in relation to continuing or new instructions to act in connection with your affairs, we will make an administration charge for such retrieval. Details are available on our website. We may also charge for reading, correspondence or other work necessary to comply with the instructions given by you or on your behalf.
- 10.7 If we accept any Deeds, Wills or other documents for storage, we are not thereby responsible for checking the accuracy of those documents or for advising on any changes in law which may affect the terms of the documents, including in relation to any tax planning arrangements.
- 10.8 If we are required for any reason (whether during the course of a matter or after it has terminated) compulsorily to disclose documents or to give information orally or in writing relating to a matter or your affairs pursuant to a court order, notice or demand served by an entity or person with the authority to compel such disclosure, then we shall comply. We will be entitled to be paid for the costs of such compliance by you at our then existing hourly rates. If any documents or information are subject to legal professional privilege, we will let you know and advise you of the opportunity to waive privilege. If you decide not to waive privilege and this is challenged, we will be entitled to be paid by you for the costs incurred in preserving privilege on your behalf.
- 11 Termination and Cancellation**
- 11.1 You may terminate your instructions to us, in writing, at any time. In some circumstances, we may consider we ought to stop acting for you. We would only do so with good reason and on reasonable notice.
- 11.2 If you, or we, decide to terminate our instructions, we will still be entitled to receive payment of our charges and expenses for services performed up to the date of termination.
- 11.3 Unless you are acting in the course of a business, you may also have a right to cancel this contract under Consumer Protection legislation. You must exercise any such right within 7 days of the date of the Letter of Engagement. You may not exercise that right if the performance of our services has begun with your agreement.
- 11.4 If we have not yet met you and you are an individual acting for purposes which are outside your business, the Consumer Protection (Distance Selling) Regulations 2000 may apply to our agreement with you. That means that you have the right to cancel our engagement without charge at any time within seven working days of your acceptance of our engagement terms. If you wish to do so you must inform us of your decision to cancel in writing. Your right to cancel our engagement will not apply if you agree to us beginning work in relation to your instructions during the relevant cancellation period.
- 12 Our Liability**
- 12.1 Unless otherwise agreed in writing by a partner (director) this Company, the total aggregate liability of this Company and its employees and agents (whether arising in contract, negligence or otherwise) in any matter will be limited to £3million for any claim or series of claims arising from the same circumstances. Liability for any consequential or indirect loss (whether or not it might have been foreseeable at the commencement of the matter) is excluded. We shall not be liable to you in relation to the failure of any bank in which client monies are deposited.
- 12.2 As our engagement is between you and this Company, none of our partners (directors), employees or consultants will have any personal liability to you in relation to the advice or work. You agree that you will not bring a claim, whether in tort or otherwise, against any of our members, partners, employees or consultants in respect of any matter arising in any way out of the advice or work.
- 12.3 Unless otherwise agreed in writing by a partner (director) of this Company, we accept no responsibility whatsoever to any third party howsoever arising from the advice that we give to you. Any third party receiving details of our advice or any document containing such advice given to you does so at its own risk and must be informed of this clause.
- 12.4 Where we are acting for more than one person, the limit of liability will have to be allocated among you. If this allocation is not expressly stated in the Letter of Engagement, such allocation will be a matter entirely for you. If, for whatever reason, no such allocation is agreed by you, then you will not dispute the limit of liability on the grounds that no such allocation was agreed.
- 12.5 Our liability to you shall also be limited to that proportion of the loss or damage (including interest and costs) suffered by you, which is ordered against us by a Court of competent jurisdiction after taking account of the contribution to the relevant loss and damage of any other person responsible and/or liable to you for such loss or damage. For the purpose of assessing such contribution of any other person, no account shall be taken of any limit imposed on the amount of liability of such person by any agreement made before the loss or damage occurred.
- 12.6 The limitations and exclusions on liability in this section shall have no application to any liability for death or personal injury caused by our negligence or for any other liability which cannot lawfully be excluded or limited.
- 12.7 The Contracts (Rights of Third Parties) Act 1999 is excluded so that no third party shall be entitled to enforce any provisions of these Terms of Engagement or the Letter of Engagement.
- 12.8 We will not be liable in any way in respect of any of your money, money in which you have an interest or money held by you for others which is lost as a result of the failure of a bank or other financial institution in which it is deposited. If this happens and you are an individual or small company, you may be entitled to claim compensation under the

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Financial Services Compensation Scheme (FSCS). There are limits on how much you can claim in total from the FSCS in respect of all deposits held by any one institution (which includes all that institution's various brands). The present limit is £85,000. The FSCS does not apply to corporate bodies which are not classified as small companies. Further details, including eligibility criteria, can be found at www.fscs.org.uk. More information can be obtained from the institution itself, the FSA or a financial adviser. In the event of a failure, you agree that we may disclose your details to the FSCS.

12.9 If you wish to know the identity of the bank where such monies are held, we will supply such information upon written request from you.

13 Confidentiality

In acting as your solicitors, our first responsibility will be to you as our client. Information concerning you and your matter is treated as confidential by all members of our staff. We may also have responsibilities to other organisations, such as the Court or Legal Services Commission, insurers in litigation matters and your mortgage lender in a property transaction if we are instructed to act for them as well. We may, therefore, have to advise you, to provide information to them.

14 Conflicts

Conflicts between your interests and those of another client may arise. If there is a conflict of interest, we might have to cease acting for you. Conflicts may arise (amongst other reasons) because we have discovered information while acting for another client which we would normally be bound to disclose to you and the disclosure of that information conflicts with our duty to that other client. If that happens we have the right to withhold that information and terminate our engagement by you. We may also cease to act in a particular matter for the other client involved. All fees and expenses and VAT up to the date of termination will be charged and become due.

15 Compliance

In order to meet our obligations under the applicable Money Laundering Regulations, we may ask you to provide proof of your identity and details of your personal finances, including the beneficial ownership of assets in connection with which you have engaged us to provide legal services and details of the ultimate beneficiary of our services. We may also be required to provide such information to your insurance company, building society, banks, Solicitors Regulation Authority or other relevant authority before we are able to carry out your instructions and you agree that we may do so. We may also have to ask you to explain to us the source of any monies provided to us by you.

16 Data Protection

16.1 During the time we are conducting any matter on your behalf and for as long a period as is necessary at the end of that matter, we will need to keep information about you. This information will be processed and kept securely in accordance with the Data Protection Act 1998. We may need to pass on some information about you to relevant third parties, for example other professionals concerned with your case.

16.2 If you permit us to obtain your medical records, you agree to our keeping information about your health, for example, all types of medical records and medical reports. You also agree that we can pass those records and reports to other professionals or parties concerned with your case when it is necessary, to progress your case and/or fulfil our obligations to the Court.

16.3 You agree to our sending information about you to a person or organisation outside the European Economic Community if that is necessary solely for the purpose of progressing your matter. Not all recipients of such information will be under the same privacy obligations, but we will require them to maintain confidentiality.

16.4 We may also wish to contact you from time to time with information about other legal services, seminars or legal information which we think may be of interest to you. If you do not wish to receive such communication, please specify this in the Engagement Letter, where indicated.

17 NCA

We are legally obliged to report directly to the National Crime Agency ("NCA") without prior reference to you, or your representatives, if during the course of acting for you, we become suspicious of money laundering. By law, your right to confidentiality and your professional legal privilege is waived to the extent of any report made, document provided or information disclosed to NCA.

18 Auditing

We are currently audited by a number of organisations, which monitor standards of performance including the Law Society, Solicitors Regulation Authority, Lexcel (Law Society quality standard) and the National Farmers' Union. We have a duty of confidentiality to you and, therefore, need your permission for your files to be inspected by these organisations. We request that you give us this permission by signing the Letter of Engagement where indicated. In turn, these organisations will keep your information confidential. If you refuse to give us this

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permission, it will in no way affect our handling of your case or the standard of our work. You may withdraw any permission granted at any time without having to give us a reason.

19 Email Warning

19.1 Email is a useful way of communicating with our clients and third parties and we try to encourage its use. However, emails are carried by the Internet, which is a potentially insecure channel for communication. In sending an email, one has no control over the route of the message. Unlike sending a fax, there is no way of knowing whether an email has been delivered or not. There is a risk that communications may contain a computer virus, although we will do our best to prevent this from happening through the use of anti-virus software. If we email you, or other parties involved, in any transaction, the message could be accessed by someone not involved in the transaction. While we will keep the affairs of our clients confidential, the use of emails raises a risk of confidentiality being compromised.

19.2 We believe that the benefits of email outweigh these factors in most circumstances. If you do not wish us to use email, please sign where indicated in the Letter of Engagement and return it to us as soon as possible. Please note any limitations you wish to make on its intended use.

20 Governing Law

Our relationship with you will be governed by English law and will be subject to the exclusive jurisdiction of the English courts. However, we may, at our total discretion, bring legal proceedings in any other jurisdiction, including the jurisdiction where you are resident or domiciled, to recover our fees or other sums payable to us.