

TERMS OF BUSINESS

Introduction

An introduction to the Firm, the services we offer and the Firm's Partners can be found on our website. This document sets out our standard terms of business, which apply to all matters that we deal with, subject to the provisions of any accompanying engagement letter or separate service agreement. In the event of a conflict between these standard terms and any engagement letter or service agreement, the engagement letter or service agreement shall prevail. No other terms of business shall apply, unless agreed in advance in writing by a Partner in the Firm.

Our approach

We pride ourselves on our Partner led service. At the outset of a matter you will be provided with details of the Partner with overall responsibility for your work ("Client Partner") and the members of staff that will be involved in handling matters for you on a day to day basis. Subject to the necessary involvement of different members of staff according to their respective skills, we will aim to maintain continuity in the people handling your work. If there are any material changes we will notify you promptly.

Scope of our Responsibility

The work we will undertake and our remit will be as agreed with you from time to time. We will keep you informed of issues arising, action taken and progress achieved. We will provide periodic updates, either as agreed with you or as appropriate to the matter being dealt with. We will let you know what action is needed by you and when, and we will make it clear when a matter is concluded or when no further action is required.

Unless otherwise agreed with us in writing, the advice we give and the documents we prepare are for use only by you, and only in connection with the specific matter on which we are instructed. The documents we prepare may not be distributed to any third party except with our prior written consent. All intellectual property rights in our advice are retained by us. Our advice does not create any enforceable rights for the benefit of, and we accept no responsibility to, any third party. The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to our agreement with you.

In acting for you, we will endeavour to exercise all reasonable care and skill, in accordance with our legal and professional duties, to put your interests first, to treat all clients fairly and without discrimination, and to maintain confidentiality in respect of your affairs (except as required by law). These, together with compliance with our terms of business, are the extent of our responsibilities to you and, in so far as permitted by law, we do not accept any further liability to you.

To enable us to act effectively you must provide us with timely instructions and information, notify us promptly of any relevant changes, and ensure that material provided to us is complete and not misleading. By instructing us you give us full authority to engage counsel and other specialist advisers as we consider appropriate. However, unless it is impracticable to do so, we will secure your agreement before such costs are incurred on your behalf.

We will do our best to progress legal work efficiently and cost-effectively. We will make a point of discussing relevant timetables, progress and deadlines with you. However, in some instances the pace of progress will be determined by a third party.

We recommend that you review all completed matters from time to time. Contracts and other documents may require further action as time progresses or there may be changes in relevant law and practice. We are happy to review documents periodically but will only do so if this is expressly requested.

Fees

There are a number of factors which are normally taken into account in solicitor's charging levels. Primarily our fees are based on the time we spend dealing with your work and the seniority and experience of the person instructed. Wherever possible we will provide an estimate of the costs involved in a specific piece of work, and where it is impracticable for us to give a firm estimate, we will endeavour to suggest a working budget based on our experience of similar work.

Our charges are based on an hourly rate which includes all time spent on personal and other attendances, considering, preparing and working on papers, correspondence, research, preparing file notes, travelling to and from meetings, correspondence and making and receiving telephone calls. Time is charged in six minute units which are calculated at 10% of the hourly charge. We make allowances for any duplication between fee-earners and discount as appropriate.

Any estimate of costs will be provided in good faith but unless expressly stated will not be binding and will not amount to a fixed fee or quotation. In appropriate cases, you may set an upper limit on fees for which you may be liable without further authority, and beyond which you will not be liable without your consent.

Our fees will be fair and reasonable having regard to all the relevant circumstances. In particular we will take account of factors including time spent, the size and complexity of issues, the urgency of the matter, any need or request to work outside of normal office hours (in which case an uplift of 25% may be applied to our charges), the expertise or specialist knowledge required and, if appropriate, the value of the property or subject matter involved.

We will, where appropriate, render interim bills. Our rates are reviewed periodically and may vary during the course of a matter, of which you will be advised accordingly. Unless otherwise agreed, our charges will be payable even if a matter does not progress or complete as anticipated. Our experience shows that matters which fail to complete often involve as much work as those which reach completion.

Notwithstanding any agreement for a third party to pay or to contribute towards your fees, you remain primarily liable for all fees incurred and will be liable to discharge such fees in the event the third party fails to meet their obligations. In the event of delay in payment on the part of the third party you will be asked to pay the outstanding fees and will be reimbursed if funds are subsequently received from the third party.

Any hourly charging rate or other figure quoted in respect of our fees will be exclusive of VAT and disbursements.

Disbursements

In dealing with your work we may incur various disbursements and expenses for which you will be liable. Disbursements often include, but are not limited to, the cost of Counsel's fees, Court fees, expert's fees, search fees, filing fees, courier fees, charges for substantial photocopying (such as preparing trial bundles), travel charges, bank charges, translation fees and other out of pocket expenses. We will explain to you any reasonably foreseeable payments that we may have to make on your behalf. As a matter of policy when we incur disbursements we shall ask you for payment on account in advance. Disbursements are shown separately on our invoices and VAT is payable on certain disbursements.

Accounts

Accounts in respect of our fees are normally rendered at regular monthly intervals, where there is continuing involvement, or on completion of a particular matter or stage. If a third party is responsible for some of your fees, such contribution will be taken into

account on your invoice. You remain responsible for the fees and disbursements incurred over and above the amount of any contribution.

It is our normal practice to ask clients to make payments on account of costs and disbursements (to be retained throughout the duration of a matter). Any payments on account made will be held on client account and will be used only to discharge fees and disbursements. Payments made on account will normally be applied against the final invoice to be rendered in respect of a matter, although we reserve the right to apply payments towards any interim invoice. Please ensure that requests for payments on account are met promptly as delays may result in our being unable to pursue matters.

If disbursements are incurred in a currency other than GBP these will normally be calculated and invoiced to you at the published Barclays Bank internet banking exchange rate on the date of payment. Exchange rates do fluctuate (including during the course of the business day), sometimes giving rise to minor discrepancies. We will not be liable to account to you for any gain, nor will you normally be liable for any loss arising from an alteration in exchange rate. If you are dissatisfied with the amount of our charges, you may be entitled to have them assessed by the Court under Part III of the Solicitors Act 1974.

Third Parties

In some circumstances we may recommend or arrange the engagement of third party advisers, such as Counsel, accountants, medical or other experts or lawyers qualified in other jurisdictions. We will use all reasonable care in recommending or arranging the engagement of such third parties, but we do not accept any responsibility for the advice, opinions or fees of any third party expert, consultant, or adviser instructed. Where such third parties are instructed they will be instructed by us as your agent. You will be directly liable for their fees, in addition to any fees charged by us for the work which we carry out on your behalf. To the extent permitted by law you will not hold us liable for any claims arising from their advice.

In relation to any searches made by us or commissioned by a third party agent with any government, statutory or local authority registries we will conduct such searches with due care and diligence. If we engage third party agents to make such searches, will use all reasonable care in the selection of such agents. We will not be liable for any errors or omissions committed by any such registries or for any errors or omissions by any such third party agents which are outside our knowledge or control.

Funding and legal expenses

In some instances your liability for your own or any third party's charges may be covered by a form of insurance (such as legal expenses insurance, home and contents insurance, or after the event insurance) or by another party. We advise that you check any relevant insurance policies that you hold and notify us if you are covered for legal or other costs. In some cases it may be possible to secure "after the event" insurance. If you wish to discuss "after the event" insurance please do let us know.

We will also discuss with you whether the potential outcome(s) of any matter justify the expense or risk involved including, if relevant, the risk of having to pay the costs of any other party. In contentious matters we will discuss with you whether a conditional fee arrangement may be appropriate.

Costs in Contentious Matters

In contentious or potentially contentious matters you will be primarily responsible for payment of our fees and disbursements ("Costs") in full, regardless of any order for Costs made against any other party. Whilst in the UK Courts it is normally the case that Costs follow the event - and the losing party is ordered to contribute to the winning party's Costs - this is not always the case, especially in the Employment Tribunals. You should note that even if you are successful, the other party may not be ordered to pay or be capable of paying a contribution to your Costs. Equally, if you are unsuccessful you may have to pay a substantial proportion of the other party's Costs, together with interest on that amount, in addition to our own Costs.

Where Costs are awarded to you, the amount of our Costs which you will have to pay are likely to be greater than the amount that you can recover from another party, even if you are entirely successful in the proceedings. This is because the other party may not be ordered to

pay all your Costs, or these may not be recovered from them in full. If you are awarded Costs, interest may be claimed on them from the other party from the date of the relevant order. We will account to you for such interest to the extent that you have paid our charges or expenses on account, but we are entitled to the rest of that interest.

Costs are not normally awarded in Employment Tribunal proceedings - applications for Costs can be made but are subject to a cap of £10,000 and are normally ordered where a party has behaved maliciously, unreasonably or in a vexatious manner in its conduct of the proceedings. As a general rule you should not expect to recover any Costs in the Employment Tribunal.

You should also be aware that Costs are not always dealt with at the conclusion of a matter and the Court may assess costs on an interim basis, following which the party ordered to pay Costs is likely to be allowed a brief time to do so. Failure to pay Costs ordered could have adverse consequences in the litigation. You will be responsible for paying our Costs incurred in seeking to recover any Costs that the Court orders another party to pay to you.

Payment

All accounts must be paid in full within 30 days after the date of delivery of our invoice. Where accounts are not paid within 30 days we reserve the right to charge interest on the outstanding amount at the rate of 1.5% per month. Interest will accrue immediately following the expiration of 30 days from the date that invoice is sent to you. You will not receive any notification that interest has started to accrue.

In the event of delay in payment, we reserve the right to suspend work on the matter (and on all other matters on which we may be acting for you), until payment is made in full. We also reserve the right to terminate our retainer.

We are entitled to retain any money, papers or other property belonging to you that have properly come into our possession pending payment of our Costs in full irrespective of whether the property is acquired in connection with the matter for which the Costs were incurred.

Where appropriate the Firm will account to you for interest on amounts held by us at Barclays Bank PLC client account rate, subject to a de minimis of £20.

Our Liability

The wording in italics which follows excludes and/or limits our liability. In accordance with section 60(5) Solicitors Act 1974 and paragraph 24 Schedule 2 Administration of Justice Act 1985, that wording does not apply, to the extent prohibited by those Acts, to contentious business or to work undertaken pursuant to a contentious business agreement. Our contracts with clients are based on engagement letters and our standard terms of business; those contracts do not constitute contentious business agreements as that expression is used in those Acts.

To the extent permitted by law, the maximum amount of our liability in respect of any matter undertaken by us shall be limited to the maximum set out in our engagement letter or, where no such amount is specified, the Firm's available insurance cover from time to time. This maximum amount shall apply to direct loss or damage in tort or in contract or otherwise including any loss or damage resulting from our negligence. This limitation will not apply in relation to any personal injury or death arising from any fault for which the Firm may be liable or in relation to any fraud or fraudulent misrepresentation.

In no event shall we be liable for any indirect or consequential loss (including but not limited to loss of profits, income, production or accruals) irrespective of how such indirect or consequential loss was caused, including as a result of our negligence but not our deliberate and wilful default.

Any claims arising from our advice may only be made against the Firm and may not be made against any individual Partner or employee of the Firm.

Storage of Papers and Deeds

Upon completion of a matter (or termination of our retainer) we will retain all papers and documents and other items of property until our account is settled. Thereafter, we will normally return original documents to you and retain only digital copies of documents and records on or document management system. We will not normally

store hard copies of files. Where hard copies of documents, files or other items are stored for long periods, we reserve the right to charge for storage, retrieval from storage and copying where required and also to return such items to you or to destroy them.

Communications

We will endeavour to communicate with you in the manner you request. Where appropriate we will normally communicate by e-mail and will take appropriate and practical precautions, including virus checking. E-mails sent to and from our systems are encrypted wherever possible but this is reliant upon the system it is connecting with supporting the encryption technologies used from time to time. You should be aware that e-mail may not be as secure or reliable as other means of communication. If you provide us with an e-mail address for use in communicating with you we will assume that such e-mail address is confidential to you unless you tell us otherwise. We will sometimes send you informative briefings and marketing information published by the Firm from time to time on matters which relate to the services we have provided to you. If you would prefer not to receive e-mails of this nature, please let us know. In employment matters you should not use an e-mail address or IT systems provided by your employer to communicate with us. The Firm cannot be responsible for the security of correspondence and documents sent by e-mail or fax.

We will deal with all Personal Data received whilst acting for you in accordance with our Privacy Policy and our obligations under the GDPR. We refer you to the Privacy Notice which we have issued to you. Please read this carefully as it contains important information about how we will hold and process your Personal Data, and about your rights in connection with your Personal Data.

Financial Services and Markets Act 2000

The Firm is not authorised by the Financial Services Authority to provide investment advice. Where appropriate we may refer you to a third party who is appropriately authorised to provide such advice.

Proceeds of Crime Act 2002 ("PCA")

The PCA prohibits us from acting for or advising any client in relation to the acquisition, retention, use or control of the proceeds of any crime, including any attempt to conceal, disguise, convert or transfer any criminal property or to remove it from the jurisdiction (and from being involved in arrangements relating to such activities).

We are legally obliged to report to the relevant authorities any person, including a client, suspected of involvement in activity covered by the PCA. We reserve the right to make such disclosures required by law, without informing you that we have done so. We also reserve the right to cease acting for you without giving any specific reason.

Our obligations under the PCA override our normal duty of client confidentiality. We will not accept liability for any loss or damage suffered by you or by any third party for any action taken by us with a view to complying with the PCA or any related legislation.

Money Laundering Regulations 2007 ("MLR")

In order to comply with our obligations under the MLR we require you to provide us with appropriate proof of identity before we are able to act. Individuals and partnerships will normally be asked to provide a current valid passport, showing your full name, date of birth and photograph or a current UK driving licence; and a utility bill or equivalent confirming your address (which must have been paid within the preceding three months). Companies and LLPs will usually be asked to provide a certificate of incorporation or audited statutory accounts; and personal identification (as above) in respect of some or all of the company's directors or the LLP's members from whom instructions are to be taken. (In the case of a company incorporated outside the UK, we may also ask for a certificate from lawyers qualified in the relevant jurisdiction confirming that the company is properly incorporated and authorised to do the relevant business.)

If you are unable to provide the documentation detailed above please contact us for details of alternatives that may be acceptable.

Complaints Procedure

We are confident that we will give you a high quality service. However, if for any reason you are unhappy with any aspect of the service provided, including our fees, you should make this

known promptly to Mr Peter Hunt on 020 7495 3003 or peter.hunt@magrath.co.uk or by post to our office address. We have a procedure in place which details how we handle complaints which is available from Mr Peter Hunt upon request.

We will endeavour to resolve any complaint internally. However, if you are not satisfied with our handling of your complaint you can ask the Legal Ombudsman to consider the complaint. The Legal Ombudsman may be contacted through the website www.legalombudsman.org.uk. Normally, you will need to bring your complaint to the Legal Ombudsman within six months of receiving a final written response from us about your complaint.

Termination

You may terminate your instructions to us in writing at any time. Similarly we reserve the right to stop acting for you if we have good reason (including, for example, a conflict of interest). We will endeavour to give you reasonable notice of any such decision and, where possible we will explain the reasons for our decision.

Under the Consumer Protection (Distance Selling) Regulations 2000 (for some non business related instructions) you may have the right to withdraw your instructions within seven days of the date on which you asked the Firm to act for you. However, if we start work with your consent within that period, you lose that right. Your acceptance of these terms of business amounts to such consent. If you wish to withdraw instructions, you should give notice by telephone, e-mail or letter to your Client Partner. The Regulations require us to inform you if the work is likely to take more than 30 days.

Force Majeure

We will not be liable to you or any third party if we are unable to perform our services as a result of any cause beyond our reasonable control. If any such event should arise, we will notify you as soon as reasonably practicable.

Proper Law and Jurisdiction

The validity, construction and performance of our agreement with you is governed by English law. Any matters arising between us shall be subject to the exclusive jurisdiction of the Courts within London postal districts if you are resident or incorporated within the UK, or non-exclusive jurisdiction if you are resident or incorporated outside of the UK.

Our address for service is as set out below. Notices or proceedings may not be served by e-mail or fax.

Variation

We reserve the right to vary these terms of business at any time and from time to time in order to take account of any legal or regulatory changes or as otherwise appropriate.

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The Firm is regulated by the Solicitors Regulation Authority and their rules are available at www.sra.org.uk/rules.

Details of the Firm's Professional Indemnity Insurance are available in hard copy at the Firm's offices.