

MacArthur Legal, Solicitors
Terms and Conditions of Business

Our aim

We aim to offer our clients quality legal advice with a personal service at a fair cost. As a start, we hope it is helpful to you to set out in this statement the basis on which we will provide our professional services.

Our commitment to you

We will: **Represent** your interests and keep your business confidential. **Explain** to you the legal work which will be required. **Advise you** on relevant legal matters. **Keep you** regularly informed of progress or, if there is none, when you are next likely to hear from us. **Try** to avoid using technical legal language when writing to you - tell us when we fail in this! **Deal** with your queries promptly.

Hours of Business

Our normal hours of opening are between 9:00am and 5:00pm on weekdays. Messages can be left with a solicitor's secretary within these hours. Appointments can be arranged during normal hours or at other times when this is essential. Our office in Lochgilphead is now on the first floor and there is no disabled access. Please let us know if you require an appointment with our solicitor and arrangements will be made to accommodate you.

Solicitor responsible for your work

The solicitor you have appointed will be responsible for dealing with your work. His or her secretary may be able to deal with your queries and will be pleased to take any message for you. We will try to avoid changing the solicitor who handles your work but if this cannot be avoided, we will tell you of any change and why it may be necessary.

The final responsibility for any work done lies with the Senior partner of the Firm being Alexander M Murray who can be contacted at our Oban office on telephone number 01631 562215.

Instructions

As your agents, we can act only on information and instructions given to us. You should not assume that we have knowledge of any factual matters without instructions received. You can instruct us either verbally or in writing although we may ask that instructions received verbally be confirmed in writing. If there is any change in your instructions, you must notify us immediately.

Communication between you and us

Our aim is to offer all our clients an efficient and effective service at all times. We hope that you will be pleased with the work we carry out for you. However, should there be any aspect of our service with which you are unhappy, please raise your concern in the first place with the solicitor. If you still have queries or concerns, please contact our Client Care partner Alexander M Murray at our Oban office to whom any unresolved difficulty can be reported.

We will aim to communicate with you by such a method as you may request. From time to time you will be sent copies of letters and other documents which you should study carefully to ensure you understand them fully. Unless you withdraw consent, we will communicate with others when appropriate by letter, e-mail or fax, but, when beyond our control, we cannot be responsible for the security of correspondence and documents sent.

The Data Protection Act requires us to advise you that your particulars may be held on our database. We may, from time to time, use these details to send you information which we think might be of interest to you.

Limited Companies

When accepting instructions to act on behalf of a limited company, we may require a Director and/or controlling shareholder to give instructions in writing and sign a form of personal guarantee in respect of the charges and expenses of this firm. If such a request is refused at any time, we will be entitled to stop acting and require immediate payment of our charges on an hourly basis and expenses as set out earlier.

Financial/Tax Advice

Any work that we do for you may involve financial/ tax implications or necessitate the consideration of tax planning strategies. We are not qualified to advise you on the financial/tax implications of a transaction that you instruct us to carry out, or the likelihood of them arising. On these matters you must seek advice from a suitably qualified accountant or other expert.

Environmental Advice

Any work we do for you may involve environmental implications. We are not qualified to advise you on the environmental implications of a transaction that you instruct us to carry out, or the likelihood of them arising. On these matters you must seek the advice of a suitably qualified expert

Charges and Expenses

Our charges will be calculated mainly by reference to the time actually spent by the solicitor in respect of any work which he or she does on your behalf. This will include meetings and telephone calls with you (and perhaps others) reading and working on papers, correspondence, preparation of documents, court attendance and time spent travelling away from the office when this is necessary.

Letters (per 125 words or less) are each charged as a time cost of 6 minutes measured as 1.25 units

Acknowledgement Letters/ phone calls are each charged as a time cost of 3 minutes measured as 0.5 unit

Telephone calls (making and taking) are charged as a time cost of 6 minutes measured as 1 unit

Drawing deeds/contractual documents per sheet are each charged as a time cost of 6 minutes measured as 3 or 5 units

Perusing i.e. considering incoming letters / documents are charged at units of 3 minutes per page 0.5 unit

The current hourly rate is set out below. We need to add Value Added Tax (VAT) to these at the rate that applies when the work is done. At present, VAT is 20%

Solicitors who are Law Society of Scotland Members : (Rates on Application)
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This hourly rate has to be reviewed periodically to reflect increases in overhead costs and inflation. The rate is reviewed with effect from April 1st each year. If a review is carried out before this matter has been concluded, we will inform you of any variation in the rate when it takes effect.

In addition to the time spent, we may take into account an added value element, considering a number of factors including : any need to carry out work outside our normal office hours, the level of urgency, the importance of the work to you, the amount or value of money or property involved, the complexity, difficulty or novelty of the matters, the length, number or importance of documents or papers, the speed at which action has to be taken and any particularly specialist expertise when the case may demand. In particular, in property transactions, in the administration of Executry estates and in matters involving a substantial financial value or benefit to a client, a charge reflecting, for example, the price of the property, the size of the estate, or the value of the financial benefit may be considered. It is not always possible to indicate how these aspects may arise but on present information we would expect them to be sufficiently taken into account in the rates which we have stated. Where a charge reflecting any added value element we will explain this to you.

Solicitors have to pay out various other expenses on behalf of clients ranging from Land Registration and search fees, Law Accountant fees, Court fees, experts' fees, and so on. We have no obligation to make such payments unless you have provided us with the funds for that purpose. VAT is payable on certain such expenses. We refer to such payments generally as outlays/disbursements. We will normally require a payment in advance from you in respect of any such expenses payable on your transactions.

Even if, for any reason, this matter does not proceed to completion, we will still be entitled to charge you for all work done and all expenses incurred on your behalf.

If any dispute arises regarding fees we can agree to appoint an Arbiter or failing agreement an Arbiter will be appointed by the Law Society of Scotland. The decision of such Arbiter will be final and binding. If the Arbiter fixes a lower fee we will pay for the Arbitration. If the Arbiter fixes a higher fee or confirms the fee as charged by us you will pay for the Arbitration and the fee as fixed.

Payment Arrangements

Property transactions: We will normally send you our fee note at settlement / date of entry and payment is required at that time; on a sale of property if sufficient funds are available at settlement, and we have sent you a fee note, we will deduct our fees and outlays from the proceeds of sale.

Administration of Executry Estates: Our fees in this regard will be assessed by a Scottish Law Accountant. We will try to submit interim fee notes at regular stages during the administration, starting with the obtaining of a Confirmation. The final account will be prepared when the Estate Accounts are ready for approval by the executor/s.

Revenue and Capital Uplifts: In addition to your fee we are entitled to charge commission in the collection of revenue and in capital transactions as follows:- (1) Interest and dividends on stocks and shares collected by us: up to £1,000.00 – 5%, on the next £4,000.00 – 3.5%, on the balance over £5,000.00 – 2%, (2) Feu duties, ground annuals, interest on heritable securities and other miscellaneous and periodical payments not exceeding 10% of the actual amount received, (3) Realising capital for any purpose other than re-investment for the same client (a) Money forming part of the original estate uplifted from bank or building societies – on each payment of up to and including £30,000.00 – 1%, on the balance of over £30,000.00 – 0.5%, (b) Policies of assurance not exceeding 1% (sliding scale as above), (c) Stocks, shares and other securities realisable on the Stock Exchange (i) On the first £30,000.00 of each sum – 1.5%, (ii) On the next £30,000.00 of each sum – 1%, (iii) on the balance over £60,000.00 – 0.75%, (d) Other stocks, shares and securities not realisable on the Stock Exchange and interest in private partnerships 1% - 5% (this does not cover the investigation of unquoted investments), (e) Book debts, etc 1% to 10%, (f) Miscellaneous property – 1% - 7.5%, (g) Bonds – 0.5% and (h) National Savings – 1%, (4) Investing or Re-investing Capital:- On the first £30,000.00 – 0.75%, on the next £30,000.00 – 0.50% and on the balance over £60,000.00 – 0.25%. Where securities or other assets in Executry Estate are not realised but transferred to beneficiaries direct – 0.25% - 1.25% on the total transfer.

Other cases or transactions: It is normal practice to ask clients to pay sums of money from time to time on account for the fees and expenses which are anticipated in the following weeks or months. We hope this helps clients in budgeting for costs as well as keeping them informed of the legal expenses which are being incurred. If such requests are not met with prompt payment, delay in the progress of a case may result. In the unlikely event of any fee note or request for payment not being met, this firm must reserve the right to stop acting for you further.

Payment is due to us within 28 days of our sending you a fee note. Interest may be charged on a daily basis at 4% over Clydesdale Bank Plc base rate from time to time from the date of the fee note in cases where payment is not made within 28 days of delivery by us of that fee note.

Other Parties' Charges and Expenses

In some cases and transactions a client may be entitled to benefit from payment of costs by some other person. It is important that you understand that in such circumstances, the other person may not be required to pay all the fees and expenses which you incur with us. You have to pay our fees and expenses in the first place and any amounts which can be recovered will be a contribution towards them. If the other party is in receipt of legal aid, no costs are likely to be recovered. The other person will not be liable to pay the VAT element of your costs if you are able to recover the VAT yourself. If you are successful and a court orders another party to pay some or all of your fees and expenses, interest can be claimed on them from the other party from the date of the court 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.

You will also be responsible for paying our fees and expenses incurred in seeking to recover any costs that the court orders the other party to pay to you.

A client who is unsuccessful in a court case may be ordered to pay the other party's legal charges and expenses. These would be payable in addition to our fees and expenses. Arrangements can be made to take out insurance to cover liability for such legal expenses.

Interest Payment

Any money received on your behalf will be held in our Client Account. Subject to certain minimum amounts and periods of time set out in the Solicitors' Accounts Rules, interest will be calculated and paid to you at the rate from time to time payable on Royal Bank of Scotland plc Designated Client Accounts. The period for which interest will be paid will normally run from the date(s) on which funds are received by us until the date(s) of issue of any cheque(s) from our Client Account.

Where a client obtains borrowing from a lender in a property transaction, we will ask the lender to arrange that the loan funds are received by us the day prior to the settlement/completion date. This will enable us to ensure that the necessary funds are available in time for settlement/completion. Such clients need to be aware that the lender may charge interest from the date of the telegraphic transfer of the loan funds.

Storage of papers and documents

After completing the work we are entitled to keep all your papers and documents while there is money owing to us for our charges and expenses. In addition, we will keep your file of papers for you in storage for not less than 10 years. After that, storage is on the clear understanding that we have the right to destroy it or to make a charge for storage if we ask you to collect your papers and you fail to do so. We will not of course destroy any documents such as Wills, Deeds, and other securities, which you ask us to hold in safe custody. No charge will be made to you for such storage unless prior notice in writing is given to you of a charge to be made from a future date which may be specified in that notice.

If we retrieve papers or documents from storage in relation to continuing or new instructions to act in connection with your affairs, we will not normally charge for such retrieval. However, we may make a charge based on time spent for producing stored papers or documents to you or another at your request. We may also charge for reading, correspondence or other work necessary to comply with your instructions.

Termination

You may terminate your instructions to us in writing at any time but we will be entitled to keep all your papers and documents while there is money owing to us for our fees and expenses. If at any stage you do not wish us to continue work and/or incurring fees and expenses on your behalf, you must tell us this clearly in writing.

If we decide to stop acting for you, for example if you fail to give us satisfactory instructions upon which we can act or if you do not pay an interim fee note or comply with the request for a payment on account, we will tell you the reason and give you notice in writing.

Money Laundering Regulations

In order to comply with UK Law and Law Society of Scotland Regulations we must formally identify all clients for whom we act for the first time and re-check identification for existing clients on a regular basis. This must be done notwithstanding that you may be well known to the firm. Failure to comply with the Regulations is a criminal offence.

To comply with these regulations we must obtain from you TWO forms of identification, one from each of the list noted below. One ID should include a photograph if possible.

1. **one to prove who you are**
2. **one to prove where you live.**

We are required to **physically** compare ID likeness with you so you must attend our office with your ID documents. In distance transactions this means you need to have your ID documents certified by a person in the list noted below, local to you and have him or her send the certified ID to us with a letter on headed paper noting "I certify that this is a true likeness of (your name)"

WE MUST RECEIVE YOUR ID DOCUMENTS WITHIN 7 DAYS FAILING WHICH THE REGULATIONS REQUIRE US TO STOP ACTING FOR YOU UNTIL THE REQUIRED ID IS RECEIVED BY US

If at any stage during your transaction you require to make payment of money into the firm's client account this should normally be done by way of a cheque drawn on your personal bank or building society account. That cheque should be given to us sufficiently early to allow it to clear; 4 working days in the case of a Scottish bank cheque and 7 working days in the case of a Building society or English bank cheque.

If you intend to make payment by way of cash, bankers draft, credit card, bank transfer or payment from the account of a **third party** who is not a party to the transaction you must notify us of this immediately to allow the appropriate verification of the source of the funds to be completed. For example a bankers draft will have to be accompanied by a letter from your bank confirming that the draft was drawn on your personal account .Identification will be required from any third party providing money on your behalf.

Please note that if the required identification or information about the source of funds is not produced sufficiently early in the transaction this may in certain circumstances result in a delay in the transaction proceeding or require us to notify you that we are ceasing to act for you notwithstanding that the transaction is part way through or at a critical stage.

Money Laundering categories

Category1: Driving Licence/UK Passport/ Pension Book/Tax coding (P60) letters/ Building Society Passbook/ Young Persons NI Card/ Employer ID Card/Pensioner's Travel Pass

Category2: Gas, Electricity or Telephone Bill/ Mortgage or Bank Statement/ Council Tax Demand/ Young Persons Medical Card

Persons who can certify ID: Solicitor, Doctor, Banker,

Ideally the documents should be a Passport and either a current Council Tax bill or a utility bill which is no more than three months old and which shows your current address.

PLEASE COMPLETE THE UNDERNOTED TABLES:-:

FULL NAME (including middle name)					
Date of birth					
Place of birth					
ID Documents provided	1.				
	2.				
National Insurance number					
Mothers maiden name					

Terms and Conditions of Business

Unless otherwise agreed, and subject to the application of the 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.

I confirm I have read and understood and I accept these Terms and Conditions of Business

Name (Block letters please)	
Address (Block letters please)	
Signed	
Dated	

PLEASE RETURN ONE COPY OF THE TERMS OF BUSINESS DULY COMPLETED