

Kobalt Law LLP Terms of Business

These Terms of Business contain important information about our services to you and your obligations to us. Please read this document carefully in conjunction with our initial letter.

Our relationship commences from the time we accept your instructions and unless we hear from you within 5 days of the date of our initial letter, we will assume you have accepted our Terms of Business.

All references to 'us', 'we', 'our' are references to The International Law Centre acting through its members, employees, and consultants.

These Terms of Business as supplemented by the accompanying engagement letter apply to each matter we work on for you.

Our Authority

You give us full authority to act for you to the fullest extent necessary or desirable to provide the Services. In particular, we may engage other third parties and otherwise incur on your behalf reasonable expenses of a type, which is necessary or desirable to incur in relation to the services in question.

If we so require, you will contact directly with any third party so engaged by us and assume direct responsibility to them for the payment of their fees and expenses.

What we Aim To Do

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.

We will keep you informed of the progress of your case. We will also report to you explaining the effect of any important and relevant papers that are received on your behalf.

Our Commitment To You

We will represent you and act in your interest at all times. We will explain to you the legal work which is required. We will ensure that you understand the degree of financial risk which you will be taking on (if applicable). We will deal with your queries promptly and efficiently.

In return, we ask the client to respond to our requests promptly and to pay our fees and disbursements without delay.

Business Contact Details

The International Law Centre is trading style of The International Property Law Centre LLP, which is regulated by the Solicitors Regulation Authority who can be contacted at Ipsley Court, Bellinghous Close, Redditch, B98 0TD.

Our Registered office:

Flazel House
35-38 Lemau Street
Loudou
E1 8EW

Tel: +44 (0) 207 1736180;
Fax: +44 (0) 875 111 5361
Email: info@Kobaltlaw.co.uk
Web: www.Kobaltlaw.co.uk

Our hours of business

The normal hours of opening at our offices are between 9.00am and 4.00pm on weekdays. Messages can be left on the answer-phone outside those hours and appointments can be arranged at other times when this is essential.

Quality of Service

We are committed to providing all our clients with the very best service at all times. In the unfortunate event that our services fall short of your expectations we ask you to raise your concerns with the person who has conduct of your file in the first instance.

If the matter cannot be resolved to your satisfaction, we ask that you raise any formal complaint in writing addressed to our Complaints Manager, Ms Stefano Lucatello. Who will work with you to reach a satisfactory conclusion in accordance with the firm's complaints-handling procedure. Full details of how to conduct a formal complaint will be provided upon request.

Progress Updates

We will keep you updated on the progress of your matter and the merits of your case. You must keep us informed of any updates or changes to the circumstances of your case and your personal circumstances. Failure to keep us properly updated may result in an adverse impact on your case.

Conflict of Interest

"Conflict of Interest" means any situation where:-

- a) We owe (or if we accepted your instructions, would owe) separate duties to act in the best interests of two or more clients in the same or a related matter and (those duties conflict, or there is a significant risk that those duties may conflict; or
- b) Our duty to act in your best interests in relation to a matter conflicts, or there is a significant risk that it may conflict, with our interests in relation to that or a related matter; or
- c) We have confidential information in relation to a client or a former client and you wish to instruct us in matter that requires us to disclose that information to you.

We may decline to act for you where accepting your instructions would create a Conflict of Interest or cause us to break an existing duty.

Where our professional rules allow, and subject to satisfying the requirements of those rules (for example by implementing an information barrier), we may act for you and another client, where a Conflict of Interest would otherwise exist, provided that we have the consent of both parties.

Accepting Instructions

If we act on behalf of more than one client in a joint transaction, instructions accepted from one client will be deemed to be from all of you unless otherwise agreed. We encourage you to provide us with instructions in writing where possible. Your instructions to us will always be recorded in writing.

People responsible for your work

The solicitor responsible for dealing with your work is as set out in our client care letter to you. We will try and avoid changing the people who handle your work but if this cannot be avoided, we will tell you promptly of any change and why it may be necessary.

The partner of this firm with final responsibility for work done in this department is Stefano Lucatello.

Identity and Disclosure Requirements required to comply with Anti Money Laundering Requirements

The law now requires solicitors, as well as banks, building societies and others, to obtain satisfactory evidence of the identity of their client. This is because Solicitors who deal with money and property on behalf of their clients can be used by criminals wishing to launder money.

We are required to comply with the Money Laundering Regulations and in particular to verify the identity and permanent address of all new clients. This is to ensure that the policy adopted worldwide by Financial and Government Authorities to prevent the use of laundering systems to disguise the proceeds of crime is achieved.

You will be asked to provide us with a CERTIFIED COPY or ORIGINAL from category one and a copy from one of the documents in category two:

Category 1: Proof of Identity

- a) Current fully signed Passport
- b) Current full UK/EU Driving Licence

-And Receipt-

Category 5: Address Verification

- a) ✓ Utility Bill- (supply of electricity, gas, water or telephone service), which is no less than 3 months old. Mobile phone bills are not acceptable.
- c) Television Licence renewal notice
- d) Council Tax Bill (provide that it is fewer than 3 months old).
- e) Recent Tax Coding Notice.
- f) Recent Mortgage Statement.
- g) Credit Card/Bank statement

(provide that it is fewer than 3 months old, showing current address.

Solicitors are under a professional and legal obligation to keep the affairs of the client confidential. This obligation, however, is subject to a statutory exception. Recent Legislation on Money Laundering and Terrorist Financing has placed solicitors under a legal duty in certain circumstances to disclose information to the National Criminal Intelligence Service. Under the provisions of the Proceeds of Crime Act 2002 ("POCA"), we may be required to make a report to the relevant authorities. Where a Solicitor knows or suspects that a transaction on behalf of a client involves money laundering, the Solicitor may be required to make a money laundering disclosure.

If, while we are acting for you, it becomes necessary to make a money laundering disclosure, we may not be able to inform you that a disclosure has been made or of the reasons for it because the law prohibits "tipping off". Where the law permits us to do, we will tell you about any potential money laundering problem and explain what action we may need to take.

We may terminate the provision of any Services to you, or be instructed to do so by the relevant authorities, if you fail to comply with your obligation to provide evidence of identity or we suspect that you or any other party connected with you or with the Matter is involved in activities prescribed by POCA.

Legal Aid

We do not undertake legal aid work, but it is important that you are aware of Legal Aid. Legal Aid is useful to a litigant because if he loses, his liability is limited to his means-tested contribution, and it is very unlikely the Court will allow the victor to recover any costs against him. For more information, please go to the LSC website www.legalservices.gov.uk or telephone them directly on 0507 759 0000.

Fees

Our fees are calculated taking into consideration all of the circumstances of the case.

Primarily we assess our costs on an hourly rate with reference to the time spent on the matter. We may estimate the likely time the matter will take and quote you a fixed fee.

Fixed fee retainers are non-refundable and will not be deposited in a Client account.

For matters where it is not possible to quote a fixed fee our time spent is calculated by recording items such as; incoming and outgoing telephone calls, reviewing incoming correspondence, drafting and preparing outgoing correspondence, any personal attendance, research time, and time spent instructing experts.

We also assess factors such as the complexity of the case, the seniority of the lawyer involved in the case, the urgency of the matter and the amount of documents involved.

Fixed fees cover the normal work to be undertaken in a Sale, Purchase or other commercial property related transactions or litigation or other international matters as described and will include an element of £50.00 for international telephone calls on your matter. Any telephone calls over and above this, we will invoice you as we charged by our service provider, by means of a calls only invoice.

The estimation of fees given to you do not include disbursements payable to a third party of whatever nature. You are personally responsible for this.

Any quotation we provide will only be deemed to include our legal fees and does not include any VAT payable either in the UK or abroad, or any disbursements arising from your legal transaction, nor does it include surveys remuneration for surveys or other instructions carried out by the Surveyor or other third party professionals and shall not include fees such as land registration fees, search fees or taxes, notaries fees or taxes. Any quotation for work to be carried out will not include any costs for the preparation of a Power of Attorney. It will not cover notaries' fees in the UK for signature of a document, Foreign and Commonwealth Office fees for legalisation of the document, consular fees where applicable, special delivery fees or courier service.

If any unforeseen work becomes necessary, we will be entitled to charge extra fees. We will try at all costs to avoid this situation. However, if deemed

necessary, we will advise you accordingly and attempt to agree with you the additional fees to be charged. If agreement is not possible, we will do no further work in your matter.

Hourly Rates

We will keep you informed of the hourly charging rates of each fee earner working on your case at all times.

Hourly rates are reviewed yearly in January.

Disbursements

In addition to our fees you will also be responsible for the cost of disbursements. These will be the expenses for items such as copying charges, court fees, search fees, legislation fees, stamp duty, expert's fees, travelling expenses, postage, etc. We cannot guarantee the total amount of expenses that will be involved in any matter but we will give you our best estimate of likely expenses at the outset.

VAT

Our fees relating to any English legal work are all subject to VAT. Disbursements will occasionally be subject to VAT. Foreign property does not attract VAT, hence no VAT is payable on foreign property matters. Any other type of international work carried out by this firm, other than property, may be subject to VAT.

Payments to Us

We can accept payment by bank transfer and cash (up to the value of £500.00). We also accept payment by cheque, but you are advised that cheque payments take at least 5 days to clear. Please note that we cannot pay money out on your behalf until we are in receipt of cleared funds.

If you would like to arrange a standing order or direct payment to our client account, please contact our accounts department for our banking details.

Where we hold funds on behalf of a client and we are owed outstanding fees for any matter related to that client, we reserve the right to deduct any amount sufficient to settle our bill before accounting back to that client.

Payments on Account

It is standard practice to request money in advance from our client's in respect of our anticipated costs and disbursements.

We cannot make payments on your behalf or commence work on your case without cleared funds on account.

Unless you have been quoted a fixed fee we require an interim payment on account of our costs as per initial engagement letter.

Deposits and Completion Monies

Please note that we cannot pay out money on your behalf unless we have received funds from you that have cleared through our Bank account. This may delay your transaction as equities will have to be made which may not receive satisfactory responses immediately.

Bills

We will deliver our bill of costs to you at regular intervals throughout your case.

Our bills will outline the nature of the work carried out and will include our costs and any disbursements incurred. You may request a detailed summary of work carried out within three months of the date of the bill.

Payment of our bill is due within 14 days and we reserve the right to charge interest in accordance with the Solicitors Regulation Authority guidelines on any outstanding sums due.

Interim Billing

We will send to you interim bills on account of the total costs and disbursements. These interim bills will be our estimate of costs expended from time to time, and will not represent all costs payable by you. As the case progresses, we will require payments on account to cover certain steps in your case and we will not be able to progress the case further without those payments on account. When we start the case for you we will ask you to make an initial payment on account. Once an interim bill has been delivered to you, we will transfer monies in your client account to the office account in settlement or part payment of the interim bill.

We reserve the right to stop acting for you in the event that your bill remains unpaid.

If for any reason you have any queries relating to our bill please contact the fee earner immediately. You have the right to request an assessment of our fees by the courts or the Solicitors Regulation Authority to determine if our charges are fair and reasonable under Part III of the Solicitors Act 1974.

Interest

The Solicitors Accounts Rules require us, in certain circumstances, to pay you money in lieu of interest on general client account funds that we have held for a period on your behalf, if the amount of interest exceeds £50.00. Where these rules are applicable, we will pay you a sum equivalent to interest at the rate of 5.5% below the base rate of Barclays Bank plc. This payment will be made to you without the deduction of tax so it is your responsibility to account to the Inland Revenue for tax (if any) due on this payment. Alternatively, we may arrange for money that we hold for you to be placed on deposit with our bank, in which case our bank will pay interest net of tax whilst the money is on deposit and we will provide you with a statement in respect of this, when forwarding the net interest payment to you.

Commissions

We are duty bound to account to you for any commission we receive as a result of your instructions in excess of £50.

Where the commission is in excess of £50 we will disclose the amount to you and it belongs to you unless you specifically agree that we may keep it.

Referrals

Where you have been introduced to us by a third party we may pay the introducer a referral fee. Full details of any referral fees paid out by us as a result of your instructions will be disclosed to you in writing.

Responsibility of Costs

As our client you have the ultimate responsibility for paying our costs. Liability will not be passed on to a third party who has agreed to or been ordered to pay our costs on your behalf. Where your case involves litigation we will discuss alternative sources of funding with you.

Generally, if your matter is taken to court and you lose the case, you will become responsible for your opponents costs and disbursements, in addition to costs and disbursements payable to our firm. If you win your case, you will remain responsible for this firm's costs and disbursements, but you would be entitled to payment of your costs and disbursements from your opponents. This, however, does not mean that you are not liable to pay us these costs and disbursements. Normally, the costs and disbursements that you can recover from your opponent amount to the majority of costs you are responsible for to this firm. However, there is always an element of costs and disbursements that your opponent will not be required to pay.

Other information about Costs

Where monies are received in a foreign currency, we may convert this into sterling, where necessary. This will be done within 48 hours of receipt of funds and will be subject to the prevailing exchange rate at our bank.

Normally a period of at least 7 days is needed between execution of contracts and completion to properly undertake the required work. If completion is required in a shorter time, we reserve the right to charge additional fees.

You are reminded that it is your responsibility to ensure that there is sufficient money available to complete the transaction, including costs. In particular, on a sale, all borrowings secured on the property, including any mortgage and/or any other loan, must be provided to us.

You must not sign any contract until you are sure that you can provide all necessary monies. If contracts are "exchanged" and you are subsequently unable to provide the required money, you will be liable to the other party to the transaction for damages, expenses and any losses sustained.

Professional Indemnity Insurance

We maintain Solicitors' Indemnity Insurance in the interests of our clients.

We have a legal duty to tell you about our professional indemnity insurance. We have an obligation to carry out such insurance.

The insurance covers our practice carried on from our offices in England and Wales and will extend to acts or omissions wherever in the world they occur.

Data Protection

We use the information you provide primarily for the provision of legal services to you and for related purposes including: updating and enhancing client records, analysis to help us manage our practice, statutory returns, legal and regulatory compliance. Our use of that information is subject to your instructions, The Data Protection Act 1998 and our duty of confidentiality. Please note that our work for you may require us to give information to third parties such as expert witnesses and other professional advisers. You have a right of access under data protection legislation to the personal data that we hold about you. We may from time to time send you information which we think might be of interest to you. If you do not wish to receive that information, please notify our office in writing.

Financial Services and Tax

We will not ordinarily advise you on the tax implications of your transactions. You must seek the independent advice of an accountant in this regard.

We are not authorized by the Financial Services Authority and limited in the scope of advice we can give on Regulated Investment Activities.

Other

When we deal with matters abroad, we instruct our joint venture partners or agent lawyers to assist us on your behalf. If any part of the work carried out on your behalf will need to be undertaken by professionals overseas such as lawyers, surveyors, estate agents, notaries etc, they will have full responsibility for their work and they usually carry their own professional negligence insurance. We will not be responsible for the level of their work but, will take all possible care when choosing them for you and will always seek to work with professional partners who have a proven track record.

Dispute Resolution / Complaints Procedure

1.1.1 We hope you will have no complaint. To underline how seriously we take complaints, we have a set Complaints Procedure which can be summarised as follows:-

1.1.1.1 If you have any complaint or observation (good or bad) about our service, please say so.

1.1.1.5 Raise any complaint first with the Fee Evaluator assigned to your matter, including any complaint to your bill.

1.1.1.3 If this does not resolve it satisfactorily, bring it to the attention of the Supervising Partner responsible for your case.

1.1.1.4 If this does not resolve the issue satisfactorily, contact the Complaints Handling Manager nominated by the firm to ensure prompt and thorough investigation of any complaint.

1.1.1.5 You will receive a response within 48 hours from the Complaints Handling Manager and a full response within 10 days. Please quote our full reference. He will then open a file for the complaint and commence our formal Complaints Procedure (a full copy of which is available on request). We hope that this will resolve any query before it becomes a problem.

1.1.1.6 If still unresolved at this stage, you may take your complaint to the Legal Ombudsman. Normally, you will have to bring your complaint to the Legal Ombudsman within 6 months of receiving a final response from us about your complaint.

1.1.5 Contact details:

1.1.5.1 The address of the Legal Ombudsman is:

P.O. Box 15870, Birmingham, B30 9EB;

telephone, 0300 555 0333;

or view their website at www.legalombudsman.org.uk;

e-mail enquiries to: enquiries@legalombudsman.org.uk.

Termination

The contact between you as our clients and us as your solicitors is called a "retainer" and is governed by the principles of English contract law.

You have the right to terminate your instructions to us at any time in writing. We will be entitled to hold your file of papers until all outstanding monies due to us up to the date of termination are paid. We will be entitled to charge for the work already done (including client care and conduct) plus VAT per hour. Please note that our fees may exceed the original estimate of costs given to you in the client care letter.

We reserve the right to refuse to continue to act for you with good reason. In the event that we have to exercise this right we will provide you with notice of termination.

We may decline to act for you in certain circumstances but will endeavour to inform you as soon as practicable.

In contentious matters this may be for example for non payment of fees and disbursements and will be without further reference to you, in non-contentious matters this will be with notice.

We may decide to stop acting for you only with good reason, for example: if we cannot continue to act without breaching the rules of professional conduct.

Should the transaction that which you instructed us fail to complete, we shall also be entitled to make a reasonable charge to you for work done up to the point of receiving notification that the matter is no longer proceeding, in accordance with the charging rate referred to above.

Volatile Costs

Should your transaction fail to proceed to completion, then our fee will be based on the fee evaluator hourly charging rate and will be such lesser sum as is reasonable, having regard to the amount of work done by that stage in the transaction, together with VAT and any disbursements incurred.

Data Protection and Confidentiality

We are bound by the requirements of the Data Protection Act 1998.

Additionally we have professional obligations required by law under, but not limited to, the Money Laundering Regulations 2003, Proceeds of Crime Act 2002 and UK Finance Act 2004.

There may be circumstances where we are required by law to override our usual duty of confidentiality towards you.

In these circumstances we may have to disclose personal information to relevant authorities without your knowledge or consent.

Storage of Papers and Deeds

At the end of your matter we shall retain your file in storage for a minimum period of 6 years or the prescribed minimum period set by the Solicitors Regulation Authority. You are entitled to copies of your file for your records. We reserve the right to charge administration fees in connection with providing copy documents and retrieving files from storage post completion.