ADL SOLICITORS

ENGAGING US



Updated Nov 2023

Partner List available on request to registered office

ADL Solicitors

ADL Legal Westminster Law

Solicitors

Regulated by Solicitors Regulatory Authority

COLF COLP: Gerardo Aprovitolo, Partner

Complaints Partner: Nick Lockett, Partner

Deputy Complaints Partner: Gerardo Aprovitolo, Partner

ADL SOLICITORS

WESTMINSTER LAW

CLIENT CARE



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ADL SOLICITORS
0207 929 4311

CLIENT CARE

RETAINER TO ACT

You will have received:

- **Terms of Engagement**
  The terms of Engagement are the Overall Terms and Conditions which together with the Engagement Letters cover the terns of our services.
- **Money Laundering Note**
  An explanation of our duty under Money Laundering Codes
- **Sample Instruction Letter**
  This is how you can send us instructions.
- **Confirmation of the Scope of Engagement**
  This incorporates the negotiated deal with you and covers restrictions in our specific work. It does not cover litigation.
- **Costs Estimate**
  An estimate of costs based on known matters.
- **Cost Guidelines**
  Notes from the Law Society and Ourselves about how to save on your costs

Once you have provided us with the details we need, we will send you our client confirmation of acting. Only once you have this will accept liability for representing you.

In very urgent matters, we may represent you on an interim basis and if we subsequently decline to act for you then you will still be liable for our fees for the initial interim work.

Time Recording

Time is recorded in increments of a “Unit" of one tenth of an hour (6 minutes). We charge time in units of 6 minutes.

Client Confirmation

This is your acceptance that you have instructed us and that you accept the terms of engagement and is the document you have to sign and return to us before we can act.

Overdue payment will result in automatic loss of discount and interest at 8% for fees calculated and accrued daily and 18% for disbursements (reflecting credit card costs).

ACTING FOR YOU

As long as we are acting for you the items referred to above and the terms set out herein form the basis on which we will act

We continue to act for you until :
a) You tell us in writing to stop acting for you; or
b) We give you notice that we cannot or are no longer prepared to continue to act or tell you we have terminated or suspended the retainer.

You will be liable for our costs up to the time you tell us to stop acting for you (and we will be entitled to reasonable fees for placing your file in order upon such request but limited to 4 hours or our time and any disbursements incurred (including counsel and expert fees booked at the time of termination)

UPDATED TERMS
Our terms can be updated on our website at any time and will be effective on publication on the site and if you choose to use us after that date you accept those terms..

Changes to Terms of Representation
Any changes will only be effective if agreed in writing and signed by a Partner and covered by our seal.

By signing the acceptance letter you accept the terms in the above documents and as set out in this booklet.

STOP BUDGET FEES (SBF)
The Client(s) may also stipulate that work should stop once the fees rise above a certain limit: We do not, as a matter of course, stop work on a project just because a certain level of fees in attained but may do so where fee notes are not paid. There will be a higher fee rate for such work. SBF . work is not available for litigation. SBF Fees are payable in advance and non-refundable and Your Fee Note will be marked accordingly. Once the Budget is exceeded we will case work on the matter. SBF is not a fixed fee.

NOTE:

UNLESS YOU ARE PAYING ALL OF OUR FEES IN ADVANCE, WE DO NOT ACT ON THE BASIS THAT OUR REPRESENTATION IS AN ENTIRE CONTRACT.

WE DO NOT NEED TO ACT FROM START TO FINISH FOR YOU IN ORDER FOR YOU TO BE LIABLE FOR OUR FEES.

Where you are represented on a Conditional Fee Scheme for discounted fees and success fees, and any of the following occur, we can terminate our retainer on 7 days notice and decline to attend court during that time (usually seeking an adjournment if necessary - the costs of which you will be liable for):

a) Any of the grounds set out below;

b) if material comes to light that was not advised at the outset and which we believe materially alters risk or outcome;
This is because at that stage the trust and confidence in our relationship has broken down because we cannot be certain that the basis of our risk has changed. This will particularly apply where we have applied a discounted fee scheme,

c) where we believe that the instructions are doomed to failure or where we believe it is no longer in your interests or in our interests to represent you,

d) You are hereby placed on notice that if our fees requested are unpaid for more than 14 days, we may cease to act for you (7 days for litigation) and we may suspend activity immediately upon any fees becoming overdue.

e) where you breach terms of any ATE conditions of cover

f) where matters go beyond our competence or where we believe that you require more experienced representation that we can give.

SEPARATE REQUESTS FOR ADVICE AND REPRESENTATION,

OUR REPRESENTATION OF YOU IS NOT AN ENTIRE CONTRACT FOR THE WHOLE OF A MATTER OR THE WHOLE OF LITIGATION OR FOR NEGOTIATION AND DRAFTING OF AN ENTIRE CONTRACT.

We do not need to act from start to finish for you in order for you to be liable for our fees.

We may terminate your contract at any time for the reasons set out in our client care booklet and you can terminate at will, although you will be liable for our costs and expenses incurred up to the date of termination (and this includes costs of any Counsel's fees incurred at the time of termination and file termination charges, such as orderly closure of your file and costs of handover to other solicitors or notifications to court etc).

The Solicitors Code of Conduct states that a solicitor must not cease acting for a client except for good reason and on reasonable notice however you need to know the following

Provision of Information:

If you fail to provide the information needed within a reasonable time, we will decline to act further for you and in such cases, you will still remain liable for our fees.

Failure to Pay Fees on Request:

If at any time you fail to pay our fees upon request, we will cease to act for you. We will normally try to give you 14 days notice, however if we are acting in litigation matters , we will immediately cease to act for you if fees are overdue and will advise the court that we are without funds and therefore are unable to represent you if fees are overdue by more than 7 days.

In contract matters we will typically agree staged payments and, if we do, each stage is a separate part of the contract.

In pre-action litigation, each matter is a new matter .

In litigation, each stage of Representation is a separate matter. (If we agree staged fees, each stage of fees is a separate matter). We can terminate the retainer at each of the stages of representation.

CEASING TO ACT FOR YOU

The Solicitors Code of Conduct states that a solicitor must not cease acting for a client except for good reason and on reasonable notice however you need to know the following

Provision of Information:
If you fail to provide the information needed within a reasonable time, we will decline to act further for you and in such cases, you will still remain liable for our fees.

Failure to Pay Fees on Request:
If at any time you fail to pay our fees upon request, we will cease to act for you. We will normally try to give you 14 days notice, however if we are acting in litigation matters , we will immediately cease to act for you if fees are overdue and will advise the court that we are without funds and therefore are unable to represent you if fees are overdue by more than 7 days.

You are hereby placed on notice that if our fees requested are unpaid for more than 14 days, we may cease to act for you (7 days for litigation) and we may suspend activity immediately upon any fees becoming overdue.

We may also cease to act for you immediately (although we will try in appropriate circumstances to give you as much notice as possible if appropriate) if you:
a) instruct us to "do anything improper";
b) there is any other breakdown in mutual trust and confidence;
c) if we determine that we can no longer act in the best interests of you as client;
d) if the case is viewed as hopeless, misconceived or doomed to failure and you fail to take our advice on how to proceed;
e) Where acting on your instructions *would cause* a breach of Court Rules or Solicitors Code of Conduct or risk us having a *wasted costs order if we continue to act under your instructions;*
g) are abusive or threatening to staff
h) make a complaint to us which we do not immediately admit, or if you make or threaten to make a complaint to the Regulatory body governing us, as this is a clear breakdown of trust and confidence.
i) there is a breakdown of trust and confidence that we will be paid for our work.
j) Where we advise you to accept settlement and you fail to do so, or where there is any breach of ATE insurance terms as this will also rank as a breakdown in confidence and mean that we can no longer act in your best interests..

Consequences of Termination
We may terminate your contract at any time for the reasons set out herein and you can terminate at will, although you will be liable for our costs and expenses incurred up to the date of termination (and this includes costs of any Counsel's fees incurred at the time of termination) and costs of orderly closure of your file, and notifications to court etc).

TERMINATION FOR REGULAR LATE PAYMENT
If we suspend action more than once during a case because of non-payment of fees,w e can terminate the retainer on 7 days notice, or immediately within the trial window period or any time within 28 days before this.

We may also ask for security for your cost where we are conducting contentious work and if our request is reasonable and not provided, we will cease to act for you until security acceptable to us is provided.

You are hereby placed on notice that if our fees requested are unpaid for more than 14 days, we may cease to act for you (7 days for litigation) and we may suspend activity immediately upon any fees becoming overdue.

CONDITIONAL FEE ELEMENTS OF OUR RETAINER

Where you are represented on a Conditional Fee Scheme for discounted fees and success fees, and any of the following occur, we can immediately suspend representation (including declining to attend court during that time and where appropriate may seek an adjournment if necessary - the costs of which you will be liable for) and terminate our retainer on 7 days notice if:
a) if material comes to light that was not advised at the outset and which we believe materially alters risk or outcome;
b) where we believe that the instructions are doomed to failure as it is not in your interest to incur inevitable costs;
c) if fees are overdue or advance disbursements are not provided;
d) if continued representation would risk professional embarrassment;
e) if any complaint is made about our service which we do not immediately upon notice of complaint admit;

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DOCUMENTS



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Retention of Documents

We do not accept original documents, nor liability for these. All documents provided should be copies and retain the right to scan the copy into electronic files and shred it. We will assume a document is a copy of the original retained by you unless you tell us otherwise.

- We do not undertake with the Client(s) to retain files and documents for more than 12 months after the retainer is closed and it is a condition of our acting is that we are entitled to destroy any papers when we consider it appropriate. Where we have provided a document to a client, electronically or otherwise, we do not undertake to retain a copy.
- As a result of prior abuse, we will not give clients unattended access to files; although you are entitled to inspect it in our offices when accompanies by the solicitor you have instructed (you will incur their time charges for this).
- You will also incur time charges for prior vetting of the files to remove internal file notes etc which you are not entitled to see. (For example where we have given an undertaking not to provide information to our client or where there are internal notes only for our own solicitors accessing the file).
- We can provide a photocopy of your file; however you will pay a copying charge for this.
- When we notify you that the file is to be closed or your retainer terminated, you either obtain from us any papers that you may want or join our “Storage Scheme”.
- When a retainer is terminated, we will, subject to any lien, promptly deliver to you or your new solicitor, all papers and property to which the client is entitled or hold them to his or her order.
- We may charge a fee for holding the files for more than 12 months.
- We do not charge for removing files and delivering them to the client or the new solicitor, but may ask for an indemnity before we do so as we need to keep instruction notes etc for professional indemnity insurance purposes.
- If you have asked for prompt payment discount arrangements, these are provided on the basis that you will store the files with us for 6 years and pay appropriate charges or will provide an indemnity at the end of the retainer and keep your own files. If you refuse to store the files with us for 6 years and pay appropriate charges or provide an indemnity at the end of the retainer and keep your own files you will become liable for 50% of all the discounts given on the fees.

You are, deemed to have given us this authority as a condition of our acting under discount for prompt payment criteria.

A reasonable charge may be made for retrieving documents from a client's file at the request of the client, as this is fee earners' work for which a charge is usually made.

Documents Belonging to the Client

Documents in existence before the retainer commenced may be provided during the retainer. They may belong to the client or to a third party, such as title deeds which have been forwarded to the solicitor acting for a client purchaser, for inspection prior to completion. The solicitor holds such documents as an agent for and on behalf of the client or the third party. On the termination of the retainer the solicitor must deliver them or otherwise deal with them as the client or the third party may direct.

Documents which come into existence during the retainer for the purposes of the retainer and which belong to the client include documents prepared by the solicitor for the benefit of the client and paid for by the client (including draft documents, copies of letters on file written and sent on behalf of the client and correspondence and notes of conversation between the solicitor and a court officials as well as documents involving counsel created or received for the belief it of the client (even if they were also for the solicitor's benefit) including original and copy documents and counsel's brief, witnesses' statements, experts' opinions and reports, and counsel's opinions. Also included would be receipts for disbursements incurred on behalf of the client.

Documents Belonging to the Solicitor

Documents prepared by the solicitor for his or her own benefit or protection, and which are not treated as chargeable to the client, belong to the solicitor including:

- copies of letters written to the client
- diary entries
- memoranda of work done or to be done
- memoranda of in-house conversations
- time sheets, computerised records, office journals and books of account
- notes of attendance and conferences
- records of dealings with client money.

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DOCUMENTS



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0844 660 4100

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PAYMENT

Following termination of the retainer we may be entitled to hold your file until we are paid outstanding fees.

Payment
The Client(s) are liable for payment of all Charges

If settlement or judgment funds are paid direct to the Client(s) without going through the books of the firm then the Client(s) must make immediate arrangements for payment to the firm.

Each Client(s) is individually jointly and severally liable for all Charges This may include managers and Directors as set out in our engagement letter.

Advance Payments of fees are non-returnable where staged or fixed fees are agreed. Work for a client when we ask for advanced fees is booked when payment is made and liability incurred in full at booking and no refund is possible.

We may require reasonable payments in advance of disbursements.

Overdue payment will result in automatic loss of discount and interest at 8% for fees calculated and accrued daily and 18% for disbursements (reflecting credit card costs).

General Matters
You must act sensibly and responsibly and try not to unnecessarily extend work.
If the cost is critical to you, ask for regular billing, either on a periodic based regime (quarterly,
monthly or even weekly) or when fees reach certain specified levels, please tell us and if you do not receive fee notes often enough please let us know immediately.

Budgets and Payment
The Client(s) must be aware that Invoices are due for settlement when issued.

STOP BUDGET FEES (SBF)
The Client(s) may also stipulate that work should stop once the fees rise above a certain limit: we do not, as a matter of course, stop work on a project just because a certain level of fees in attained but may do so where fee notes are not paid. There will be a higher fee rate for such work. SBF . work is not available for litigation. SBF Fees are payable in advance and non-refundable and Your Fee Note will be marked accordingly. Once the Budget is exceeded we will case work on the matter. SBF is not a fixed fee.

An Administrative fee may be charged for supplying information but no charge is made when a bill is
issued.

Failure to Pay Fees on Request:

If at any time you fail to pay our fees upon request, we will cease to act for you. We will normally try to give you 14 days notice, however if we are acting in litigation matters , we will immediately cease to act for you if fees are overdue and will advise the court that we are without funds and therefore are unable to represent you if fees are overdue by more than 7 days.

You are hereby placed on notice that if our fees requested are unpaid for more than 14 days, we may cease to act for you (7 days for litigation) and we may suspend activity immediately upon any fees becoming overdue.

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LITIGATION

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PROCEEDING INTO LITIGATION

1. As the matter involves litigation and does not appear to be capable of settlement, there are a number if matters that we must advise you about in relation to our representation as these are covered by our regulatory rules:

2. **Court Cost fee requests** will be issued under separate payment request once you have decided to issue proceedings or to make an application.



3. The request will usually be to pay the funds by way of a cheque made payable to H.M. Courts Service or H.M. Ministry of Justice, although in exceptional cases we may request payment to our office fees account. (Court Fees paid to our office fees account are non-refundable even if the case settles and the Court Fee is not paid. At our discretion, we may give credit against such fees against our other work conducted or being conducted (although where Court Fees are requested and the case settles prior to issue, there are usually additional costs which exceed the amount of the Court Fees.).

4. **Recovery of Costs:** You should be aware that you will normally only recover between 60% and 85% of fees incurred in litigation even if you are successful.

5. **Use of Counsel:** There will be use of Counsel for hearings and advice from time to time. We will require all fees for Counsel in advance prior to booking Counsel. Counsel Fees are not refundable once booked. The same applies for agents, experts, overseas lawyers and the like.



6. **Counsel hearing fees** are payable in advance. All Court hearings are attended by Counsel.

7. When it comes to trial, we will agree with Counsel a Brief Fee. This consists of two parts:

1. **Counsel first day fee (Brief Fee)** is incurred at the time of delivery of papers to Counsel as it includes the preparation of the case) and the first day's trial fee and the fee is payable even if the case settles after papers have been delivered.

2. **Counsel Refresher fees** are payable for appearance in court at main trial but excluding the first day. first day fee (Brief Fee) is incurred at the time of delivery of papers to Counsel as it includes the preparation of the case).

CONSEQUENCES OF PAYING OUR FEES LATE!

1. **Late payment and representation:** If funds are paid late then chosen Counsel may not be available and there may be additional costs in applying for an adjournment or getting another Counsel up to speed. You may also be liable for the other side's similar fees.



2. We may remove ourselves from the record (i.e. notify the Court that we no longer represent you as we are not in funds).

3. **Automatic Cancellation of Representation.** In the event that requested funding (a Fee Request) is not made within 7 days of first request, the firm will automatically file a notice before the Court withdrawing its representation of your company and will cancel Counsel.

4. If there is an adjournment request caused by late or failed payment and this is not granted, the firm will not go back on the record until the adjournment is granted and will make any future representation contingent upon the adjournment being granted. We may also require you to provide a bank guarantee for our fees (and disbursements such as Court costs and Counsel's fees) before we agree to act for you.

5. In the case of an adjournment request where we are not currently appointed, you may be required to sign the adjournment request as a litigant in person.

Basis of charge

Charges are based on an hourly rate although this is assessed in 6 minute units.

We do not operate fixed fee arrangements



Cessation of Litigation:

6. If you pull out of the litigation, except under agreed settlement, you will probably be liable for the other side's costs to the date of pulling out.



FEE ESTIMATES

NB: Fee estimated and quotes do not include overseas service and representation fees and the responsibility for service is that of the overseas service agent and not ourselves and all liability is disclaimed for overseas service and hearing issues. You will need to sign an appointment agency letter for the overseas service agent.

Fee Estimates will not include VAT, nor all disbursements etc.

1. **Estimates of Costs:**
   In light of the recent case of Reynolds –v- Stone Rowe Brewer which ruled that solicitors must provide accurate costs estimates, we are no longer able to apply our traditional costs reduction processes when providing costs estimates as the ruling required that an accurate estimate must be provided at the outset and that a solicitor cannot materially update that estimate except in light of unforeseen events.

2. The judge held that the defendant solicitors were bound by their original inadequate costs estimate, despite updated and increased estimates being supplied to the client on a regular basis, and that they could only charge the client in accordance with that original costs estimate.



3. **This presents solicitors with a dilemma as excessive costs estimates may result in scaring a client away from litigation when they should not be concerned about costs because the case is a strong one; however it requires us to estimate the likely maximum fee.**

4. **As a result, in relation to any multi-track case, you will now incur counsel's fees in agreeing the costs estimate and possible costs draftsman's fees in relation to this. These could be up to £2000 (or for cases over £100,000 in fees even more).**

5. You will be required to fund this as soon as we receive likely



6. Solicitors are required by their rules of conduct to provide clients with the "best information possible about the likely overall cost". Whilst it is unclear what exactly constitutes "best information possible" the rules clearly state that clients should properly and regularly be kept informed about costs in writing. This also applies if there is a change in circumstances which may or will affect the costs and as soon as it appears that a costs estimate may or will be exceeded. Solicitors must also clarify at the outset if the estimate is intended to be fixed.
   Our quoted fees and estimates are not fixed.



Legal expenses insurance

1.It is possible to obtain insurance against the costs of bringing or defending a legal claim, either before the need to do so (before the event insurance or BTE) or after it (after the event insurance or ATE).

2. If it is available, it can have major implications.

3. **Before the Event (BTE) Insurance**
Often BTE is available as an add-on to a household or motor or business policy, and many people may have it without realising it. It is not usually available to commercial organisations except for employment disputes although you can take out specialist policies but it is important that no hint of a problem has arisen at that stage, or if a hint of a problem has arisen that you tell the insurer.

4. Insurance is on an uberrimae fides basis- utmost good faith and terms of the policy vary widely between insurers: some cover only certain types of dispute and exclude others.

5. Some policies also limit which solicitors can be instructed, requiring one of the insurer's own panel solicitors to be used. All will impose a limit on the total costs cover available, for example £250,000, which will include the policyholders costs and their opponents, and any disbursements incurred such as Court fees, and those of counsel and experts. Often policies bundled for free with other insurance only cover £50,000 of fees which is totally inadequate in today's litigation. You should be insuring at least £250,000 (per incident) BTE cover.



6. If BTE is available, a claim must be made under the policy as soon as possible by notifying the insurer as many are time-limited from the date on which the policyholder is or should be aware of the potential claim.

7. If cover is granted the terms of the cover usually require that your Solicitor will send bills direct to the insurer, but also require your Solicitor to keep the insurer fully informed of the position. If as the case develops the prospects of success change for the worse, or you behave unreasonably in refusing to follow the advice of Counsel for instance, the insurer may withdraw cover. BTE cover may also (dependent on and subject to its terms) provide you with protection from the legal costs of your opponent if you lose the case at trial, and also from the consequences of your making a part 36 offer which is accepted.

8. We can usually point you in the direction of BTE commercial and intellectual property insurance brokers, but will charge our time for this. We do not take commission on any insurance you take out.

AFTER THE EVENT INSURANCE

1. After the Event Insurance is a type of legal expenses insurance policy that provides cover for the costs incurred in the pursuit or defence of litigation. The policy is purchased after the cause of a legal dispute has arisen, which is why it is called as "After the Event" insurance. It is also known as ATE insurance, Litigation Insurance, Conditional Fee Insurance, Post-Event Insurance, AEI or LEI Insurance.

2. ATE insurance can be purchased for nearly all areas of litigation and is frequently used in both civil and commercial disputes.

3. Insurance can be purchased for cases requiring modest limits of indemnity, through to big ticket, heavyweight litigation requiring over £10m of cover for legal costs.

4. Payment of the ATE premium is generally deferred until the conclusion of the case and contingent upon success. In addition to which, in this jurisdiction, ATE premiums can be recovered from the other side under the “loser pays” costs principle. (Although this is likely to change soon).

5. ATE insurance is therefore equally relevant to private individuals, impecunious or insolvent clients, SMEs or large blue chip companies.

6. Usually the application needs to be supported by documentation and a preliminary view of your Solicitor and Counsel as to the basis of the claim and the probability of success. If we have already sought advice from Counsel, we will ask Counsel for an assessment to support the application and you will have to pay for his time in so doing. (This is usually between 2 and 4 hours at hourly rates of between £250 and £500 per hour +VAT). This is because the underwriters will inevitably want the lawyer’s views on certain aspects of the case, such as the key arguments, the legal issues, the prospects of success and the likely costs involved.

ATE cost is very much higher and the premium can often be prohibitively so for many people.

7. Also the policy will not cover your own legal costs, but will protect you from picking up the other side’s costs up to the limit of the policy if you lose your case. If you succeed in your claim, you will be able to recover the reasonable costs of the policy itself. It is often used in combination with a conditional fee agreement with your own solicitor.
8. In its simplest form, ATE insurance covers the client’s liability for their opponent’s legal costs, whether that liability arises from a defeat at Trial, discontinuance or some other outcome, such as the failure to better a Part 36 offer for example.

9. In addition, most clients also opt to insure their own disbursements, including Counsel’s fees. It is important to note that ATE insurance will not cover the client’s own disbursements on an interim basis, but only at the conclusion of the case in the event of an unsuccessful outcome.

10. In certain circumstances, it may also be possible to negotiate cover for the client’s own solicitors’ fees, or a proportion of such fees. Once again, if own solicitors’ fees cover is purchased, the policy will only respond at the conclusion if the case is unsuccessful.

Recoverable Premiums:

1. In England & Wales, an After the Event insurance premium is, in principle, recoverable by the successful litigant as part of their costs from the paying party (Access to Justice Act 1999).

2. Should an opponent challenge the recoverability of a premium, the specialist team at the insurer will be on hand to provide independent expert evidence in support of the recovery.

Deferred and contingent upon success Premiums:

3. Premiums are usually available on a deferred and self-insured (or contingent upon success) basis, which means that the premium is only payable at the conclusion of the case, and then only if the case is successful.

4. If the case is unsuccessful, a claim can be made under the policy for the insured legal costs and the insurer does not collect a premium.

5. ATE Insurers are therefore effectively speculating on the case succeeding in order to earn any income.

Premium discount for early settlement:

6. ATE Insurance premiums will almost always have some form of premium discount factor built in. This means that the premium effectively increases, in line with the insurer's financial risk, the closer the case gets to Trial.

7. This means that the premium remains broadly proportionate to the cost exposure and provides the opponent with the incentive to settle the case early in order to face a reduced liability for the premium.

How we make an application for After the Event insurance or funding
Applying some consideration to the presentation of the case can be invaluable. Some underwriters and funders will reject over 50% of the cases that they see, so it is imperative to ensure that the case is presented in a clear and concise format.

Provide a case summary
Whilst the pleadings or Counsel's advice (if available) may well provide a useful summary of the background and important facts, underwriters and funders generally like to see a covering letting or short summary from the instructed lawyers setting out the circumstances and the proposed case strategy.

Detail why client is likely to succeed in the covering letter
This demonstrates to the underwriters/funders that the issues have been consideredand needs to show reasoned conclusions.

A useful approach is to pre-empt the opponent's possible arguments and detail why it is believed that such arguments are flawed. Bear in mind that the underwriter/funder is an independent third party with no prior knowledge of the case, so it is crucial to provide enough information to enable them to understand and assess the merits.

Detail your view on claim value (if monetary remedy) and enforcement
A realistic valuation of the claim is always important, however funders, in particular, will need to be confident that the estimated claim value is as accurate as possible and that there is a good chance that any award will be enforceable.

The proposal form contains some questions on this issue, however where appropriate, we may need to provide any additional information in your case summary, including what steps have been taken to ensure that the opponent will be able to satisfy any award, if they are not insured.

Supply the material documentation in support of the case
Whilst underwriters/funders will take into consideration the solicitors/Counsel's views on the prospects of success, ultimately they will need to form their own views on the merits of the case.

Accordingly, it is necessary for underwriters to see all the material information in support of the case.

That said, if the documentation is particularly voluminous, with some information less relevant than others, then it is generally prudent to inform the underwriters that you are supplying what you consider to be the material documentation, however that additional documentation can be made available if required.

A schedule of the documents that are available can be a very useful way of achieving this.

Refer the underwriter/funder to key documents

Remember, you will know the case better than the underwriter/funder. Accordingly, to save time it can assist to highlight the crucial supportive documents in your case summary.

The result of these detailed steps is that we will take 1 to 2 days to prepare the documentation for the ATE quote and this will incur costs of between £200 and £4,000 + VAT, excluding Counsel's Fees.

Costs Calculator

Please note!

Actual time spent may be substantially greater or less than the estimates shown below and will depend upon the attitude of the other party and their representing solicitors. Your particular time estimate will be provided separately from this booklet and is done in two parts.

The table represents a model. Actual cases can and do vary enormously from the model shown.

No account is taken of the significant time which may be involved in considering and risk-assessing possible alternative and settlement arrangements which will be estimated on a case by case basis and outside this estimate.

The model estimates assume the claim in question is relatively simple requiring minimal input from an expert which is used for cases, typically, which are worth less than £50,000.

Before proceeding always check whether legal expenses insurance is available and covers the claim in question.

SMALL CLAIMS

The Small Claims Court is for low value claims where costs cannot be awarded but you should note that, prior to the Allocation of the case to the Small Claims Court, costs can sometimes be awarded.
We would not expect fast track due to the complexity of this case.

FAST TRACK

The Fast Track model envisages very limited use of Counsel and this has various impacts:
a) for preliminary advice and advocacy at trial where this form of representation will be more cost-effective for the client than having a solicitor present, we may do this.
b) solicitor fee earners always charge at a higher hourly rate than Counsel because of the overhead base of a Solicitors' business is different;
c) certain use of counsel may not be recoverable.
We would not expect fast track due to the complexity of this case.

HIGH COURT

The reliability of the estimates of time and disbursements is more unreliable given the greater complexity of these cases.
It is, at best, no more than a simple illustration.
Each case should be estimated on its own facts and issues.
If a pre-action protocol applies add £20,000 in our fees plus VAT.

How we assess your case costs:

We provide you with a very brief outline of possible costs to give you an idea.
If you decide that this is something you can proceed with, we will then do a detailed assessment and this will incur the full preparation of a costs analysis and advice by Counsel. (£250 to £500+VAT)
If you want ATE, we will then proceed to obtaining the costs of the ATE.

PLEASE REMEMBER THAT THIS GUIDE IS BASED ON A SIMPLE CASE WORTH ABOUT £50,000 to £75,000 and based on contractual dispute and that your case could be dramatically different.
An intellectual property case or IT case will typically have a £100,000 to £250,000 cost on each side.

SAMPLE - THIS IS NOT A COSTS ASSESSMENT FOR YOUR CASE

	Stage	Possible Uplift based on difficult relationships with opposing solicitors or with a belligerent opposing party	County Court £15,001-75,000		High Court Above £75,000	
1.			Time (hours)	Cost	Time (hours)	Cost
2.	Taking instructions	25% to 50% uplift	8 to 14	2600 to 4550	20 hours	£6,500
3.	Considering issues such as jurisdiction/ security for costs/ foreign enforcement	25% to 50% uplift	1	£325	3	£975
4.	Preparing initial written advice and recommendations	25% to 50% uplift	2	£650	3	£975
5.	Phone Calls at initial stages	25% to 50% uplift	5	£1,625	6	£1,950
6.	Instructions to Counsel	25% to 50% uplift	3	£975	6	£1,950
7.	Advice from counsel	25% to 50% uplift	D	£2,000	D	£2,500

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Excludes applications for directions, other applications (including for summary judgments)

PLEASE REMEMBER THAT THIS GUIDE IS BASED ON A SIMPLE CASE WORTH ABOUT £50,000 to £75,000 and based on contractual dispute and that your case could be dramatically different.

An intellectual property case or IT case will typically have a £250,000 cost on each side.

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AN OFFER TO SETTLE

1. If you receive an offer to settle, you are advised to consider this. If you fail to beat the offer at trial, the judge may be more generous in awarding costs. Even if you win money from the other side, the judge could still award costs against you if he or she assesses that it was reasonable for you to accept the offer.

2. The Civil Procedure Rules are, as the name implies, a set of rules that governs how cases in Court are run, and which also govern the parties to those proceedings and their solicitors. The Civil Procedure Rules (or “CPR" as they are known for short) encourage the parties to settle a claim by negotiation before and during the proceedings. Both the Claimant and the Defendant may make offers to settle under part 36 of the Civil Procedure Rules, which are not disclosed to the Judge until after the trial is held and judgment is given, and the Court is considering who should pay the costs.

3. Part 36 states what will happen if an offer is made and accepted, or made and rejected.Normally the winner of a trial has their costs paid (although the Court has complete discretion to award costs). A part 36 offer can affect the decision of the Judge as to who should pay those costs, and how much those costs should be. These offers are made by formal letter and are automatically withdrawn after a certain period (which cannot be less than 21 days after they are made). After that date they can only be accepted if the parties agree or the Court orders it.

4. However, part 36 of the Civil Procedure Rules also states that, if the Claimant accepts the offer, the Defendant must also pay the Claimant’s “reasonable costs” up to the date the offer is accepted. It is not therefore possible to make a part 36 offer inclusive of costs. The other point to bear in mind is this; the amount offered under a part 36 offer (if accepted) must be paid within 14 days of acceptance unless the Defendant is prepared to extend the timetable.It is therefore essential that any offer to settle is made as early as possible. If the offer is accepted, the Claimant’s costs that the Defendant must then pay will be minimised; if rejected and the Claimant fails to beat it, the amount of costs that the Defendant will be able to recover from the Claimant will be maximised. It is also essential to be certain that if you are making a part 36 offer you can afford to pay the offer within 14 days and to pay the costs of the Defendant once they are either agreed or assessed by the Court.

5. Tactically, part 36 offers are very significant when a case gets to trial. Both Claimants and Defendants can make offers, and they have different consequences when the case comes to Court. For a Claimant, if the Court awards the Claimant more in damages than his or her offer, then the Court may in addition award the Claimant indemnity costs, interest on those costs, and also interest on the damages. If the Claimant doesn’t beat their own offer then they will just get the amount ordered and interest plus their reasonable costs.In contrast, if the Claimant fails to beat a Defendant's offer then they will get the amount ordered plus their costs up to the date they could have accepted the Defendant's offer, but they will have to pay the Defendant's costs after that date plus interest on those costs and their own, and they will include the costs of the trial.

6. To take an example, suppose a claim is worth £10,000. The Defendant could offer to settle the claim for that amount together with the Claimant’s reasonable costs even before proceedings are issued but let’s say the Claimant rejects it. If the amount finally awarded at the trial is £10,000 or less, the Defendant will have to pay the Claimant the

1. £10,000 but the Defendant can then ask the Court to order the Claimant to pay all of the Defendant's costs from the last date on which the Claimant could have accepted the Defendant's part 36 offer. The Claimant will only get his or her reasonable costs up to that date. If the parties have each spent £10,000 in legal costs getting the case to trial, then in this example the Claimant will get £10,000, but will have to pay £20,000 in costs. The Defendant will only have to pay £10,000 plus the Claimant's costs up to the date the part 36 offer expires-if made early enough, these costs are likely to be minimal.

2. For a Claimant the effect is even more dramatic; suppose the Claimant makes an offer to settle of £10,000 before the proceedings start and the case takes 3 years to get to trial, at which point costs are £10,000 on each side. If the award is £10,000 the Court can be asked to order the Defendant to pay interest on the £10,000 at up to 10% above base rate from the date of the Claimant's part 36 offer. If the base rate is 5%, then the total interest could be as much as £4,500. In addition the Claimant will be able to claim costs on an indemnity basis plus interest on those costs at a rate not exceeding 10% above base rate. The Defendant would have to pay £14,500 plus £20,000 costs plus interest on the Defendant's costs.As a result of these potentially draconian consequences, a part 36 offer early in the proceedings or even before them can be very effective.

SETTLEMENT SUMMARY

1. It has always been sensible for parties to a dispute to explore ways of settling. Offers of settlement can now be made in a way which puts great pressure to settle on the opponent. This tactic is known as a 'Part 36 Offer'.

2. Timing
An offer to settle can be made at any time, even before the court issues proceedings. Any offer to settle already made can be improved upon at any time.

3. Procedure
Part 36 Offers have different effects depending whether they are made by the claimant or by the defendant.

In both situations:-
· The offer must be put in writing to the opponent and a copy of it provided to the court.
· It must be clear that it is a Part 36 Offer.
· The sum which the defendant is willing to pay (if it is a defendant's offer) or the claimant is willing to accept (if it is a claimant's offer) must be named.
· It must be clear what the offer covers - e.g. particular claims or issues only or all claims.
· 21 days must be allowed from receipt of the offer for the other party to accept.
· If the offer is accepted within 21 days, that effectively ends the case (or the issue if the offer only related to a particular issue) and the other party is entitled to receive their costs* assessed on the standard basis relating to whatever has been resolved.
· If the offer is not accepted within 21 days, the case (or issue) carries on. The trial judge is not told that there has been an offer to settle, let alone the amount offered. He or she will decide the case without being in any way influenced by this.

4. The defendant
In respect of a defendant's Part 36 Offer:-
· If there is a claim for money a defendant's Part 36 Offer cannot be made without the defendant paying into the court office the amount being offered in settlement of the money claim.
· If the court's award is greater than the amount offered, the claimant will get the costs* order they would have got anyway, had there been no such offer.·

If the court's award is less than the amount offered, the claimant will almost certainly suffer stiff penalties on costs*. The claimant should get their costs* on the standard basis up to the latest date when the defendant's offer could have been accepted. However the claimant will probably have to pay the defendant's costs* (possibly on the more generous indemnity basis) after that. In addition the claimant may have to pay interest on the costs* awarded to the defendant.

5. The claimant
In respect of a claimant's Part 36 Offer:-
· If the court's award is less than the amount the claimant offered to accept, the claimant will get the costs order they would have got anyway had there been no such offer, assessed on the standard basis.
· If however the court's award is greater than the amount the claimant offered to accept, the claimant is likely to get their costs* assessed on the more generous

indemnity basis. In addition the court can give the claimant interest at rates up to 10% above the base rate of the Bank of England. This interest can apply to both the amount awarded by the court and the claimant's costs*.

6. Other

Any party receiving a Part 36 Offer must therefore give it very serious consideration. A Part 36 Offer cannot be made in respect of a claim which has been allocated to the small claims track*.

COURT PROCESS

This may differ in Specialist Courts.

The purpose of this note is to explain what this process is, and what duties this imposes upon both you and your solicitors.

The start of the claim
The Claim is issued and there is a timescale wihtin which the Claim must be served. until it is served, it is not effective on you.

A Form called an "Acknowledgement of Service" is sent with the Claim Form to the Defendant.

Within 14 days of receiving the Claim Form, The Defendant must send to the Court The Acknowledgment of Service asks the Defendant to indicate whether a defence will be submitted, and a copy of the Form is sent to the Claimant.

If the Defendant does indicate that a defence will be submitted, then this must be sent to the Claimant and the Court within 28 days of receiving the Claim Form (or longer if the Claimant agrees). If the Acknowledgement of Service is not sent in, the Claimant can enter judgment in default of defence 14 days after service of the claim form.

Where the case is nonsense, you can make an application to strike out the case straight away.
Where the defence is nonsense, you can make an application to strike out the defence straight away.

Summary judgment
The court may award judgment to a party at this stage, thus bringing a case to an early conclusion. It may do this against a claimant or defendant on the whole of a claim or on a particular issue if it considers that:

a) The claimant has no real prospect of succeeding on the claim or issue
b) The defendant has no real prospect of successfully defending the claim or issue or
c) There is no other reason why the case or issue should be dealt with at trial

Both claimants and defendants may apply for summary judgment and indeed the court itself may give summary judgment of its own initiative.

The allocation questionnaire
Once a defence is filed, the Court will send an allocation questionnaire to both parties asking for details of the case, which has to be returned within 14 days. It also asks for any dates that the parties or their witnesses will not be able to attend a trial. The Claimant also has to pay a Court fee. The District Judge considers the issues raised by

either makes a directions order or sets a hearing date for the parties to attend, when the order will be made.

The directions order
The Judge may make a directions order either without a hearing, or after he has heard from both parties at a hearing at the Court or by telephone. The order is then sent to both parties (or their solicitors if they are represented). The order will set a timetable that both parties must adhere to. One of the first matters that the Court will require the parties to deal with is disclosure.

Procedure for standard disclosure (Very Important)
Your solicitors will prepare a list of documents in a standard form from the documents you supply to us. The list will identify all of these documents, and also indicate any documents over which you claim a right to withhold inspection ("privileged documents"), and documents that are no longer your control (and what has happened to them). The list will include a disclosure statement, signed by you. A disclosure statement is a statement setting out the extent of the search that has been made to locate documents, certifying that you understand the duty to disclose documents and that you have carried out that duty. This list is then sent to the other party in exchange for their list, and each party then has a right to have copies of any document in the other's list.

What documents are to be disclosed
Standard disclosure requires you to disclose the documents on which you rely and any documents that adversely affect your own case or support the other party's case. The Court may also make an order for specific disclosure in some cases, in other words for documents of a particular sort or category. Your solicitors as individuals are officers of the Court, and must not mislead it. This means that if they are aware of documents that should be disclosed they owe a duty to the Court to do so. This duty is in addition to the duty they owe to you as your solicitors, and over-rides it. "Document" means anything in which information of any description is recorded. This therefore includes photographs, video recordings, and computer information on hard drive or removable media such as floppy disks. It also includes emails.

The duty of disclosure
Your duty to disclose documents is limited to documents that are or have been in your control. This means having physical possession of it, or a right to possession of it, or a right to inspect or take copies of it. A copy of a document that contains a modification, obliteration or other marking or feature on which you intend to rely or which adversely affects your case or another party's case is treated as a separate document. Your duty of disclosure continues until the proceedings are concluded. If documents come to your notice at any time during the proceedings, you must immediately notify the other party of it. It you fail to comply with your duty, any order or judgment that is made in the claim could be appealed or set aside.

Privileged documents
You are not obliged to disclose documents that are generated by or in expectation of the claim itself. This means that letters between you and your solicitors do not need to be disclosed, provided they relate to the claim that is being brought.

If, however, they are relevant to the dispute but were not generated by it then they must be disclosed. For instance, if you bring a claim about your purchase of some land, then the other party's solicitor's file relating to the purchase is discloseable, but letters relating to the claim that is then brought by you are not.

Duty of search
You are required to make a "reasonable" search for documents. What is meant by "Reasonable" depends on a number of factors, including the number of documents that would be involved, the nature and complexity of the proceedings, and the significance of any document that is likely to be located during the search.
Where you have not searched for a category or class of document on the grounds that to do so would be unreasonable, the disclosure statement must state this and identify the category or class of document.

Exchange of witness statements
Litigation in this jurisdiction does not permit the taking of depositions, save in very limited circumstances. Lawyers here, however, may prepare depositions for use in proceedings abroad.

The parties' respective witnesses compile witness statements, verified by a statement of truth and setting out the facts from their perspective. These are exchanged well before trial. Witnesses may be called to give their evidence at trial and be questioned or 'cross-examined' on the contents.

Expert evidence
Where a case cannot be determined by the court without the input of an expert in a particular field, expert evidence is likely to be required. The parties often jointly instruct an expert to prepare a report and give a view on the facts. This keeps costs to a minimum. However, in some cases, parties instruct their own experts. Experts are often required to attend court so that they may be questioned further or cross-examined on their report.

Trial
If the parties are unable to settle the case prior to trial, the court will hear the case in full and pronounce judgment. The parties' legal teams, made up of solicitors and barristers, the parties themselves and witnesses will attend. The parties' legal representatives will make submissions on points of law in support of their case and witnesses (including experts) and the parties may be called to give evidence and be cross-examined.

As a general rule, the successful party in the litigation, if they have acted reasonably throughout, can expect the court to order their costs to be paid by the other party. Sometimes costs may be agreed by the parties but in default of this, the court will decide the amount payable. Usually, the costs awarded by the court to the successful party cover only proportion of the costs they have incurred.

Applications
You should remember that if you ask us to make an application and you lose the application, even if you have a really good case in the final trial, you will probably be expected to pay the costs of the party winning the application. You should therefore only make applications after careful consideration.

Security for costs

Sometimes, it may be that there is doubt as to whether the claimant could pay a costs order made against it. In certain circumstances, within the court's discretion and upon application, an order of security for the defendant's costs may be made, which may be satisfied by the claimant making a payment into to court or providing an appropriate bond or guarantee. Security can be ordered against an impecunious company or an overseas claimant (to whom none of the various international convention exemptions apply).

Costs following discontinuance of proceedings against a party pursuant to CPR 38.6 - A Warning

In the recent case of Far Out Productions Inc -v- Unilever UK & CN Holdings Ltd and 3 Others [2009] EWHC 3484 (Ch), the Claimant had commenced proceedings for copyright infringement against 4 Defendants, but subsequently, discontinued the claim as against the Fourth Defendant and applied for the Court to depart from the usual rule in respect of costs under Part 38.6 which renders the party which discontinues a claim liable for the standard basis costs of the other party.

By way of background, the Claimant owned the rights to a sound recording of a composition which was used as the soundtrack to a cartoon produced by the Fourth Defendant to advertise the First Defendant's product, Marmite. Unbeknown to the Fourth Defendant, and unexpectedly, the Third Defendant Advertising Agency who had commissioned the cartoon had not obtained permission from the Claimant to use the music.

After the action was discontinued as against the Fourth Defendant, the Claimant sought relief from the usual costs sanction on the basis that it was necessary to bring the proceedings and to join the Fourth Defendant and on the basis of the proceedings having taken a long time to resolve due to the unreasonable failure of the First and Third Defendant to negotiate sensibly.

The Court held that the Claimant had not provided a valid reason from departing from the usual rule and it was noted that there was no significant evidence to support any allegations against the Fourth Defendant. The Court went on to order the Claimant to pay costs against the Fourth Defendant on an indemnity basis as it had started proceedings against the Fourth Defendant which were unlikely to proceed, there was no sensible reason to bring such proceedings, which were unduly protracted thus placing a heavy burden of costs on the Fourth Defendant and it was also held that the Claimant had failed to negotiate sensibly. Because the proceedings had been discontinued, the party against whom serious allegations had been made had been deprived of the opportunity of vindicating himself.

Fees in Court

These are a guide only and fees may change after the date of printing of this document. Specialist Court Fees may differ

FEE DESCRIPTION	SUPREME COURT FEE	COUNTY CO URT FEE
	£	£
Request for Inter Partes and Solicitor's Act Assessment	See seperate table	See seperate table
Request for both Inter Partes and Legal Aid Assessment	See seperate table	See seperate table
Request to Issue Default Costs Certificate	**60**	**60**
Application to set aside a Default Costs Certificate	100	**100**
On applying for the court's approval of a legal aid costs certificate	50	**50**
On an application on notice where no other fee is specified	75	75
On an application by consent or without notice where no other fee is specified	40	40
Application under the Solictors Act	40	40
Costs Only Proceedings Application	40	40
Appeal against a decision made in detailed assessment proceedings	200	**200**

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Table of fees payable on a Request for Inter Partes and Solicitor's Act Assessment from 1st October 2007 in both Civil and Family Proceedings

	Where the amount of the costs to be assessed...	
(a)	does not exceed £15,000	£300
(b)	exceeds £15,000 but does not exceed £50,000	£600
(c)	exceeds £50,000 but does not exceed £100,000	£900
(d)	exceeds £100,000 but does not exceed £150,000	£1,200
(e)	exceeds £150,000 but does not exceed £200,000	£1,500
(f)	exceeds £200,000 but does not exceed £300,000	£2,250
(g)	exceeds £300,000 but does not exceed £500,000	£3,750
(h)	exceeds £500,000	£5,000

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Trial Fees will also be payable
This table may change from time to time and you should check the current fee site on the Ministry of Justice or Court Service website

Counsel first day fee (Brief Fee) is incurred at the time of delivery of papers to Counsel as it includes the preparation of the case)

Counsel Refresher fees are payable for appearance in court at main trial but excluding the first day. first day fee (Brief Fee) is incurred at the time of delivery of papers to Counsel as it includes the preparation of the case).

Late payment and representation: If funds are paid late then chosen Counsel may not be available and there may be additional costs in applying for an adjournment or getting another Counsel up to speed.

If there is an adjournment request caused by late or failed payment is not granted, the firm may not go back on the record until the adjournment is granted and may make its future representation contingent upon the adjournment being granted. In the case of an adjournment request where we are not currently appointed, you may be required to sign the adjournment request as a litigant in person.

ADL LEGAL

TERMS OF ENGAGEMENT

GENERAL

(For litigation, an additional agreement will apply as well)

Please check website for up to date terms



ADL SOLICITORS
ADL LEGAL LLP
MAIL,COURIER SERVICE
& REGISTERED OFFICE:
131-133 Cannon Street, LondonEC4N 5AX

Office +44 (0) 200 888 0250
Office +44 (0) 203 129 0814
Fax- +44 (0) 207 990 8900

TERMS OF ENGAGEMENT WITH CLIENTS

THIS COVERS YOUR GENERAL TERMS OF ENGAGEMENT WHERE YOU ARE ENTERING LITIGATION IT IS SUPPLEMENTED BY OUR LITIGATION AGREEMENT OR OUR DISCOUNTED CONDITIONAL FEE AGREEMENT (DCFA)

(A DISCOUNTED CONDITIONAL FEE AGREEMENT MAY NOT NECESSARILY BE AVAILABLE IF YOUR CASE IS NOT DEEMED SUITABLE FOR DCFA)

DISCOUNTED CONDITIONAL FEE AGREEMENTS ARE NOT "NO-WIN NO-FEE" BUT AN AGREEMENT WHERE YOU ARE LIABLE IN ANY EVENT FOR DISCOUNTED FEES BUT ARE ALSO LIABLE FOR PAYMENT OF A SUCCESS FEE IF YOU WIN)

Terms or Representation

These are the terms of our instructions for representation You should already have received or will receive, from the Conduct Partner responsible for the case, the various engagement letters, scope of work and other documentation including:

- Engagement letter, terms & conditions, Scope letter;
- Details of how the solicitor intends to deal with the problem;
- What the solicitor's next steps are;
- Information about costs in writing;
- The expected timescale of the case;

- Confirmation that there are no representations with other clients that could affect the steps taken in relation to your case
- who to make a complaint to.

(You can get these by e-mailing distributions@adllegal.com)

This letter supplements the Engagement letters, terms and conditions and the Scope letter.

There are a number if matters that we must advise you about in relation to our representation as these are covered by our regulatory rules:

a) **ADL Legal Fee requests** are based on *assessed work required forward fee time purchase* basis. This means that once paid even if the matter settles prior to the full work being completed, so there are no entitlements to refunds of fees in any event. Charges are based on an hourly rate although this is assessed in 6 minute units.

What this means in practice is that you are forward buying lawyers time in 6 minute units, rather like a Pay as you go phone and that these units are then used against the work done.

You authorise us to deduct the units from your account immediately we do the work as long as it is within the broad parameters of the work instructed.

Once the units are used up, you will get a top-up fee request. You cannot get refunds for unused units but you can use unused units against future legal work. Unused units expire after 6 months. Unlike Pay as you Go phones however, you may still incur costs even though you have run out of units and we're entitled to recover these from you and if you don't pay our bill, we may take you to Court.

Although this means that there are numerous payments to be made throughout representation, it avoids the shock of large bills which is a feature of representation by other firms that bill less regularly.

We do not operate fixed fee arrangements (although exceptionally we may agree contingency fees – in most cases our assessment of the contingency fee share exceeds the share permitted by our regulator

a) and therefore we cannot sign the contingency arrangement).

We will charge at our standard rates for our disbursements, including photocopying, printing and binding, facsimile transmissions, all overseas telephone calls and courier services. Our standard disbursement charges for such administrative services may be obtained from your Partner upon request.

Fee quotes do not include overseas service and representation fees and the responsibility for service is that of the overseas service agent and not ourselves and all liability is disclaimed for overseas service and hearing issues. You will need to sign an appointment agency letter for the overseas service agent.

All our bills are payable on receipt, unless otherwise specifically agreed in writing and exclude VAT.

b) **External Costs**

You agree to reimburse us for all and any disbursements which we reasonably incur on your matter and before incurring liability for substantial payments to third parties we reserve the right to be placed in funds by you. These disbursements may include by way of example:

a) fees of law firms in other jurisdictions (it is usually your responsibility, unless we agree otherwise in writing, to engage them);

b) fees of law firms in this jurisdiction to the extent they are engaged by us to cover other areas of law outside the Scope letter (it is usually your responsibility, unless we agree otherwise in writing, to engage them);

c) Counsel's (barrister's) fees;

d) experts fees;

e) agents fees;

f) government and local authority fees, duties and registration charges;

f) travelling and accommodation expenses. Travelling expenses may also incur hourly fees even where lawyers travel between our own offices in order to see you although we don't charge travelling fees for a lawyer travelling from home to see you in their nearest office even if

a) they are only travelling to see you; and
g) international postage and courier charges.

b) **Authorisations:**
We have full authority to act on your behalf in relation to all matters necessary or incidental to our engagement. This includes authority, insofar as reasonably necessary;

i. to incur expenses for the proper conduct of the work which are for your account;
ii. to engage other professionals and agents as appropriate

We may require you to enter into agreements directly with such agents and be directly responsible for payment of their charges.

c) All our bills are payable on receipt, unless otherwise specifically agreed in writing and exclude VAT.

d) **Automatic Cancellation of Representation.** In the event that requested funding (a Fee Request) is not made within 7 days of first request, the firm will automatically file a notice before the Court withdrawing its representation of your company and will cancel Counsel.

e) **Checking our Fees:** If you think fees are too high, you can:

a. Complain to our complaints partner
The bill will be reviewed within 14 days

b. Ask a court to examine the bill.
This procedure can be used for any work done by a solicitor, including court work, and is known as assessment. The court can examine the whole bill, and can either approve it or reduce it. If the reduction is more than one-fifth, you will not pay the costs of assessment.

For non-court work, the court which assesses the bill is the High Court in London. Where court work is involved, the bill will be assessed by the court which dealt with the case.
If you ask for assessment within one month of getting the bill, the court must assess it, but will normally require a good explanation why you were not able to ask within the first month.

a. Between one month and a year, the court decides whether to agree to assessment of the bill.
   After a year it is very unusual for the court to agree to assess a bill.
   The court cannot agree to assess the bill if it has been paid and more than one year has gone by. You can ask the court to examine the bill even if you have signed a conditional fee agreement.\
b. there may also be a right to object to the bill by making a complaint to the Legal Complaints Service or the Office of Legal Complaints, and/or by applying to the court for an assessment of the bill under Part III of the Solicitors Act 1974
c. Discounts:
   Automatically lost if a fee is not paid within 1 month of fee bill being issued.
d. A request for Payment. A request for Payment is deemed to be a fee bill.

b) **Our Authority**

We have full authority to act on your behalf in relation to all matters necessary or incidental to our engagement. This includes authority, insofar as reasonably necessary;

i) to incur expenses for the proper conduct of the work which are for your account;

ii) to engage other professionals and agents as appropriate.

We may (and usually will) require you to enter into agreements directly with such agents and be directly responsible for payment of their charges.

c) **Responsibility for your matter**

The partner who signed or is identified in the letter of engagement or who has otherwise been notified to you will be the partner primarily responsible for the work for your matter ('the Partner'). The Partner will also ensure that the varied skills and expertise in the firm are allocated effectively and appropriately to the matter. We shall notify you on any change to the Partner.

d) **Conflicts**

We will consult you if your Partner becomes aware of any new

a) instructions we receive which may conflict with a matter on which we are engaged by you.

If we become aware of a conflict of interest which prevents us from continuing to act for you, we will notify you of this and use all reasonable endeavours to provide an effective transfer to such new legal advisers as you may appoint.

Unless we have a conflict of interest we are free to act for any other client.

b) **Document Conflicts**

in the event that we have conflicts between documents relating to our engagement and scope of work and instructions, the order of priority is as follows and the document with priority shall override the other documents to extent, but only to that extent, necessary to give effect to the priority document.

c) **Benefit of Advice**

Unless otherwise specifically agreed by us in writing by amendment to Scope letters, any advice given by us in the course of our engagement;

i) is only for your benefit and no other person may rely upon the advice;

ii) may not, without our prior written consent, be disclosed to or relied upon by another person or quoted or referred to in a public document or published in any publication;

iii) is strictly limited to the matters stated in the Scope letter (In other words, if we choose to make comment on areas not covered by the Scope letter or excluded by the Scope letter, we are not liable for those comments and it remains your responsibility to have that advice checked by other lawyers in accordance with the Scope and Engagement Letters and our terms and conditions. Also, we exclude any implication to other matters, so you cannot claim that there was an implied term that a particular matter would be covered or that, due to discussions on a particular area of law or representation, there was an implied alteration to the scope letter or an agreement to cover areas outside the expertise stated in the Scope letter.

a) iv) is limited to the laws of England and Wales as applied by the courts of England and is given on the basis that it will be governed by and construed in accordance with the laws of England and Wales; &

v) is given as at the date of delivery of the electronic communication giving that advice, or the fax, letter or oral communication giving the same .

b) Unless we have specifically agreed otherwise in writing, we will not be bound to notify you of any changes in the law following the date on which the advice was given.

c) No third party has the right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of the Terms. You will remain responsible for paying our bills even though there may be an agreement that bills are funded via or through a third party and whether or not you receive any contribution from a third party and the third party gets no rights to rely upon our advice even though they are paying a bill.

d) **Confidential Information**

We will not disclose to any other person any confidential information which we obtain as a result of acting for you, except as may be required in order to carry out your instructions, or to comply with any overriding legal or professional obligations we may have to the Court or otherwise.

We will not disclose to you any confidential information which we have obtained as a result of acting for any other client but if you acquire any such information as a result of our engagement you agree not to disclose it to any third party or use it for your own purposes except with our prior written consent.

e) **Reliance on other Professionals & Consortium or Multiple Representation**

i) We will be reliant upon you for the accuracy and completeness of the information and / or documentation you provide as well as the fact that such information and / or documentation will be provided in good time. We will also rely upon any other professionals whom we come into contact with whilst we are representing you and will rely upon them to highlight any issues

a) that could affect our legal advice or lead us to alter our views. This will apply to all professionals whether engaged by you or engaged by other parties but whom are involved in the matters that we are engaged in relation to or whom are placed in contact with us as part of that representation. For example, this could because you have had a meeting with us and your accountant and we have been told things by him or where he should have highlighted issued and failed to do so directly to us or it could include in a consortium or project setting where numerous professional advisers are engaged in the consortium or project and we are party to various discussions as a result of this.

ii) Where we accept Project Co-Ordinator role and are paid a separate management fee (usually 30% of the overall budget) under our written DL Legal Specific Management Contract, then it is our job to ensure co-ordination of all legal issues; however this is not included unless we enter into the DL Legal Specific Management Contract in writing. The DL Legal Specific Management Contract will require additional insurance cover and therefore this appointment will only be valid once you countersign and return to us the DL Legal Specific Management Contract and the additional insurance certificate.

iii) In the event that you are being advised by one of several professionals and a limitation of liability has been agreed in relation to one or more of them, you agree that our liability to you will not be increased due to the limitation of liability agreed by you with other advisers. Out liability to you under or in connection with our engagement shall be limited to that proportion of the total Losses (after taking into account your contributory negligence, if any) determined to be just and equitable having regard to the extent of our responsibility for the Losses in question.

iv) Our liability to you under or in connection with our engagement shall be limited to that proportion of the total Losses (after taking into account your contributory negligence and that of all other advisers, if any) determined to be just and equitable having regard to the extent of our responsibility for the Losses in question and the other steps we could have been expected to take if the other

a) advisers had specifically advised on the matter in question.

v) Where we act as pure nominee (i.e. where we operate a company or a role in that company for you) and act on your instructions in relation to this, you indemnify us entirely for those actions and therefore, for example where we act as nominee Company Secretary but the role of company secretary is being provided by another person and we just sign documents as the placeholder nominee Company Secretary, then you indemnify us entirely and without reservation for all action taken in that role. We may also step down at any time from that role and any claim in relation to that role must be made within 1 year of step-down.

vi) We will not be liable to you for any Losses caused wholly or in part by the provision by you of false, misleading or incomplete information or documentation or due to the acts or omissions of any person(s) other than ourselves. Where you have concerns which are particular to you and not of general application it is your responsibility to advise us.

vii) Where our advice involves an assessment of legal risk we will use reasonable efforts to provide you with as accurate an assessment of risk as possible, but you agree to accept any such assessment as an expression of our opinion only and not a statement of fact. You agree to have risk analysis in relation to any matter other than the law expressly covered in the Scope letter confirmed by a third party and that we will not be liable in any manner for that risk analysis.

This means that we are not liable for any issues arising in relation to commercial risk, taxation, programming, actuarial calculation, or loss of opportunity or additional costs, even if we should or could have been aware that there as such a risk and that we are only liable for legal analysis. It also means that if a matter should have been covered by another regulator, such as for example the Financial Services Authority, unless we advise you on this .

You agree to have risk analysis in relation to any matter other than the law expressly covered in the Scope letter confirmed by a third party and that we will not be liable in any manner for that risk analysis.

viii) Any assessment of legal risk made by us is solely you responsibility

a) and that unless our assessment is shown to have been made negligently, you agree that we will not be liable to you for any Losses which you may incur as a result of any reliance placed by you on such opinions.

ix) You agree to have non-legal risk analysis (whether in relation to commercial risk, taxation, programming, actuarial calculation, or loss of opportunity or additional costs) confirmed by a third party and that we will not be liable in any manner for that risk analysis or comments or lack of comments made in relation thereto and that we will only have liability for legal risk expressly covered in our Scope letter. (Where scope is altered, more than once Scope letter may be provided although subsequent Scope letters are only valid when manuscript signed by the Conduct Partner and by one of your Directors).

b) **Termination**

You may terminate our engagement at any time on written notice, subject to any period of notice the law may require. Unused time units cannot be refunded although they can be transferred to another party if you request at our discretion. In addition, we may terminate our engagement on written notice to you:

i) if you fail to give us timely and adequate instructions, so that we are unable to conduct any of your matters properly and expeditiously:

ii) if any of our fee notes are paid late or threatened to be paid late; or

iii) if you insist on a course of action which requires us to act contrary to our responsibilities as solicitors or which would lead to a breakdown of the relationship of trust and confidence which is essential for the proper handling of legal matters.

c) If either of us terminates our engagement then Engagment Letter terms, Scope terms and the terms of this letter shall survive to the extent necessary and in any event limitation and payment obligation terms shall survive and you agree, subject to these terms of engagement, to pay us for all work we have done, all support services we have provided and all disbursements we have incurred prior to termination.

d)

a) **Retention of your documents.**

The general correspondence and draft documents on the files we prepare for you are your property, but all memoranda and attendance notes will remain our property.

Subject to payment of our fees and disbursements you will be entitled to receive such correspondence and documents but agree that we may bill you at our standard rates for retrieving these from storage and for preparing files for delivery to you and for taking copies for our own use and retention.

You consent to the destruction of the files and / or any microfiche or electronic copies six years after a matter is completed and to us retaining microfiche or electronic copies although we will have no obligation to do so.

You consent to the destruction of the files and / or any microfiche or electronic copies six years after a matter is completed and to us retaining microfiche or electronic copies although we will have no obligation to do so.

You consent to the destruction of the files and / or any microfiche or electronic copies one year after your company is dissolved or struck off unless you have notified us that rights have been assigned. Any assignment of rights can only be made with our express written consent) and will not be implied by law.

b) **Regulators**

We are not authorised by the Financial Services Authority or any other regulatory body except the current legal regulators for the time being (see sra.org.uk). Except for advice in relation to the UK office of the Data Protection commissioner for the time being, all other advice in relation to regulated business is excluded and entirely your responsibility.

Although we may make suggestions in relation to corporate structure for efficient risk management, all liability for the tax consequences or other regulator consequences (other than those functions carried out by the Data Protection commissioner) are expressly excluded and no liability accepted in relation thereto and such exclusion applies also to shareholders, agents and similar persons. You are solely responsible for any decision you take to discuss, negotiate or enter into a proposed

a) transaction or arrangement and should do so based on your own assessment of its commercial, strategic investment and financial merits and the risks involved. If you are in any doubt over any of these matters you should seek advice from an appropriately qualified adviser.

Data Protection Act

You consent to us using all information we maintain about you in order to send to you details of other services offered by us that we consider may be of interest to you.

b) Money Laundering Regulations

You agree to provide such evidence of your identity and that of directors, partners, trustees an controllers of your company or firm and all of connected shareholders and parties as we may reasonable require in order to comply with our obligations under the legislation and regulations against money laundering and drug trafficking.

We may cease to act for you if you fail to comply and may at any time make such disclosures to the competent authorities as are reasonable as a result of such failure or otherwise upon suspecting that you or any such connected party is involved in money laundering. (See our money laundering letter (attached).

c) Governing Law and Jurisdiction

These terms of engagement, the letter of engagement and all aspects of our retainer and our performance of work for you are governed by the laws of England and Wales and both you and we irrevocably submit to the exclusive jurisdiction of the courts of England and Wales situate in London.

PLEASE ALSO ASK FOR OUR

HOW TO COMPLAIN DOCUMENT WHICH COVERS

ROLE OF THE LEGAL SERVICES OMBUDSMAN

GENERAL EXPLANATION

WARNING: Where the engagement letter is unsigned by you, your instruction to commence activities or the continuance of activities accepts the terms of engagement or the amended terms. Where terms are updated, these apply from the time we post, deliver or give these to you, unless you terminate the engagement immediately. Delivery of terms to a member of staff we liaise with is effective delivery on your company.

It is the practice at Adllegal when commencing a relationship with a new client that a letter of engagement is entered into. We also set out some of the basic terms of the relationship and these are updated from time to time by delivery to you or display on our website.

Instructions: On receipt of any instructions and assuming we have agreed the fee rate and received advance payment for the work or an account billing arrangement, we will generally commence the work straight away.

Provision of Information: Giving us the appropriate Information: In order to give you the full benefit of our services, we need, at the outset, to be provided with all relevant information in your possession, together with the details that you require to be reported to you. We will also need to be informed if you subsequently discover that the information provided is untrue or inaccurate or has changed in any way.

Upon receipt of the information, we will set out a timetable for the work. Changes made by you in the timetable and changes in the instructions may result in additional time charges not originally set out in our quote or estimate.

Descriptors: Whilst we will detail the work we carry out, descriptions are not detailed unless you expressly require this and notify us ahead of the work as this means that your accounting department does not get to see the full details of litigation and contractual issues affecting the business as they may not be cleared to see this information.

If you subsequently want these details, it may be time consuming for us and consequently costly for you if we have to reconstruct details of exactly what we did.

Typically we will refer to items such as:

Drafting agreements as requested 4 hours
£1200+VAT
(You will know which documents having sent these to us)
Meeting to review documents 2 hours
£600+VAT
(You will be present so you know what we discussed). **If you want a particular series of work to be readily identifiable, please ask us to set up a costs centre for that particular piece of work which we will show as a separate purchase order or project number. For example:

Item Code	**Description on invoice**	**Project**
Contract with Directors	Drafting Contract	837283
Contract with Staff	Drafting Contract	837288

Recording of Deliverables and Outputs: Similarly, where we are required to provide detailed descriptions of deliverables or of outputs to meet governmental requirements, these need to be placed into the contract notification at its inception, together with details of exactly how reporting and measuring is going to be made. This allows us to properly budget the costs of such reporting into our quote or estimate. If this is not done, whilst we will assist with the deliverables or outputs being identified, the identification and reporting will be a chargeable event on an hourly basis and will be carried out by the lawyer who has dealt with the contract.

Clarification of Scope of Work and Fees: If, on occasion, for your own purposes, you require particular clarification of the scope we are undertaking in advance, please let us know and we will let you have a letter confirming the scope of work we consider has been requested and an indication of the probable time-scale for carrying it out. As set out in our charges section, we will usually take some time to discuss with you the scope of the work we are carrying out and let you have details of this, but it does add to the costs incurred as there is more work to be done.

Advice limited to purpose: Any advice we may give in respect of any particular matter should only be relied on for the purpose for which it is specifically provided, and should not be passed on to third parties or published or disseminated without our prior consent.

Technology: If you have the capacity to communicate and exchange documents by E-mail, we may utilise this facility, when it seems to us to be convenient to do so, unless or until you specifically request otherwise in writing. We are a technology law firm and will therefore use E-mail, Instant Messaging, Instant Conferencing and IP Telephony (ICT facilities) whenever possible. We may also ask you to use particular telephone and web facilities so that we can record changes in documents and the discussions around those discussions. Except where we mis-address communications, you assume the risk of mis-delivery of e-mails and breach of security within ICT facilities or their interception. Where you have chosen not to use our e-Security facilites (see below), our liability for mis-addressing or any loss of security of your data is limited to a maximum of £50,000.

E-Document provision: We normally expect to receive and store documents in electronic form. We may charge additional fees for storing original documents or for transferring documents to an electronic format where your documents are not able to be supplied digitally. We will not normally store multiple versions of documents in production unless you ask us to do so as it risks former versions being edited in error. In most cases, subject to quality criteria we send versions by e-mail so there are records of the stages of drafting.

If version and work tracking is required by you, please let us know so that we can place you into our workflow system (for which there is an additional charge) but this does retain full records of changes and reasons for change).

Co-operative Arrangements for Litigation: Unfortunately Adllegal does not have offices in all jurisdictions in the world, but we do have co-operation agreements with selected lawyers and we can therefore co-ordinate the provision of advice covering most jurisdictions throughout the world.

Responsibility for the Work: A Adllegal partner will be the lawyer with ultimate responsibility for all aspects of the way the firm provides its High-technology, Commercial, IPR and e-Commerce services to you and to oversee or handle day to day matters concerning UK law and all global Internet law. This partner will be notified to you upon your acceptance as client. This partner should be your normal contact at Adllegal although other lawyers may be involved on a day to day basis in advising you from

time to time. We will seek to use staff of appropriate seniority to handle the matter.

Professional Charges: We will always try to give an indication of price and in some cases we can agree set-fees for particular types of work. In other cases, we can work within budget constraints, although we may have to agree certain exclusions of liability in budget-constraint cases and where there is negotiation with other parties, budget constraints cannot be given or accepted. We encourage you to discuss your requirements with us on a case by case basis.

Fixed Fees: We often work on a fixed fee basis and for fixed-fee, we normally ask for advance payment. Where we agree a fixed fee this will only apply where we have complete control of the work; so where we are working with other lawyers or consultants or where there are detailed commercial negotiations to take place, we cannot accept fixed fee as we have no control over certain elements..

Retainers: We also work on a retainer basis.
Daily and Hourly rates: Where we have agreed hourly rates, we may stop work if the advance fee payment is exhausted. Where a daily rate applies, this is based on 7! hours per day (a Government standard day) and if we work more than 7! hours per day, you may see daily charges of more than 1 day. For example if we work 11.25 hours in a day on an urgent matter for you and you have requested us to bill in daily units, we will bill 1! days.

Credit Limits: For regular clients, we may agree a credit limit and may stop work if that limit is exhausted or if a payment dispute arises.

Discounts are strictly subject to payment of invoices within the 30 day payment window.

Interest is also charged at 1.8% per month on late payment (1.5% for Government bodies).

Charge Reviews: You will appreciate that our charge-out rates are reviewed from time to time and, if at the time of any change we are undertaking any work for you, we will inform you either in person or by e-mail of the new rates before they take effect. They will also appear on our new bills.

Disagreeing with a Bill: If you disagree with a bill or think we've overcharged you, you must tell us within 30 days of receiving the invoice after which the bill becomes final.

Work in Progress: In limited circumstances, a bill for a particular month may not include all of the items incurred in that month if internal timesheets are missing and these may be billed later. Similarly, if we apply a previous billing rate or the wrong lawyers billing rate, we reserve the right to issue a correcting invoice within 9 months (as this should not affect your accounting periods). (We will often waive errors in your favour as a matter of client goodwill).

Disbursement and Expenses: Certain disbursements (such as photocopying and courier charges and barristers brief fees) will have to paid in advance and where recurring, we may ask for you to put us in funds before agreeing recurring charges. Other disbursements will simply be notified on our invoices (such as British Rail charges, taxi etc etc). We use booking agents and agency fees in booking will be included in each sum invoiced as disbursement. If you want the disbursement to show this separately, we need to know in advance. If you need sight of invoices, we also need to know in advance as our travel invoices often name multiple clients and therefore cannot be passed onto you. If we know in advance, we can both copy receipts and invoices before the go to our book-keeping archive and retain them on your file. We can also ensure that your items are never booked with other clients matters so that we can supply invoices.

Conflicts: You will appreciate that we have many other clients to whom we aim to provide an equally high standard of service. We shall continue to act for them, except of course where we perceive there is a conflict. When such a conflict does occur it may prevent us from acting for one or both clients involved. In such a case, we will consult with both clients to reach an acceptable solution but, in some instances, we may have to decline to accept instructions from you and/or the other client involved and subject to regulatory rules, we may choose which client to keep. A detailed conflicts document is available on request setting out exactly how we deal with conflicts and the criteria involved.

In other circumstances we may be acting for other clients who are in the same industry or who are involved with you in the way of business. We do not expect that our relationship with you will have any effect upon those

relationships or those matters and we would not expect there to be any difficulty in our acting for such other clients on any matter which is unrelated to a matter on which we are acting for you. We will use separate lawyers, alternatively ring-fence access to documents in such cases. Conflict management will be in accordance with Solicitors Regulatory Authority codes of conduct.

Identification of you as our Client and Introductions: We would like to use your name and the name and logo of the Company in our printed and electronic marketing materials where we sometimes identify clients we act for. This is the kind of information customarily included by investment bankers in "tombstone" ads. We will never describe the general or specific nature of our work for you.

LIMITATION OF LIABILITY: (These may be supplemented by terms sent after the engagement letter is signed by you).

i) Our terms and conditions of business set out the limitation of our liability and the terms as well as our limitation of liability are included in our handbook and are deemed incorporated herein. Where there is a conflict between those terms and these terms, then these terms will have priority over any other document(save that if a conflict arises within any litigation fee agreement terms, those litigation fee agreements will have priority to these terms and will override any express terms to the contrary in this document).

ii) Work carried out by ADL Legal LLP (including ADL Legal LLP partners and other solicitors) is subject, calculated on an aggregated basis, to a maximum liability to £3M per aggregated claim. Liability is limited to a maximum of our insurance limit. All claims are treated as one aggregated claim if they arise from a) the same client or b) if they arise from one act or omission or c) one series of related acts of omissions, the same or a series of act(s) or omission(s) in a series of related matters or transactions or e) similar acts or omissions in a series of related matters of transactions. All claims arising from one matter or transaction will be regarded as one aggregated claim.

iii) Claims limits may be aggregated in any insurance year, these usually run from September 1st. Work carried out on discounted or fixed fee basis is subject to similar limitation.

iv) Liability is limited to the LLP (being its assets and insurance coverage of £3M) and it is a condition of doing work that you agree that partners, solicitors and staff shall not be liable.

v) Higher Claims limits are available by arrangement and subject to additional charges and higher hourly rates. All disputes, claims or other issues whatsoever about our work are subject to English Law and to the exclusive jurisdiction of the Solicitors Regulatory Authority or the London International Court of Arbitration and all arbitral

proceedings and judgment will be confidential proceedings. You agree by instructing us that this is the case.
vi) Disputes about work quality and claims of negligence or breach of contract in relation to documents and advice provided must be made within 12 months of delivery of work to you, invoices must be disputed within 30 days of delivery as after that date, memories become inaccurate. If you want a longer period to raise claims of negligence, there will be a higher fee rate and no discount to fees will be available.
vii) If you wish to have other law and jurisdiction apply or other timetables to apply, we may be prepared to accept this, however the costs of our service will be higher as our record keeping obligations change. Under no circumstances will we agree to rocket-docket jurisdictions such as the Eastern District of Virginia, USA.
viiii) We will not be liable for any loss, damage or delay arising out of the firm's compliance with any statutory or regulatory requirement.
ix) The aforementioned liability caps do not limit liability for death or injury caused by our negligence or for fraudulent acts.
x) Nothing herein affects your statutory rights or rights which cannot be excluded under statutory Provisions of English Law and the provisions of this Agreement shall be limited or struck out to the extent necessary to give effect to this clause (x).

Term and Termination: Once engaged, the terms of engagement (as updated from time to time) will continue until terminated by us or you in writing upon 90 days notice. We may however terminate upon immediate notice where you have not paid invoices or where there is a material risk of infringement of the Regulatory code of conduct or insurance requirements. We may retain files and refuse you access to these pending payment under solicitors' lien notwithstanding termination. We may retain a copy of your files for risk management purposes for 15 years after termination.

Invoicing Invoicing is carried out periodically at our discretion and may be at milestone or completion of a part-stage In certain circumstances, invoicing may be delayed. You will pay our invoices, called "Invoices" or "Requests for Payment" within the time stated therein (the payment windows) unless you are delinquent in respect of any payment obligation to us when the invoice is payable immediately. (i.e. if a former invoice is outstanding and overdue, then the window for payment does not apply and an invoice is payable immediately. Invoices will carry interest at 1.8% per month on overdue fees calculated and accrued daily (1.5% for NFP and Government Bodies). All Fees are exclusive of VAT. Client shall promptly review ADL Legal's invoice and approve for payment such

amounts as Client reasonably determines to be properly due under the Agreement and subject always to Client reasonably determining that the work has been satisfactorily carried out and in accordance with any quality, milestones or other completion criteria agreed in writing between the parties. Any challenge to the invoice by the Client must be made within 30 days of receipt of invoice, (90 days for consumers) after which date the invoice shall become binding and unchallengeable.

Reimbursables. In addition to the Fee, you shall reimburse ADL Legal for reasonable and necessary expenses incurred by ADL Legal in the performance of the Services ("Reimbursables"). Reimbursables for travel expenses will be paid at First Class rail rate or business class air travel, save where rail or air travel shall not be possible due to time of travel when the ADL Legal shall charge at 40p per mile, (save that where the vehicle used is under 4 years old and Mercedes, BMW, Lexus, Bentley or similar prestige car marque, the ADL Legal shall be entitled to charge 40p per mile plus prestige charge of 59p per mile (being 99p per mile net of personal taxation), subject to self-certification of claim on mileage. Hotel Fees and meeting refreshments at cost, regardless of time incurred but subject to expense and self-certification of meeting purpose. Copying and printing charges at cost.

Payment Disputes: In the event of dispute, Client shall pay to an escrow agent, not being a government body or development agency, the disputed sum pending resolution of dispute. Payment into escrow shall not avoid the late payment penalty which shall be calculated up to the date of clearance by the ADL Legal. If you are challenging the bill within the permitted time, then you must shall state in writing your reason for withholding each line of each billed item and the detailed grounds for that item to be challenged any or all of the monies requested by ADL Legal.

Independent Relationship. The Parties intend that an independent relationship will be created by this Agreement. Client is interested only in the results of ADL Legal's Services and shall not exercise any control over the conduct or supervision of the Services or the means of its performance.

Powers to Bind: Except for those powers contained in the Solicitors Act or common law or statute where a solicitor has express powers to represent its client, we are neither agent, employee or partner of each other and do not have he power to bind the other Party in relation to third party

obligations by any means whatsoever except where we agree in writing otherwise. (If you confirm instructions to compromise a case or represent you in litigation, you give us the authority to represent you).

Disbursements: Where we engage Counsel or experts or similar third party we will ensure that the third party is made fully aware in writing that the ADL Legal alone is responsible for payments arising and shall provide to Client a copy of each such notification upon request. This does not absolve you of paying this cost as a disbursement. We may ask you to confirm direct responsibility in some cases. We may always make the representation that "***We are your Solicitors"*** and we may advertise the fact that we have been so for 18 months following termination.

Disclosure of Information.

a) Each party acknowledges that certain of the other party's valuable, confidential, background IP and proprietary information may come into it's possession. Accordingly, each party agrees that all such information furnished shall remain the exclusive property of the providing party, and agrees to hold all such information in strictest confidence, not to use such information other than for the performance of the Services, and to cause any of its employees or subcontractor to whom such information is transmitted to be bound to the same obligation of confidentiality to which the parties are bound to herein and not to communicate such information in any form to any third party without the disclosing party's prior written consent.

b) In the event of any violation of this provision, the disclosing party shall be entitled to preliminary and permanent injunctive relief as well as an equitable accounting of all profits or benefits arising out of such violation, which remedy shall be in addition to any other rights or remedies to which the disclosing party may be entitled.

c) Nothing shall preclude ADL Legal from the provision of best advice to other clients under and in accordance with the codes of conduct of the Solicitors Regulatory Authority and within standard Chinese Wall or similar principles.

d) Where Foreground and Background Intellectual Property matters arise these are governed by our Foreground and Background IPR Agreement (available upon request).

Compliance with Law: Each Party agrees that it will comply with all applicable laws, regulations, and codes in the performance of this Agreement and agrees to indemnify, defend and hold harmless the other, its officers, directors and employees from and against any and all claims, losses, demands, actions, administrative proceedings, liabilities and judgments, including reasonable attorneys' fees and expenses, arising from Party's or its subcontractor's failure to comply with the provisions of this Section.

Miscellaneous.

(a) Assignment. This Agreement shall inure to the benefit of and be binding upon each of the Parties and their respective successors and assigns, but neither the rights nor the duties of either Party under this Agreement may be voluntarily assigned or delegated without the prior written consent of the other Party, except that Client may assign all or any part of its rights and delegate its duties under this Agreement to a wholly-owned subsidiary and ADL Legal may assign its payment rights to any partner or Director of the ADL Legal company.

(b) Section Headings. All section headings and captions used in this Agreement are purely for convenience and shall not affect the interpretation of this Agreement.

(c) Exhibits. All Exhibits described in this Agreement shall be deemed to be incorporated in and form a part of this Agreement, except that if there is any inconsistency between this Agreement and the provisions of any Exhibit the provisions of this Agreement shall have precedence. Terms used in an Exhibit and also used in this Agreement shall have the same meaning in the Exhibit as in this Agreement.

(d) Applicable Law. This Agreement shall be governed by and interpreted in accordance with the laws of England and the Parties exclusively agree to the sole and exclusive jurisdiction of the London Courts for adjudication of any type of dispute arising from this Agreement and by signing the engagement letter, submit to the sole and exclusive jurisdiction of the London Courts and English Law. This Agreement is made between Client (being the person signing the Engagement letter and the Company stated therein and its Directors and the ADL Legal and does not create any third party rights (including liens) whether arising under statute of common law or business practice, save for any third party rights expressly set out herein and all 3rd party rights are excluded.

(e) Modification. Except as otherwise provided, this Agreement shall not be modified except by written agreement signed on behalf of Client and the ADL Legal by their respective authorized officers.

(f) Exclusive Agreement. This Agreement supersedes all prior understandings, representations, negotiations and correspondence between the Parties in respect of the matters described herein and for the avoidance of doubt shall not affect payment obligations arising under other Agreements..

(g) Severability. If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired.

(h) Waiver. The failure of either Party at any time to require performance by the other of any provision of this Agreement shall in no way affect that Party's right to enforce such provision, nor shall the waiver by either Party of any breach of any provision of this Agreement be taken or held to be a waiver of any further breach of the same provision or any other provision.

(i) Survival. The provisions of this Agreement which by their nature extend beyond the expiration or earlier termination of the Agreement will survive and remain in effect until all obligations are satisfied.

(j) Change of Control. Each party shall promptly notify the other in writing of any such change in control; in the event of change of control, the other party may terminate this Agreement save that any termination shall not affect the obligation to make payments up to the date of termination.

(k) Further Assurances. Each Party agrees that it will take such actions, provide such documents, do such things and provide such further assurances as may reasonably be requested by the other Party during the term of this Agreement in respect of the Services delivered under this Agreement.

(l) Effectiveness and Counterparts. This Agreement may be executed in any number of counterparts and each fully executed counterpart shall be deemed an original. It will also be effective if you accept work from us or give us instructions after delivery of this document or continue to owe us money, even if you haven’t signed the terms or if they have been provided as part of an update in the terms and conditions of engagement.

(m) Relationship. During the Term of this Agreement and 12 months thereafter, Clients agree not to knowingly make an offer of employment to

any officer or employee or any other person engaged by ADL Legal LLP who is involved with the efforts under this Agreement, without prior written approval of ADL Legal LLP.

(o) Solvency: ADL Legal agrees to immediately notify Client should the Directors consider that the ADL Legal may not be able to continue trading over the next 12 months or where there ia any material concern about the Company's solvency, from time to time, such financial information as Client may reasonably request to determine ADL Legal's ability to perform its obligations under this Agreement.

(p) Notices. All notices, approvals, requests, consents and other communications given pursuant to this Agreement shall be in writing and shall be effective when received if hand-delivered, sent by facsimile, sent by courier service or sent by certified or registered mail, addressed to the last known address at companies house.

(q) Compliance Each Party agrees that it will comply with all applicable laws, regulations, and codes in the performance of this Agreement and agrees to indemnify, defend and hold harmless the other, its officers, directors and employees from and against any and all claims, losses, demands, actions, administrative proceedings, liabilities and judgments, including reasonable attorneys' fees and expenses, arising from Party's or its subcontractor's failure to comply with the provisions of this Section.