

BANNER JONES LIMITED
BUSINESS LEGAL SERVICES DEPARTMENT
SUPPLEMENTAL TERMS AND CONDITIONS OF BUSINESS

1. Fees

- 1.1 The basis of calculating our charges and expenses is set out in our standard terms and conditions of business. Your matter is not one for which we are able to offer any form of public funding (i.e. legal aid). It is unlikely that any legal expenses cover you have as an extension to any insurance policies will cover your fees as they generally only cover costs in respect of civil disputes. Unless specifically agreed with you, a fee estimate or fixed fee does not include time spent by us carrying out the following work types, which will be charged on a time basis:
- 1.1.1 negotiation of the terms of any commercial agreement, lease, sale contract, purchase contract or any other contract;
 - 1.1.2 additional work required as a result of any change to the scope of work required in your transaction;
 - 1.1.3 advice in respect of any dispute which may arise with a third party;
 - 1.1.4 advice in respect of any other matters not outlined in your scope of work;
 - 1.1.5 advice in respect of any employment matters;
 - 1.1.6 mortgages;
 - 1.1.7 any issues which arise as a result of adverse property search results;
 - 1.1.8 any issues which arise as a result of defects in respect of title or ownership documents;
 - 1.1.9 any issues which require additional work to be carried in respect of HM Revenue & Customs or HM Land Registry; or
 - 1.1.10 any issues which arise as a result of adverse replies to enquiries.
- 1.2 Your matter is not one for which we are able to offer any form of public funding (i.e. legal aid). It is unlikely that any legal expenses cover you have as an extension to any insurance policies will cover your fees as they generally only cover costs in respect of civil disputes. If you are a member of a trade union you may be entitled to either free advice or some financial assistance. Please give us details if this applies to you.
- Advice in respect of any employment matters.
 - Mortgages.
 - Planning.
 - Any issues which arise as a result of adverse search results (for example evidence of chancel repair liability, environmental liabilities).
 - Any issues which arise as a result of defects in respect of title or ownership documents (for example nominee owners, lost deeds or documents of title/ownership).
 - Any issues which require additional work to be carried in respect of HM Revenue & Customs or HM Land Registry (for example if your existing lease has not been registered with the Land Registry or if Stamp Duty Land Tax has not been correctly paid).
 - Any issues which arise as a result of adverse replies to enquiries.

2. Property searches

- 2.1 Subject to your particular transaction, your requirements and those of any lender, we may need to carry out a series of property searches and will advise you on them. This is a separate service to any transaction. We will procure searches from a number of different sources including PSG Ltd, relevant Local Authorities, The Coal Authority, Legal Support Services (Northern) Ltd (which you should be aware is a company in which Directors of this company have an interest) and Stewart Title Limited.
- 2.2 Our commercial search package includes:- coal mining search, drainage and water search, environmental search and local authority search.
- 2.3 The searches you require can be dictated by the location, type and age of the property. Generally the commercial search package is advisable whether or not you are having a mortgage. We strongly recommend you to instruct us to obtain and advise you upon the commercial search package to ensure you have the best possible information about the property involved in your transaction. Where you choose to proceed without the benefit of the commercial search package (where you are able to choose to do so), by instructing us to proceed in this way, you shall agree that you will not bring any action or proceedings against Banner Jones Limited, its directors, employees or insurers in respect of any issues arising out of matters that would have been revealed by such searches. You shall further indemnify Banner Jones Limited against any claims in connection with matters that would have been revealed by such property searches.
- 2.4 The cost of the commercial search package covers the cost of procurement of searches together with our advice on their contents. The price for the commercial search package is inclusive of VAT.

3. Property surveys

- We strongly recommend you have a professional survey undertaken of any property you are buying or leasing as part of your transaction. All surveys are supplied by Legal Support Services (Northern) Limited. Please note that the scope of each report is set out in the individual report when it is carried out. If you require further investigations beyond those set out in the report, or indeed as recommended by the report, we will be happy to arrange these for you. **NOTE: Please do not confuse a bank/building society valuation report which is carried out only for your lender's benefit with a professional survey carried out for you.**

4. Property transactions and other items to note

- 4.1 Until contracts are exchanged either you or the other party can pull out at any time. After exchange of contracts you are legally committed to completing the terms and conditions of the contract in respect of your lease, purchase or sale of a property. It is usual to agree a completion date shortly before exchange of contracts. This will have to be agreed by all parties (including all parties in a chain, if there is one). Once contracts have been exchanged, that completion date will be the date by which time a seller must have vacated the property and funds handed over by a buyer's solicitor to the seller's solicitor in respect of the price or rent. Should vacant possession or funds not be given over, the defaulting party will be liable to pay daily interest at the interest rate specified in the contract (if any) on the outstanding balance of the rent or sale price, as the case may be. Should you fail to complete on the completion date or within a prescribed period thereafter, or indeed pull out of a transaction after exchange of contracts, then you will be in breach of contract. The contract makes provision for compensation to be paid by the party who is in default and, in that event, you could be sued for a court order forcing you to complete (known as specific performance) or for the difference in price between your property and a suitable equivalent (known as loss of bargain). This may extend to other members of any chain in which you are involved (if any).
- 4.2 The deposit in a property purchase is usually 10% of the price. If you have to pay less, then this will have to be agreed with the seller. We shall do this for you. However, if you do breach the contract then the full 10% remains payable.
- 4.3 It is very important that we receive any funds both from yourself and any lender well in time to ensure that cleared funds are available on the morning of completion. We ask that you let us have personal/building society cheques or bankers' drafts at least seven working days before completion, to allow for clearing, or that you arrange to telegraphic transfer the money to us no later than the last working day before completion. Our bank details are available on request.
- 4.4 To avoid you becoming responsible for interest charges for late completion, it is our policy to request any mortgage funds to arrive with us the day before completion and you should note that you lender may charge interest from that date rather than the actual completion date.
- 4.5 You must ensure that any property you are purchasing is insured at all material times. The seller of the property will have insurance in place but they may cancel this on exchange of contracts. Please ensure that the property is always covered by insurance. It is best if you speak with the seller direct to confirm the position. To be absolutely sure you should put the property on-risk in respect of your own insurance cover on the day of exchange of contracts. You will therefore need to plan this in advance. If you wish us to refer you to a suitable insurance broker then please ask for details.

5. Stamp Duty Land Tax (SDLT)

- 5.1 There may be times when your transaction will attract SDLT, a property tax which is payable directly to HM Revenue and Customs. Please note that we will advise you as to whether or not your transaction attracts SDLT. In the event that SDLT applies, you are required to make a payment in respect of SDLT to HM Revenue and Customs within 14 days of the date of completion of your transaction; otherwise a penalty fee is incurred.
- 5.2 Where we have instructions from you to do so and where it is included within our scope of engagement, we are able to prepare and submit a SDLT return form and make this payment on your behalf, but cannot be held responsible for any payment deadlines missed as a result of not holding SDLT monies in cleared funds on account prior to the payment deadline.
- 5.3 There are some circumstances whereby SDLT is not payable but a SDLT return document is required to be submitted. Where we have instructions from you to do so it is included within our scope of engagement we will attend to this on your behalf and will advise you accordingly.
- 5.4 You must be aware that SDLT is a SELF-ASSESSMENT tax. Any SDLT paperwork prepared on your behalf by us must be approved by you and any and all calculations of SDLT must be approved by you as correct. By instructing us to prepare and return any and all SDLT returns and payments, you confirm

that you are authorising us to make those returns and payments on your behalf as your agent and you further confirm that such an instruction is a confirmation that you have calculated any liability as a correct self-assessment tax.

- 5.5 Where your transaction involves leasehold property, SDLT liability is calculated by reference to any premium paid and the ongoing rental payments. SDLT liability is calculated at the point of completion by reference to rental payments over the following five years as known at the time of submission. You must be aware that if your lease contains a rent review provision, the rental payments over those five years and beyond may increase. Where rent increases, further SDLT liability may fall due. Banner Jones Solicitors will not be responsible for advising you upon or acting for you upon any future SDLT returns or payments which may become due as a result of changing rental payments, which will be your responsibility as an ongoing self-assessment tax.
 - 5.6 You agree to keep Banner Jones Limited indemnified against all actions, claims, demands and proceedings taken or made against you and all costs, damages, expenses, liabilities and losses incurred by you arising from the submission and payment of SDLT.
- 6. Matters you should note**
- 6.1 Despite our efforts to ensure that our role is clear, clients sometimes make incorrect assumptions about what we are and are not going to do for them. To help avoid any such misunderstanding, we bring to your attention the fact that that we are not providing and will not provide you with any advice on any of the following:
 - 6.1.1 Asset valuation advice or financial, commercial or accounting issues;
 - 6.1.2 Planning advice;
 - 6.1.3 Property agency advice or property valuation advice;
 - 6.1.4 Tax, revenue or VAT issues; or
 - 6.1.5 Anything else not specifically identified in the scope of work in your letter of engagement.
 - 6.2 You should ensure that you diarise any future key dates in respect of your matter yourself. We will not notify you of key dates unless we have specifically agreed to do so.

26/09/19