

These terms and conditions govern the basis upon which the law firm, Babbé, provides legal professional services and advice.

Objectives

Our aim is to provide you with high quality, efficient and timely legal services. In order to achieve these objectives:

- we encourage our lawyers and paralegals, who deal with the matters upon which you require our advice, to work closely with you and ensure that there is always a readily accessible person who you may contact and who will deal promptly with your enquiries.
- we will act in what we perceive to be your best interests, keeping your affairs confidential and, in the event that any conflicts of interest may arise, point these out to you as soon as practical after we have become aware of any such conflict.

Fee earners Responsible for your Work

We will delegate work to staff members who appear to the partner responsible to be appropriate, by qualification or experience, to handle the work concerned.

Nevertheless, all work which is carried out by the firm for you is ultimately the responsibility of a partner and if, at any time, you wish to discuss any matters arising from the services provided or fees charged, you should contact the partner responsible for your work. If you have any questions on the terms of our accepting your instructions, you should contact that partner and any variation to them must be subject to his or her written confirmation.

It may be appropriate for us to instruct English Counsel to advise on particular aspects of your case. There are many occasions when a Guernsey Court would look to the law of England for guidance on a particular issue and it is often in your interests and more efficient from a cost perspective for English Counsel to be instructed in such circumstances.

Basis of Charging Fees

We follow the charging principles which have been laid down for solicitors in England and Wales for some time. These principles require that the fees for legal services be "fair and reasonable having regard to all the circumstances of the case". The circumstances which may affect the level of fees include the following matters:

- the monetary amount involved;
- the complexity and novelty of the matter;
- the specialised legal knowledge required;
- the number and length of documents;
- the place and time of day at which the work was carried out;
- the importance and urgency of the matter to the client;

- the time spent on the matter.

Time spent on a matter will be recorded by all members of the firm dealing with it and the total time recorded will be one, but not the only, factor taken into account in assessing the level of fees to be charged.

The partner responsible for your work will always be willing to discuss the basis for charging a particular matter at the outset.

Where an estimate of fees is requested and given, it is only an indication of the amount anticipated as being the likely charge and shall not be regarded as an agreed fee for the work or transaction unless specifically confirmed in writing as such by a partner.

Fees for certain transactions, in particular Guernsey property conveyancing and conveyancing related matters, are based on a tariff scale, full details of which will be provided on request.

Costs

We will do our best to keep you informed as to the likely costs of this matter. However, as the amount of work required in respect of any litigation is often uncertain, often the best that can be achieved is for you to be kept informed on a regular basis as to the build up of costs as the action proceeds.

Whatever the outcome of your case, you are liable to us for our fees and disbursements. In general, the successful party in any litigation is entitled to its "recoverable costs". The maximum Advocates' fees recoverable (in the Royal Court) are revised annually and details are available on request. No Advocates' costs are recoverable in the petty debts court. An award of costs against the other party is only worth the ability of that party to pay it.

On the other hand, if you lose your action you may expect to have to pay not only our costs and fees but the recoverable costs of the other party as well. The Court does have the ability to review the other party's costs in this event to ensure that they are reasonable in amount and reasonably incurred.

Legal Aid is now available to certain litigants in this island. Eligibility for legal aid is determined by the Legal Aid Administrator subject to financial and other criteria. You should consult us if you wish to make an application for Legal Aid.

Billing and Payment Arrangements

Our invoices will generally only contain a brief summary of the work carried out on your behalf. You have the right to ask for a more detailed breakdown if you wish.

Depending upon the nature of the case we will render invoices to you on a monthly or quarterly basis. We reserve the right to send invoices on a more frequent basis if your matter requires an unusually large amount of work, or if it is otherwise appropriate to do so.

Disbursements will include the amount charged by the Court and Greffe in relation to the progress of your case and also the cost of expert reports. We reserve the right to require payment in advance of significant disbursements, which we agree to incur on your behalf. If Counsel is instructed, his fees will be charged as a disbursement.

At the discretion of the partner responsible for your work, we may also request a payment on account of future fees to be incurred in the matter.

Prior to any major hearing on your behalf we normally require all outstanding fees and costs to be paid at least two weeks before the hearing.

All bills are for settlement in sterling upon presentation. We reserve the right to charge interest at the rate of ten per cent per annum if payment is not received in full within 30 days of the account date.

In the event that bills are not paid within our normal terms of business, please be aware that you may be charged any costs incurred by ourselves in recovery of amounts due.

There is no Value Added Tax or other similar form of tax or levy made by the Guernsey government which has to be

paid by you on our fees. If you are resident outside Guernsey, taxes or levies on our fees payable in your country of residence or domicile will be for your account in addition to the net amount shown on our account as payable to us.

Clients' Account

All clients' money accepted by this firm is held in a separate clients' account.

We reserve the right to pay fees and disbursements out of moneys held for you in our clients' account where an invoice for fees and expenses has been rendered for at least twenty days and you have not raised any queries on it.

Interest will be allocated to money held in deposit accounts. Interest will be allocated to money held in our clients' account where the sum held exceeds the amount fixed by the Advocates' Accounts (Deposit Interest) Rules, 1989.

Communication

When considered appropriate, we will communicate with you by way of letter, fax, e-mail or telephone, or any combination of the above, at the address or number last given to us by you in communication generally. We do not encrypt messages unless by prior agreement and cannot guarantee the security of any transmission in any event and accept no responsibility or liability in respect of the same. If you do not wish us to communicate with you by any particular method then you must instruct us accordingly.

We reserve the right to record telephone calls.

Storage of Files and Papers

After completing our work in any matter in which we act for you, we are entitled to retain all papers and documents which have come into existence in the course of our so acting for you until all fees and disbursements have been settled in full.

Thereafter, we will keep all documents, correspondence, memoranda and notes which have been created in the course of our acting for you, for six years. During this period we reserve the right, but have no obligation, to make electronic copies of any such documents, correspondence, memoranda and notes and, save for original signed documents, we reserve the right to destroy hard copies and store the remainder of the filing electronically. After six years our continued retention (whether in electronic form or otherwise) of files of papers and documents (other than originals) is on the clear understanding that we have the right to destroy all such files at such time as we consider appropriate and unless we have been advised by you to the contrary at or prior to the conclusion of any matter in question. In accepting these Terms we will treat you as having consented to the destruction of such files.

Should we need to retrieve files from storage, either, in relation to new instructions, to act for you (where the archived files are relevant) or where you have asked us to retrieve specific documents or papers, we reserve the right to charge for such services.

Preservation of Documents etc.

As a party to litigation you are under a continuing obligation to the other parties to disclose at the appropriate stage in the proceedings all documents (including video/audio recordings and electronically stored information) which are or have been in your possession, custody or power relating to any matter in question in the action. We will advise you about this specifically when appropriate. However, from the outset you must retain in a safe place all documents which could conceivably be relevant to your case, as we will need to review them in due course. If documents "go missing", even inadvertently, the success of your matter may be severely prejudiced.

Data Protection and Registration

We are registered as a holder of personal data in relation to our clients and contacts under the Data Protection (Guernsey) Law, 2001. You may at any time request a copy of any personal data which we hold in electronic form about you. We reserve the right to use any data for marketing and promotion of other services offered by Babbé, unless requested in writing by yourself not to do so.

Identity of Clients and Anti-Money Laundering Procedures

As a matter of law, we are required to operate anti-money laundering checks and procedures in respect of services which are classified as the conduct of financial services business. We reserve the right to apply such checks and procedures (including in particular confirmation of identity and address/place of business and verification of capacity to give instructions in the case of limited companies) in respect of all matters in which we are instructed.

Any failure to provide such information as we request in order to enable us to carry out such checks entitles us to terminate our client relationship with you and we accept no responsibility or liability arising directly or indirectly as a result of our need to do this. Any information and documentation provided to us in order to enable us to operate such checks and procedures may be subject to disclosure and production pursuant to orders having legal effect in Guernsey. In certain circumstances we are required to disclose information and documentation in respect of anti-money laundering procedures which we have undertaken in respect of our clients to third parties such as banks providing services to such clients. By instructing us in any matter and providing such information as we require, you will be taken to have consented to our onward disclosure of such information to third parties where appropriate.

Variation and Publication of these Terms

We reserve the right to vary these Terms of Business from time to time including during the course of acting for you in any particular matter. Where we do vary these Terms of Business in the course of acting for you, we shall use reasonable efforts to draw to your attention any such variation.

A copy of these Terms of Business and any variations thereto from time to time in force will be sent to you in hard copy form upon request at the outset of any matter. However, these Terms and any future variations thereto are published on the Babbé Website at www.babbelegal.com by way of public notice to all clients and prospective clients. If we have given you written notice of the existence of these Terms of Business on our Website and you have not requested a hard copy to be sent to you, then, by the publication of these Terms and any variations thereto on our Website, you shall be deemed to have agreed these Terms.

Working for other Clients

We reserve the right to provide legal services to any other clients at our discretion. Our acceptance of instructions from you in any matter shall not be treated as meaning that we will not act for other clients in the same matter nor against you in other matters. We shall, however, ensure that where in the course of acting for you we become aware of or hold confidential information, this will be adequately safeguarded and will not at any time be used against your interests. In any cases where we consider there may be any conflict of interest in our acting for two parties in the same matter, we shall obtain the consent of both parties to our acting for both of them.

Termination of Instructions

Once instructed on a particular matter, we will continue to act for you in that matter until its conclusion unless:

- you give us written notification of the termination of your instructions;
- fees which have been billed are overdue for payment;
- it is not appropriate or in your best interests for us to continue to represent you (for example where a conflict of interest has arisen).

If we cease to act for you in any of the above circumstances we will inform you and you will be responsible for payment of all fees and disbursements up to the date of termination and any costs and disbursements reasonably incurred in connection with the transfer of the work to another lawyer of your choice. We reserve the right to retain all papers and documents which relate to the transaction until the fees and disbursements have been paid.

Complaints

If you are unhappy with the service which has been provided by the firm or the level of fees charged, you should contact the partner responsible for your work. Another partner may review the matter upon request.

Although there is no statutory procedure for the independent examination of Guernsey lawyers' fees which are disputed by a client, the Bar Council of Guernsey may, in certain circumstances, appoint a lawyer from another firm to review a bill which has been rendered.

Governing Law

These Terms of Business shall constitute the contract for the provision of our legal services to our clients and shall be governed by and construed in accordance with Guernsey law. In accepting these Terms of Business you hereby irrevocably agree that the Courts of Guernsey shall have exclusive jurisdiction to settle any claim, difference or dispute which may arise out of or in connection with such contract and waive any rights to claim that such Courts are not an appropriate forum.