

TERMS OF ENGAGEMENT

Thank you for choosing Stevenson and Johnstone to represent you in connection with the [] of your property.

We will endeavour to keep you informed (by telephone or letter) at regular intervals regarding the progress of your transaction as well as significant developments.

Throughout our dealings do not hesitate to request an explanation should there be any aspect of your transaction upon which you are unclear.

It is our intention to ensure that your business is dealt with in as efficient a manner as possible but delays can sometime occur.

As your agents we can only act on information and instructions provided to us. It should not be assumed that we have knowledge of any factual matters. You may instruct us either verbally or in writing, although we may ask you to confirm verbal instructions to us in writing subsequently. If you wish to alter or amend your instructions you must notify us immediately.

Our Kenneth Hill, one of our Partners will principally be responsible for undertaking this work on your behalf. In that work he will be assisted by his Personal Assistant Wilma Dickson. If Mr. Hill is for any reason out of the office then your first point of contact will be Wilma Dickson.

VERIFICATION

Government Money Laundering Regulations require us to be satisfied as to the identity of our clients and as to the source of any funds passing through our hands. In order to comply with these regulations we may need to ask you for proof of identity. We require to obtain such information, even from long-standing clients, to comply with the current, more stringent, identification requirements.

Accordingly, if there is a financial element or component within your transaction (or if funds are received on your behalf from the account of a third party) we may require additional identity documentation from you. We do regret any inconvenience this may cause but please help us to be compliant.

We attach a Verification Form explaining the information that is required. Generally, we need to be provided with a principal passport or driving licence and also a principal utility bill (gas, electricity or telephone) or bank statements showing your current address and postcode. Please note a mobile telephone bill is not acceptable for verification. We will copy these documents and return them to you. If you are posting these documents, we would respectfully suggest you send them by Registered Post. You may of course simply wish to pop into our offices with this information so that the necessary verification can be carried out.

When you are purchasing property we also need your National Insurance Number for completion of the new Stamp Duty Land Tax Returns.

If we do not receive such identification from you at the outset we may be prevented from acting for you until we do receive them, which may cause delay.

SCOPE OF BUSINESS

As the nature of the business conducted by our legal firm encompasses various fields, including corporate, commercial and private client work, it is not practical to record the scope of work of each and every transaction within this section but, where possible, we have enclosed a separate guide advising of the relevant procedures and arrangements which will apply to your own transaction.

COSTS

We estimate our professional fees for your forthcoming work will be as per the attached. This assumes that your transaction proceeds without unusual difficulties or complexities and is based on what will be charged for a standard transaction. If, however, there are any unusual matters or complications arising from the transaction we reserve the right to charge an additional amount based upon the time expended but we will advise as soon as possible if an additional charge appears likely. Please note we will make a charge only where necessary – this is not what we hope for but at this very early state we simply do not know what will be entailed.

VAT at the prevailing rate (presently 17.5 %) is charged in relation to our firm's fees.

We will require to make payments on your behalf in the course of your transaction. For these we will need to be reimbursed at the same time as dealing with payment and settlement on the due date. We will send you an account of these, of course, when we need them and will look to you for prompt payment.

We may also charge you for abortive work on your behalf or work where your instructions to us have been acted upon but without success, or not carried through to completion.

INTER-CLIENT TRANSFERS

In the event of you purchasing a property from an existing client of this firm, by your acceptance of these Terms of Business, you hereby authorise us to transfer funds held by us on your behalf within Stevenson & Johnstone's Client Account to those of the selling client.

LIMITATION OF LIABILITY

The aggregate liability of this firm, its partners, agents and employees or any of them (together referred to in this and subsequent clauses as the Firm) for damage shall be limited to [10] times our fee.

For the purposes of this engagement letter, “damages” shall mean the aggregate of all losses or damages (including interest thereon, if any) and costs suffered or incurred, directly or indirectly, by you under or in connection with this engagement or its subject matter (as the same may be amended or varied) and any report prepared pursuant to it, including as a result of breach of contract, breach of statutory duty, negligence, or other act or omission by the Firm but excluding any such losses, damages or costs arising from the fraud or dishonesty of the Firm or in respect of liabilities which cannot lawfully be limited or excluded.

CLIENT CARE

If you are concerned about any aspect of our service or have a specific complaint about how the matter is being dealt with please contact the Complaint Partner for the relevant office with which you are dealing . The matter will be independently assessed and we will address the issue as quickly as possible. You should of course be aware of your right to seek separate legal advice in any such situation and to refer to the [Scottish Legal Complaints Commission, The Stamp Office, 10-14 Waterloo Place, Edinburgh. EH1 3EG.](#)

For your own part we ask that any requests or assistance that we ask of you in order to carry through your work is given promptly and fully. Success is based on our working together closely throughout with confidence that each of us will play our respective parts. We look forward to working with you and if there is any query arising from the foregoing please let us know right away.

Yours faithfully

Attachments:-

Conveyancing Cashflow Guide
Conveyancing (Purchase) – Terms of Business
Conveyancing (Sale) – Terms of Business
Estate Agency Service – Terms of Business
Verification of Client Identity Checklist

CONVEYANCING CASHFLOW GUIDE

OUTLAYS

It is the practice of the Firm to obtain from you in advance the cost of any outlays that require to be expended by us on your behalf. A statement will be produced in due course detailing financial dealings on your behalf and this will include the outlays which have been incurred and any funds received from you.

SALES

Outlays which we would normally require in advance prior to us incurring them on your behalf may include the Property Centre insertion fee and printing costs, any Press advertising and the cost of any additional reports (e.g. Property Inspections or other specialist reports).

PURCHASES

In connection with purchases we will require to the difference between your purchase price and any net mortgage or loan facilities (which we generally ingather from the lender direct) ("the Deposit"), as well as survey fees, Stamp Duty Land Tax (if any) and the registration dues of your title deeds. We need all of these in advance before settling your transaction. . (Stamp Duty Land Tax and registration dues are Government taxes payable in accordance with a scale of charges set by them. These taxes require to be paid by us on your behalf immediately at settlement – penalties apply if they are not paid in time.)

It is a requirement of the Money Laundering Regulations that the source of all bank chaps or Bacs transfers and bank drafts is identified before we settle on your behalf. You should ask your bank to write to us to confirm the amount/s to be transferred and the account details – we may not be able to settle a transaction without this information.

It is imperative arrangements are made with your bank to provide this information prior to settlement. If you are aware funds will be transferred from a third party (eg partnership, company, family etc) please advise as we also require to satisfy regulatory requirements which apply to such a third party source.

TIMETABLE

PURCHASE SETTLEMENTS

To effect settlement of a purchase transaction we must have **cleared** funds prior to the date of entry. The following time scales apply:-

CHEQUE: [7] working days prior to settlement

TELEGRAPHIC TRANSFER: two working days prior to settlement

BANK DRAFT: [5] working days prior to settlement

CASH: accepted only at our discretion and in no circumstances in excess of [£500]

OTHER: as authorised by us

SALE SETTLEMENTS

At the conclusion of your sale transaction, we require the settlement cheques from purchaser's Solicitors to clear the banking process and no funds will be paid to you until [5] working days have elapsed once your sale has completed. Settlement of the sale of residential property transactions in Scotland is still generally effected on the basis of delivery of the purchaser's Solicitors firm's cheque.

Assuming we receive sufficient funds we will attend to the repayment of any mortgage (where appropriate) without delay. You should ensure any Standing Orders and buildings insurance are cancelled after settlement.

CONVEYANCING (PURCHASE) – TERMS OF BUSINESS

Our fee for conveyancing includes all legal work in connection with the following:-

- * General advice in connection with the property market.
 - * Noting interest in properties and advising you of any closing date and advising you on the tactics of how to make an offer
 - * Advising you of different types of survey, reporting on survey and, if appropriate, arranging surveyors
 - * Preparing and submitting a formal offer on Scottish terms
 - * Dealing with missives and proceeding to conclude a bargain
 - * Examining the title deeds and advising you of all relevant conditions of title
 - * Preparing the title deed in your favour
 - * Preparing the Security deeds by you in favour of any lender including the Standard Security, any Assignment, and also having them and any other relevant papers signed
 - * Reporting on the lenders' Offer of Loan if we have arranged the mortgage
 - * Noting and where appropriate reporting to you on Searches, Mineral Reports, Property Enquiry Certificates, any alteration documentation and Timber Specialist Works
 - * Collecting monies, arranging to settle and giving you the keys
- * Completion of Stamp Duty Land Tax Return on your behalf and liaising with Inland Revenue
- * Submitting title deeds to Register House for recording/registration
 - * Checking title deeds on return from Register House and submitting to any lender in accordance with instructions from lender

Not included in the estimate is any additional work in connection with:-

- * Problems relating to unauthorised alterations or missing documentation
- * Additional unsuccessful offers other than as included above although this may be waived at our discretion
- * Extraordinary or unusual title problems such as disproportionate roof maintenance burdens, bankruptcies etc
- * Dealing with outstanding Statutory Notices or Common Repairs Schemes
- * Complicated additional work which may be involved in the purchase of a new property, especially where not being bought from one of the major builders
- * Post settlement disputes including matters in connection with central heating defects, etc

We would clarify that our fee does not include any advice given in connection with the arrangement of the mortgage or other financial matter.

CONVEYANCING (SALE) – TERMS OF BUSINESS

Our fee for conveyancing includes all legal work in connection with the following:-

- * Taking detailed instructions on the offer received for your property, giving advice and submitting qualified acceptance to the Purchasing Solicitor
- * Reporting to you, advising and taking instructions on all other formal letters including conclusion of bargain
- * Requesting title deeds and redemption quotation from lender
- * Preparing drafts and instructing necessary Property, Personal and charges

Searches

- * Ordering any necessary Quick Copy Writs, Planning Enquiry Certificates, Mineral Report, copy Completion Certificate, Warrant Plans or Planning Permissions
- * Revising draft Disposition prepared by the Purchasers Solicitor and having principal and any other transfer documents such as Affidavits, Forms of Consent or other signed
- * Arranging keys at settlement
- * Advising you that settlement has taken place
- * Sending a detailed account to you and redeeming loan
- * Paying all necessary accounts in connection with the foregoing (subject to sufficiency of funds)
- * Accounting to you for any free proceeds of sale
- * Submitting Discharge to lender for execution and attending to registration at Register House and despatch to purchaser's agents following registration

Not included in the estimate is any additional work in connection with:-

- * Sales which do not complete
- * Unauthorised alterations
- * Extraordinary title problems including unusual roof maintenance burdens
- * Dealing with outstanding Statutory Notices or Common Repairs Schemes
- * Additional work due to fact that sellers are separated
- * Dealing with Discharges of Inhibitions, Mandate for payment of debts, etc
- * Dealing with documentation in connection with Timber Specialist Work when documentation is not complete

ESTATE AGENCY SERVICE – TERMS OF BUSINESS

The fee quoted for carrying out your estate agency includes:-

- * Visiting your property, discussing in detail the market of your property, preparing sales particulars, having you complete form with regard to Property Misdescription legislation, submitting sales particulars to the ESPC and supplying them with relevant copies, supplying you with copies, supplying you and ESPC with copies of amended sale particulars, advising on asking price, advising on changes of marketing and price, advising whether or not to sell by way of a Fixed Price, advising on whether to negotiate for offers or whether to set closing date

- * We will normally quote a small amount with regard to sign erection, printing schedules and the cost of photography

The fee we have quoted does not include a viewing service although this can arranged separately at additional cost.

In the event that you instruct us to withdraw your property from the market before an offer is received any outlays incurred will be payable.

Verification of Client Identity Checklist

Please let us have one form of identity from each of List A and List B

A Evidence obtained to verify name and address

Full national passport
Full national driving licence
Pension book
Armed forces ID card
Signed ID card of employer known to you

Young person NI card (under 18 only)
Pensioner's travel pass
Building society passbook
Credit reference agency search
National ID card
Copy company Certificate of Incorporation

- B Gas, electricity, telephone bill
Mortgage statement
Council Tax demand
Bank/building society/credit card statement
Young persons medical card (under 18 only)
Home visit to applicants address*
Check on telephone directory*
Check voters roll*
*Suitable proof for address only

C Evidence obtained for unquoted company or partnership

Please let us have one of the following:-

Certificate of Incorporation or equivalent
Certificate of trade of equivalent
Latest report and audited accounts
or one item from A and B in respect of:-

Principal shareholder/partner
Principal director

I confirm that:-

- a) **I have seen the originals of the documents indicated above and have identified the above customer(s) or**
b) **In accordance with the Regulations, evidence is not required for the reasons stated.**

Signed _____ Date _____