

Date: [<sup>1</sup> ] Our Ref: / /P010100004 Your Ref:

Dear [<sup>2</sup>

re: [<sup>3</sup> ]

Thank you for instructing us [to handle/in connection with], [ ].

We enclose a copy of our standard terms of business which, together with the terms of this letter (“Letter of Engagement”) apply to the provision of services by Stuart Smalley & Co LLC to you [*insert name of client where appropriate*]. These will apply to both the present and all future instructions from you or any company in the same group and/or any person, firm or company associated with you, unless otherwise agreed with you. [You will be accepting liability to pay all invoices addressed by us to any trust and/or body corporate that you benefit from or which has been created on your instructions]. The remainder of this Letter of Engagement should be read in conjunction with these terms. If you have any queries or comments on the terms or this letter, please let me know.

1. **Responsibility for your Legal Affairs**

This company believes it is important to ensure that one Manager (Client Manager) has overall responsibility for each client's affairs. I am your Client Manager and am available to assist in whatever way I can.

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<sup>1</sup> Insert date

<sup>2</sup> Insert

<sup>3</sup> Insert matter of instruction

Our aim is to carry out instructions at the most cost-effective rate having regard to the matter in question and any particular requirements you may have. Where appropriate I will delegate certain aspects of the work to staff at lower charge-out rates. Whether a matter is dealt with primarily by a Manager or by others will depend on your needs as understood by us.

For the present matter,<sup>4</sup>

**[EITHER Choose paragraph 1, 2 or 3]**

I propose that my colleague [ ] [a qualified Solicitor [or other status]] [whom you met at the meeting] will deal with it on a day-to-day basis although I will remain closely involved.

**[OR]**

I intend to carry out most of the work personally, but you can also contact [ ] [a qualified Solicitor [or other status]] who is and will be familiar with the file.

**[OR]**

I shall be dealing with the matter personally, assisted by [ ] [status]].

I am particularly keen that you should be kept fully informed of developments throughout the matter and will contact you on a regular basis to discuss its progress. Do feel free to contact me at any time if you would like to discuss any aspect of the matter.

2. **Scope of Instructions**

You have asked us to advise on the following. [<sup>5</sup> ]

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<sup>4</sup> List Manager and Staff (their status) who will be dealing with the matter and what they will be doing. Make it fit the circumstances.

<sup>5</sup> Insert a detailed account of the instruction and the work involved.

Our advice will be limited to the laws of the Isle of Man and we are unable to advise on the laws of [applicable jurisdiction] or any other jurisdiction.

We will not be giving tax advice in this matter.

3. **Timetable**

[<sup>6</sup> ]

4. **Fees**

Our charges are based on our standard hourly rates, plus VAT where applicable and disbursements. We attach a schedule showing the current charge out rates of our staff. We will invoice you [monthly/every three months/on a regular basis]. At this stage we do require a payment on account of fees. Please could you arrange to send us £[ ].

Please note, to comply with client due diligence requirements of the Isle of Man Government's Department of Economic Development, there will be a minimum annual charge of £150 for due diligence work.

5. **Estimate of Costs**

If you would like an estimate of our costs in this matter, please let me know.

**[OR]**

It is not [at this stage] possible to give you an indication of the likely level of costs because of [the nature of the work etc]. If you would find it helpful, I could let you know once costs [and disbursements<sup>7</sup>] had reached, say, [£ <sup>8</sup>] (excluding VAT).

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<sup>6</sup> Set out the estimated time to achieve specific tasks or give advice as appropriate.

<sup>7</sup> Delete if appropriate.

<sup>8</sup> Insert appropriate sum.

**[OR]**

You have asked for an estimate of our costs in this matter. It is not possible to estimate the amount of time likely to be spent on the matter because factors outside our control can significantly increase the time spent. However, on the basis/based on the assumptions set out below, I estimate our costs for the work set out above <sup>9</sup>are [likely to be between £X and £Y] [unlikely to exceed £Y]. These figures exclude disbursements and VAT. <sup>10 11</sup>

You will appreciate that the above figure is an estimate, not a firm quote, and may need to be reviewed as the matter proceeds and it becomes clearer how much time is likely to be spent. If it becomes apparent that the estimate will have to be revised, I will of course let you know as early as possible.

In the event that the matter does not proceed/proves abortive, we will charge on the basis of time spent at the hourly rates of those carrying out the work.

6. **Our Liability**

The total liability of Stuart Smalley & Co LLC and any employee thereof for any claim in respect of services provided to you (whether in contract, negligence or otherwise) shall in no circumstances exceed £1 million pounds.

Further terms relating to our liability can be found in our standard terms of business.

7. **Money Laundering and Terrorist Financing Regulations**

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<sup>9</sup> As stated in the first paragraph of letter.

<sup>10</sup> Include estimate for disbursements if appropriate.

<sup>11</sup> Set out basis of estimate ie. assumptions eg:-

- Completion within anticipated timescale.
- No unexpected complications causing significant additional time or work.
- All parties act reasonably commercially.

For the protection of all our clients we operate a money laundering and terrorist financing reporting procedure. In certain circumstances, information may be revealed by us to Douglas Trustees Limited, our corporate service provider, any banks to which we have acted as an introducer for you, and the appropriate authorities to ensure compliance with Manx law and in relation to any suspicion of money laundering or terrorist financing.

The Financial Services Act 2008, the Proceeds of Crime Act 2008 and other statute and regulation may require us to carry out certain due diligence procedures. We may need to ask for your assistance in meeting these obligations, but we will endeavour to keep these requirements to a minimum. Any information provided to us will, where appropriate, be passed to Douglas Trustees Limited to enable that company to comply with anti-money laundering and countering the financing of terrorism regulations.

If at any time there is any aspect of our service which gives you concern, please raise it with me.

8. **Electronic Communications**

During the engagement we may from time to time communicate with you electronically. However, as you are aware the electronic transmission of information cannot be guaranteed to be secure or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly whilst we will use Anti Virus software to check for the then most commonly known viruses before sending information electronically and notwithstanding any collateral contract, warranty or representation, neither Stuart Smalley & Co LLC nor its managers, employees, agents or servants shall have any liability to you on any basis, whether in contract, tort (including negligence) or otherwise, in respect of any error or omission arising from or in connection with the electronic communication of information to you and your reliance on such information and including (but not limited to) the acts or omissions of our service providers. Such exclusion of liability shall not apply to Stuart Smalley & Co LLC in the event of such acts, omissions or misrepresentations which are in any case criminal, dishonest or fraudulent on the part of Stuart Smalley & Co LLC's managers, employees, agents or servants.

If the communication relates to a matter of significance on which you wish to rely and you are concerned about the possible effects of electronic transmission you should request a hard copy of such transmission from us. If you wish us to encrypt or password protect all or certain documents that we will transmit to you electronically you should discuss this with us and we will make appropriate arrangements.

9. **Privilege**

Our advice to you concerning your legal rights and obligations will be protected by “privilege” ie. our advice will be kept confidential and need not be disclosed to third parties, for example, during any subsequent litigation. We will not disclose such advice to any third party without your consent (unless required to do so by law). You should, however, be aware that advice which is not given in a legal context will not be privileged (unless the advice relates to prospective or actual court proceedings).

It is advisable to ensure that privilege extends as widely as possible to any advice. To do this, we should agree with you the identity of individual within your (company organisation) who are authorised to give us instructions/receive our advice and we will deal only with them. If you wish to extend the list of authorised individuals, either generally or in relation to any particular matter, please let us know as soon as possible.

10. **Data Protection**

As part of our service it is necessary for us to process personal data. All personal data is processed in accordance with the Isle of Man’s General Data Protection Regulations. Primarily your data will be used to enable us to provide services to you. Your data may also be used for the provision of legal services, internal administration and staff training. To fully understand your rights and our obligations with regard to the processing of personal data you should read our Privacy Policy which is available at [www.law-man.com](http://www.law-man.com)

Unless we have agreed with you otherwise, your continued instructions will be taken as acceptance of this letter and our standard terms of business in respect of this matter and for future matters.

Please do not hesitate to contact me to discuss any aspect of this letter if you require any clarification. We look forward to working with you.

Yours sincerely

**[MANAGER name]**

Enclosures: Copy of letter  
Standard Terms of Business  
Chargeout Rates

We hereby confirm acceptance of the terms and conditions.

Signed:.....

Date:.....

SPECIMEN