



Date xx xx xxxx

Dear Client

LETTER OF ENGAGEMENT – PROPERTY ACQUISITION

Thank you for your instruction to act on your behalf in acquiring premises known as *the property* for xxxxxx on a Freehold basis.

This Letter sets out the agreement between the parties. Any subsequent changes will be discussed with you and where appropriate a new Letter or written confirmation of agreed variations will be issued.

1. Our Services

LM1 is appointed to use all reasonable endeavours to acquire the above mentioned property for you to purchase the Freehold interest, if required, negotiate on your behalf the sale price and any conditionality associated with the transaction.

It should be noted that all acquisition work is taken on the basis of your instructions as to the suitability of the property. All reasonable care and skill will be taken to acquire the property, however you will be solely responsible for determining the property's suitability and for instructing appropriate investigation and further inspection deemed applicable for the purpose of the acquisition.

2. Property to be acquired

Insert property here

3. Fees

The Final Fee shall be equal to 1% of the agreed purchase price

You agree to make payment of the Final Fee on completion of the property transaction.

Fees are payable within 28 days of the date of invoice.

4. Valuation

Any opinion given to you by us as to the appropriate purchase price of the property

will be based on our expertise and current market rates. However this should not be relied on by you, lending institutions or other third parties as, an opinion of the Market Value or of the property achievable on a resale (as defined in current Appraisal and Valuation Standards issued by the Royal Institution of Chartered Surveyors).

5. Searches and enquiries

We will not be responsible for making local searches or other enquiries of local or any other authorities or investigations as to Title regarding a Property which has been selected.

6. Condition of Property

Whilst we make all reasonable efforts to ensure that the Property is in good condition on or before completion we are not responsible for the condition of the Property or any equipment, fixtures, fittings and furnishings in or any other aspect of the Property. We will provide reasonable assistance to ensure that any problems are rectified as soon as possible.

I trust you will find all in order but please do not hesitate to call me about this Letter. To confirm your acceptance of this agreement please return a signed copy to me or provide your written acceptance by email otherwise your continuing instructions will amount to acceptance of this Letter.

Yours Sincerely,

LM1

1. By granting us Sole Letting Rights, you agree that:
 - a) During the period in which we have Sole Letting Rights, you will not enter into any contract (whether conditional or unconditional) for the sale/letting of the Property, unless you have first agreed this with us, even if the purchaser/tenant was not found by us but by another agent or by any other person, including yourself; and
 - b) during the period of our Sole Letting Rights, should you without our agreement, enter into a conditional or unconditional contract for the sale/letting of the Property, you will pay us [50%] of the full fee due, in addition to any other costs or charges you are liable to pay under these terms; and
 - c) should you enter into a conditional or unconditional contract for the sale/letting of the Property after, but within [18] months of, the expiry of the period during which we have Sole Letting Rights, to a purchaser/tenant who was introduced to you, or with whom we had negotiations relating to the Property, during that period, then you will be liable to pay our full fee, plus any other costs or charges that have been agreed.

By signing this document, you confirm that your Property is not offered for sale/ to let elsewhere. Should you have instructed another agent, those instructions must be formally terminated to avoid more than one commission being due.

MONEY LAUNDERING REGULATIONS

2. To comply with our obligations under the Money Laundering Regulations 2007, we are obliged to verify the identity of the sellers for whom we offer the Property for sale. Before we can accept any instructions from you, we require from you:
 - i. if you, the Property owners, are a private individual:
 - a) a certified copy photographic identity document such as a current passport or UK driving licence. This should be annotated "I have seen the original document and certify that the photograph is a good likeness of {name}" and signed and dated by one of your professional advisers such as your solicitor, accountant or bank manager, and
 - b) evidence of your home address, eg., a utility bill less than three months old or other official current form evidencing residence such as a current bank, building society or credit card statement or Inland Revenue tax notification/demand;
 - ii. if the Property owner is a trust:
 - a) constitutional documents establishing the trust;
 - b) details of all the trustees and beneficiaries and a copy of the deed evidencing the appointment of the current trustees;
 - c) individual verification of the identity of those who have control over the funds ie., the principal trustees and providers of the funds ie., the settler (except where deceased) and the principal beneficiaries;
 - d) where the settler is deceased, written confirmation for the source of the funds, for example, grant of probate or copy of the will creating the trust;
 - iii. if the property owner is a company:
 - a) a copy of the company's Certificate of Incorporation;
 - b) a copy of the relevant page from the latest company audited accounts or other appropriate documentation, giving directors/principal shareholders' details; and
 - c) in respect of each director and each shareholder holding more than 25% of the shares in the company, the ID documents required for individuals, as per i) above.

If you have any difficulty with the above, please contact our office and we will be happy to help. We apologise for any inconvenience and thank you in anticipation of your assistance in this matter.

3. In order to safeguard our investment, if a transaction is agreed 'subject to contract' and contracts are not exchanged, and you then withdraw from the agreement, we will be entitled to 50% of the Fee, plus any other agreed costs and charges.
4. The costs set out under Fees and Charges will be due in full irrespective of whether or not the Property is actually let or sold. Also, in the event of the Property being withdrawn from the market or not let/sold, we reserve the right to charge an administration fee of £500, in addition to the other charges and fees for which you may be liable under this agreement.
5. A full fee will be due in the case of the surrender of leasehold interests.

PAYMENT

6. All fees, costs and charges are due in full once contracts have been exchanged. We may, however, elect to submit interim bills (marked as such) if, for example, the matter is unlikely to be concluded within a short time from exchange of contracts.
7. Settlement of our bills is due on presentation.
8. We reserve the right to deduct any fees or charges due to us from the deposit paid by the Purchaser, which we hold as either Agent or Stakeholder in our client account.

9. We reserve the right to charge interest on overdue sums, where the sum is overdue by 30 days or more (without prejudice to our other rights). Such interest will be either at the rate set by the Late Payment of Commercial Debts (Interest) Act 1998, or, at our discretion, at the annual rate of 4% above the base lending rate from time to time of the Bank of England, accruing on a daily basis until payment is made, whether before or after any judgment. If you fail to pay any sum due within 60 days from the date of invoice, you shall also be liable to pay, on a solicitor and our own client basis, all legal costs and disbursements incurred from such date by us in seeking to recover overdue accounts or any part thereof.
10. On matters where a third party has agreed to pay your legal costs, these still remain your responsibility should the third party fail for any reason to settle the account.

PLEASE NOTE

11. Your instructions to us to act on your behalf are accepted by us on the understanding that you have full authority to sell the Property, and you warrant that:
 - a) you have made full disclosure to us of all known tenancies, sub-tenancies, leases, outgoings, planning permissions, orders, notices, restrictions, agreements, employees who may be covered by TUPE, requirements or disputes and all other information in your possession, that is required to offer the Property for sale (such information, disclosures etc. to be provided to us promptly);
 - b) the Property is not currently being offered for sale/to let elsewhere (any such instructions should be formally terminated to avoid the possibility of more than one commission becoming payable, and, if any negotiations for sale/letting are being conducted, no decision should be made to offer the Property for sale/to let until they are concluded);
 - c) the amounts of any rents given to us are the rents actually payable or being paid;
 - d) your solicitor is asked by us, at your expense, to make local searches, prepare the Special Conditions of Sale, Form of Contract and supporting documents;
 - e) you will, at your own cost, provide a Home Information Pack and/or an Energy Performance Certificate, if you are obliged by law to provide one (see further paragraphs 17, 18 and 19 below);

TERMINATING OUR SOLE LETTING RIGHTS

12. You may terminate our Sole Letting Rights early by giving us at least one month's written notice. You may only terminate them early with immediate effect if we are in serious breach of this agreement.
13. We may terminate our appointment and withdraw our marketing of your Property either
 - a) on one month's notice given in writing to you; or
 - b) with immediate effect, if you are in serious breach of this agreement, or if we have reasonable concerns regarding the information provided by you, or any action taken by you, which
 - i. would hinder the sale of your Property, or
 - ii. would place us in breach of the law, or
 - iii. would give rise to potential legal claims, or
 - iv. would damage our commercial reputation.

E.P.C.S

14. Energy Performance Certificates are required on the sale or letting of any building, including commercial buildings. An Energy Performance Certificate must be included as part of the marketing literature and must be prepared as follows:
 - a) the Energy Performance Certificate must be ordered within 7 days of the property being placed on the markets
 - b) The Energy Performance Certificate must be prepared 21 days thereafter
15. We can recommend a suitable agent to provide the service of supplying an EPC should you so require.

KEYS

16. If we are to hold keys for the Property, we reserve the right to release the keys to interested parties or their representatives at our discretion. Keys will be released for inspection, measurement and valuation purposes only, unless otherwise agreed. In this regard, we shall not be liable for any loss which you may suffer as a result of our giving the keys to anybody authorised by you or authorised under this agreement.

TAX

17. In advising as to the disposal of the Property we have not made any recommendations as to VAT or other taxes. You may wish to obtain your accountant's advice as to the registration of the Property for VAT, prior to its sale.

COMMISSION FROM MORTGAGE ADVISORS

18. As part of our services, we often introduce potential purchasers to independent mortgage advisors. As a result, we sometimes receive commission, which is usually a sum equal to 25% of the commission received by the independent mortgage advisor. We are entitled to retain this however, it will not affect the monies receivable by you, and may, in fact, increase the saleability of your Property if a purchasers is able to arrange a mortgage in time for the sale.

EMAIL COMMUNICATION

- 19. We may communicate with you by email, including sending you documents by email. Presently, our email communications are not encrypted. It is possible, therefore, that confidential information sent by email is intercepted and read by a third party. Please be aware of this risk, and if you do not wish us to communicate with you by email, please advise us accordingly in writing.

GENERAL

- 20. From time to time, prospective purchasers or occupiers may request that LM One Agency act for them once a transaction has been completed. Should this situation arise, we will inform you of the potential ongoing professional relationship.
- 21. You should be aware of the serious risks associated with asbestos and not that we do not accept any responsibility for the detection or management of asbestos in the Property. We draw to your attention the Control of Asbestos at Work Regulations 2002 and the responsibilities on property owners within the same.
- 22. Under the provisions of the Proceeds of Crime Act 2002 we are required to consider the source of any funds provided by you in connection with any transaction we may carry out on your behalf. If we are aware of or suspect that the proceeds of any crime (whether or not committed by you) may be involved, then we may be obliged to report our knowledge or suspicion to the National Crime Intelligence Service (NCIS). We may have to do so without informing you. Proceeds of crime now include not only the obvious, but also any money deriving from tax evasion or benefit fraud.
- 23. We are a quality driven agency, and in order to verify that our quality standards are being adhered to on all files, we conduct internal and external file audits from time to time. Files are selected for audit at random. If your file is selected, we will make it available for independent inspection by an auditor. The auditor will sign a confidentiality agreement and will not be permitted to take copies of or notes from your file, without your specific consent.
- 24. We shall retain copyright in any documents we produce for you.
- 25. This agreement constitutes the entire understanding between you and LM One Agency with respect to the subject matter of this agreement. It supersedes all prior agreements, negotiations and discussions between us. You acknowledge that you have entered into this agreement on the basis of the contents of this letter and have not relied upon any statement or representation made by us, if that statement or representation is not written down in this letter.
- 26. No amendment to this agreement shall be binding unless it is in writing and signed by you and by us.
- 27. No third party shall have the right to enforce any part of this agreement under the Contracts (Rights of Third Parties) Act 1999.

- 28. Attached is Appendix A – Amendment Agreement for Data Protection.

- 29. Should you have authorised us to undertake works at your Property such as clearing out, cleaning, carrying out emergency works involving plumbers, locksmiths, joiners, etc, then you will be charged in full for the costs of these works. We will endeavour to warn you in advance of the likely costs of the works but cannot guarantee this.

OUR LIABILITY

- 30. Our aggregate liability for work undertaken for you is limited to a maximum of £[3,000,000] in totality, and we shall not be liable at all for any indirect or consequential losses, or any loss of profit or diminution in sale value. This does not apply to death or personal injury arising from our negligence, or to fraud. If we are jointly and severally liable to you with any other party, we shall only be liable to pay you the proportion which is reasonably found to be our fault. You indemnify us against all claims and costs incurred by us arising out of any misrepresentation by you, or out of your failure to reasonably cooperate.

PROGRESS OF MATTERS

- 31. We are committed to providing all our clients with an efficient and effective service. This letter is intended to explain the terms upon which we undertake business and the basis upon which our fees are calculated. If any aspect is not clear, please contact the person dealing with your work.
- 32. At the outset of each matter, we shall discuss with you what is to be achieved and what is necessary to achieve it. Any material developments in the course of the matter, delays, or possible variations from your instructions will always be reported to you, but we will be guided by you as to the extent to which you wish us to report in detail otherwise.

CONCERNS

- 33. If you have a concern or query about our work or our charges, please raise it as soon as possible, first with the member of staff with responsibility for your work, as named in this letter. All concerns will be referred to the relevant Head of Department in accordance with our Concerns Handling Procedure. Briefly, that procedure operates as follows:
 - a) the concern will be referred to the relevant Head of Department named in this letter;
 - b) you can expect a full written response from him/her within 14 days or, if this is not possible, an explanation why and a timescale for a response;
 - c) if you are not satisfied with the response, you should refer the matter to the Managing Director, who will further investigate, and respond to you in 14 days, or, if this is not possible, an explanation why and a timescale for a response.

SIGNATURE AND RETURN

- 34. To comply with the requirements of the Estate Agents Act 1979 we require your confirmation that the terms, including the fees and charges, set out above are acceptable to you. Therefore, we should be obliged if you would return to us the enclosed copy of this letter, signed and dated.

I confirm that I have read these terms and conditions and agree to the same.

Signed

Name printed

On behalf of (client company)

Date

Appendix A – Amendment Agreement for Data Protection

The Parties have entered into a letter of engagement incorporating LM One Agency's standard terms of business for the provision of services ("the Original Agreement"). This Appendix varies the Original Agreement in respect of the provisions of the Original Agreement so far as they relate to Data Protection and together this Appendix and the Original Agreement represent the entire terms agreed between the parties in relation to its subject matter.

For the purpose of this Appendix the following capitalised terms shall have the following meaning: "Client Personal Data" means "personal data" (as defined under the Data Protection Legislation) processed under the Original Agreement between the parties in line with the Data Processing Particulars; "Data Protection Laws" means the General Data Protection Regulations ((EU) 2016/679) effective from 25 May 2018 and any national implementing laws, regulations and secondary legislation in force in England and Wales from time to time; "Data Processing Particulars" the table set out at the end of this Appendix; and "Data Controller" has the meaning given to it in the Data Protection Laws.

We process the personal data of individuals who are a named client or through whom we conduct our relationship with you for providing property consultancy and surveying services, marketing, administration, training, commercial purposes (e.g. creditworthiness) and as required by law (e.g. anti money laundering legislation). We may use it to contact you about our services, but you can choose not to receive such material at any time.

Our use of Client Personal Data is subject to your instructions, the Data Protection Laws and our professional duty of confidentiality. We process Client Personal Data supplied to, or created by, us in providing property consultancy and surveying services to you, as a Data Controller together with you. Both parties shall comply with their respective obligations under the Data Protection Laws as Data Controller of the Client Personal Data and shall use all reasonable efforts to assist the other to comply with such obligations as are respectively imposed on them by the Data Protection Laws. Each party shall ensure that it makes due notification to any relevant regulator, such notice to include its use and processing of the Client Personal Data.

We and you as our client (the "parties") each acknowledge and agree that we have allocated responsibility for compliance with the Data Protection Laws, as set out in the Data Processing Particulars which can be found in the table at the end of this Appendix. Both parties acknowledge and agree that the Data Processing Particulars are an accurate description of the processing of Client Personal Data by the parties. Any reference to terms not defined in this Appendix shall be as described in the Data Processing Particulars.

Where you collect Client Personal Data, which you subsequently provide to us, you shall ensure that:

- i. It is not subject to any prohibition or restriction which would prevent or restrict you from disclosing or transferring the Client Personal Data to us, or prevent or restrict us from processing the personal data as envisaged under our Letter of Engagement;
- ii. You have complied with the Transparency Requirements in respect of the Client Personal Data, to enable us to process such data in providing the legal services to you;
- iii. ensure that the Client Personal Data as provided is adequate, relevant and limited to what is necessary in relation to the Purposes set out in the Data Processing Particulars; and
- iv. Ensure that the Client Personal Data as provided is accurate and, where necessary, up to date.

Each party shall be separately responsible for compliance with the following obligations in its capacity as Data Controller of the Client Personal Data:

- i. The security requirements in respect of the Client Personal Data in its possession and/or control;
- ii. Restrictions in the Data Protection Laws on transfers of the Client Personal Data outside the EEA which that party instigates;
- iii. Retaining the Client Personal Data in each party's possession and/or control only for as long as necessary for its Purposes as set out in the Data Processing Particulars; and
- iv. Data subject rights under the Data Protection Laws exercised in respect of the Client Personal Data in its possession and/or control.

Each party shall not, by its acts or omissions, cause the other party to breach its respective obligations under the Data Protection Laws.

In the event of a breach by either party their respective obligations under the Data Protection Laws, the party in breach shall be liable to the other party for all or any losses incurred by the other party, or for which the other party may become liable, in each case to the extent arising as a result of such breach and nothing in this Appendix or the Original Agreement shall exclude or limit liability this.

The Client Personal Data we process may be transferred to our service providers and agents and may be accessible by each and every affiliate of LM One Agency for the purposes.

Details of Processing Table

Nature/purpose of Processing	The purpose of the Processing is to enable LM One Agency to perform the services anticipated by the Original Agreement and to otherwise carry out its duties under the Original Agreement for the client. The nature of the Processing may include any operation such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of data (whether or not by automated means) in the course of providing the services.
Duration of Processing	The term of the Original Agreement and may be retained beyond the termination of the Original Agreement. In accordance with our general data retention policies which are in line with statutory and professional rules regarding the retention of data.
Type of Client Personal Data	Personal data as defined within the Data Protection Laws which could include (but is not limited to) name, address, telephone number, date of birth details, e-mail address, IP address, credit, debit or other payment card details and banking information.
Categories of data subjects	Client personnel details, individuals identified as part of the Original Agreement and other individuals to the extent that they may be involved in the daily operation of the client's business.