

Appendix of Limitation Of Liability Clauses

These clauses are to be included in the law firm's terms of engagement.

Option One: legal services ordinarily acquired for personal or domestic purposes

Scope of Duty

1. The service which we agree to provide to [you]¹ relates only to the particular matter in respect of which you engage [us]² (**the engagement**).
2. Where the engagement includes the giving of legal advice, this advice is an opinion only, based on the facts known to us and on our professional judgment. We will not be liable where we reasonably base our advice on information given by others, which turns out to be wrong, or the state of the law, which subsequently changes.
3. Once the matter in respect of which we were engaged is at an end, save for legal duties which may subsist beyond expiration of the contract of retainer as a matter of law, we will not owe you any duty or liability in respect of any other matter, even if related, unless you specifically engage us in respect of those related or other matters.
4. Our duty of care is to you, as the party by whom we have been engaged, and not to any other person, including (for example, but without limitation) any directors, shareholders, associated companies, employees or family members, unless we expressly agree in writing. Except as expressly agreed by us in writing, we do not accept any responsibility or liability whatsoever to any third parties who may be affected by the performance of the engagement or who may rely on any advice we give to you.
5. Any advice given by us is not to be referred to in connection with any prospectus, financial statement, or public document without our written consent.
6. Unless otherwise agreed, we may communicate with you and with others by electronic means. We cannot guarantee that these communications will not be lost or affected for some reason beyond our reasonable control, and we will not be liable for any damage or loss caused thereby.

Option Two: the legal services are ordinarily acquired for personal or domestic purposes, but the client is 'in trade'

Scope of Duty

As above.

Limitation of Liability

1. For the purposes of the Consumer Guarantees Act 1993 (**the Act**), or any equivalent legislation subsequently enacted, you acknowledge and agree:

¹ Insert whatever defined term indicates the client

² Insert whatever defined term indicates the firm

- a. You are in trade; and
 - b. The legal services to be provided under the engagement are acquired by you in trade and/or for business purposes; and
 - c. You accept that the provisions of the engagement, including the liability cap set out below, are fair and reasonable in light of the following circumstances: [to be completed.....
For example [the subject matter of the engagement, the value of the legal services to be provided, the value of the asset potentially affected, what is an appropriate allocation of the risk in the event that the advice or services may be wrong.]; and
 - d. You agree to contract out of the provisions of the Act as set out below and to the extent permitted by law and subject to the court's determination pursuant to s43(2A) of the Act; and
 - e. You are free to negotiate the terms of the engagement with us, were not required to accept or reject the terms of engagement without us being willing to negotiate, you understand the effect of the terms of the engagement, and were free to take legal advice, independent of us, on the effect of the engagement.
2. To the extent permitted by law, you agree that our total liability to you in connection with this matter, or on any related matters on which you engage us, shall not exceed the sum of [.....] (**the liability cap**) (including interest, costs, and all losses whatsoever).
 3. The liability cap will apply to any liability of whatever kind, howsoever arising, whether in contract, in tort (including negligence), statutory, in equity or otherwise.
 4. If we provide any service to any persons or entities related to or associated with you or to anyone else at your request (whether or not we also advise you) on a matter or series of related matters then our aggregate liability to you and all those persons and entities in respect of that matter (or series of related matters) will be subject to the liability cap. You will ensure that those persons or entities agree to this.
 5. The liability cap will accrue to the benefit of any partner, employee, or agent of ours who may have acted in connection with the matter, so that in no instance shall the liability of any person, and all persons claimed against in the aggregate, be for more than the liability cap ."

Option Three: the legal services are not ordinarily acquired for personal or domestic purposes

Scope of Duty

As above.

Limitation of Liability

1. You acknowledge and agree that the engagement is for the commercial or business purposes, and the services to be provided are not ordinarily acquired for personal or domestic purposes.

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2. To the extent permitted by law, you agree that our total liability to you in connection with this matter, or on any related matters on which you engage us, shall not exceed the sum of [.....] **(the liability cap)** (including interest, costs, and all losses whatsoever).
 3. The liability cap will apply to any liability of whatever kind, howsoever arising, whether in contract, in tort (including negligence), statutory, in equity or otherwise.
 4. If we provide any service to any persons or entities related to or associated with you or to anyone else at your request (whether or not we also advise you) on a matter or series of related matters then our aggregate liability to you and all those persons and entities in respect of that matter (or series of related matters) will be subject to the liability cap. You will ensure that those persons or entities agree to this.
 5. The liability cap will accrue to the benefit of any partner, employee, or agent of ours who may have acted in connection with the matter, so that in no instance shall the liability of any person, and all persons claimed against in the aggregate, be for more than the liability cap .”