Thomson & Bancks SOLICITORS

Private Client Department Annex (professional fees)

We pride ourselves on being open and transparent in how we calculate our professional fees. We have set these out below for the majority of our work usually requested of us, but it is not exclusive.

1 Personnel

The personnel in the department and their hourly charging rates are:

Sarah Ingles	Partner and Head of the Department
Jemma O'Connor	Partner
Caroline Gibbs (C.T.A.P.S)	Consultant Solicitor Contested Probate Specialist
Diana Dennis	Solicitor
Kath Harris	Consultant Solicitor
Gina Lessimore	Full T.E.P/Paralegal
Laura Buckley	Private Client Fee Earner
Viktoria Koseva	Trainee Solicitor
Louise Dimitriou	Paralegal
Zoe Layton	Paralegal
Catherine Hughes	Senior Private Client Assistant
Helen Rooney	Private Client Assistant
Melissa White	Secretary/First Point of Contact

We are aware that a lot of firms employ unqualified members of staff to carry out certain types of work. At Thomson & Bancks we make a point of employing professionally qualified members of staff who undergo a rigorous and ongoing internal and external training regime. For example, we take the view that the best person qualified to advise you on your Will is a fully qualified Solicitor or Chartered Legal Executive all of whom have many years' experience in this particular area of law. The professionalism, experience, dedication and loyalty of our staff is reflected in the service to our clients and the quality of work and advice we provide.

Our charge out hourly rates for staff range from Assistant at £150 to Partner at £290.

2 Calculation of Fees for Estate Administration

What is involved in the estate administration? Realistically each estate like each family is unique and thus can give rise to a range of issues. We will work with the Executors and Administrators to sort these out. With our knowledge and experience we will be able to identify and deal with varying issues, assisting the Executors or Administrators to the extent they wish. Some people like to have a go themselves. Whilst entirely possible we find that the reality is that it takes the lay individual longer and can give rise to problems for the future. What seems straightforward is often not the case due to a lack of awareness of the issues. The Internet for background information will point you in the right direction but there is no substitute for using a practice of solicitors specialising in this area.

The main work in the full administration of an estate service is likely to include.

- Meetings/correspondence with the family or executors in order to advise and take full instructions on the administration of the Estate, identify all known assets and to ensure that the wishes of the deceased as expressed in the Will or in accordance with the intestacy rules are carried out.

- Complying with all UK statutory Anti Money Laundering legislation and identification of our client Executors or Administrators.

- Verifying and valuing of all identified sole and joint assets comprising the Estate based in England and Wales and the debts of the Estate.
- Preparing and placing of the statutory advertisements (if necessary) in local press and London Gazette.
- Preparing the Legal Statement for Executors and any required affidavits of due execution and arranging the swearing thereof.
- Preparing and advising on HMRC accounts and any subsequent corrective accounts.
- Calculating the inheritance tax due on the Estate and arrange for the payment of inheritance tax from the Estate or arrange an appropriate loan.
- Applying to the Probate Registry for the Grant of Probate or Letters of Administration.
- Collecting in the assets of the Estate and distribution in line with the Will.
- A member of our specialist conveyancing team will deal with any work relating to a property that requires submitting an application to the Land Registry to update the owner of it. As part of our commitment to be clear and transparent in relation to our fees they will send a separate account for their work, including any disbursements (e.g. Land Registry Fees), to our probate team to pay as an estate administration invoice. This invoice will be sent to you for information, but settled from the estate when in funds, the same as for our accounts for the administration of the estate itself.
- Settling the corrective accounts/claims for loss relief to HMRC.
- Carrying out relevant searches to identify any unclaimed assets (if any) and ensure any legacy is distributed correctly to either non-bankrupt beneficiaries or bankruptcy trustees as appropriate.
- Arranging the transfer of any identified joint assets of the deceased into sole names.
- Settling the debts of the Estate and pay any legacies from the assets of the Estate.
- Handling the deceased's income tax affairs from 6th April in the year of death and for the period of the administration, including preparation of the appropriate tax return when the deceased's accountant not otherwise instructed.
- Preparing full and detailed accounts for the beneficiaries of the Estate and after payment of all claims, distribute the Estate.
- All advice correspondence and telephone calls.

We have found over many years of experience that clients whilst wishing to pass the burden of dealing with a loved one's estate to an experienced solicitor are equally anxious quite understandably to ascertain at the outset the professional costs of doing so. We are therefore faced with balancing these aspirations against the reality of not really knowing at the beginning of any new matter what precisely is involved and what issues may arise during the administration period. To manage these conflicting issues, we offer our clients a choice over how our professional fees can be calculated. We are flexible and transparent.

There are two Services:

2.1 : Limited to Grant Only

We prepare the Legal Statement and Inheritance Tax papers based on the information you provide and submit these as appropriate. This is a limited service, and we do not advise or carry out work beyond preparation of the papers referred to and relying upon the information you provide. We do not organise payment of the Inheritance Tax liability to HMRC.

We would ask you for payment of our fees and disbursements before submission of the papers to the court. You would also be responsible for organising payment of any Inheritance Tax due.

This service does not include preparing and filing any Inheritance Tax Corrective forms and does not include the application for Clearance from HMRC that all Inheritance Tax affairs have been finalised.

<u>Our fees would be;</u>

- Grant only / Excepted Estate – £1,500 plus VAT

- Grant only with an HMRC account IHT400 where there is no Inheritance Tax to pay but claims for exemptions and reliefs are required – £2,500 plus VAT - £4,000 plus VAT
- Grant only with an HMRC account IHT400 where there is Inheritance Tax to pay– £4,000 plus VAT

2.2 : Full Administration Service

We can charge for a full administration service either:

Option1: Based on a fixed Percentage of the Estate;

Our fees will be 2.5% of the gross value of the estate before any tax or expenses subject to a minimum fee of £2,500 plus VAT.

For the purposes of this calculation, half of any joint assets will be included except in the case of a residence jointly owned where this will be reduced to one-quarter of the value.

OR

Option 2: On a Time basis

On this basis our fees for acting in the administration of the estate on this basis (Probate or Intestacy) will be charged using our hourly rates from time to time. These charge rates are reviewed annually usually on 1st July. We shall let you know the new rates that will apply to work done as soon as they have been set.

Time spent will include meetings with you and perhaps others, considering, preparing and working on papers and documents, correspondence and making and receiving telephone calls. Routine letters out and routine telephone calls made and received will be charged in units of 1/10th of an hour. Routine letters received will be charged at 1/20th of an hour. Other letters and calls will be charged on a time basis.

We set an initial time budget at the outset and let you know when this has been reached at which point we hopefully feel better able to assess what the remaining time anticipated will be.

In addition, we will charge an element calculated as a percentage of the gross value of the estate to reflect the importance of the transaction and the consequent responsibility on the firm.

The rates for the percentage element are:

- 1.00% of the value of the gross estate (excluding any house or land).
- 0.25% of the value of any house or land. (If the house or land is sold, we will make a separate charge for dealing with the sale).

Where a partner of the firm is a joint or sole executor the rates applicable will be 1.50% and 0.50% respectively, to reflect the personal liability of the partner appointed.

If you ask us to deal with the full administration of an estate, we will let you have an initial estimate of the time involved, assessed following our first meeting and before you agree to instruct us. The time estimate will fall into a range depending on multiple factors including inheritance tax, the complexity of the matter, the Will provisions, the nature of the assets, the number of assets and the number of beneficiaries and any ongoing trust issues.

The ranges are likely to be:

- Up to 14 hours for a very straight forward matter e.g. no inheritance tax, no property, up to 3 other assets (accounts/shares) and no more than 3 adult beneficiaries.
- 15 to 30 hours for a more complex matter e.g. may be subject to inheritance tax reporting, no more than 1 property, up to 5 other assets and no more than 6 adult beneficiaries.
- 30 plus hours to be specifically quoted e.g. subject to inheritance tax, multiple assets/properties, foreign assets, multiple beneficiaries, complex trust arrangements in Will, family disputes.

Our fees are in line with the Solicitors Regulation Authority (SRA). The Codes for Solicitors and Firms under the SRA Standards and Regulations 2019 and other legal requirements.

3 <u>Disbursements</u>

There will also be certain other expenses to be paid from the estate. The most usual are set out below with an estimate of their cost:

Probate Court Fees	£300.00	
Copies of the Grant of Probate (each)	£16.00	
Trustee Act Notices (approx.)	£250-300	plus VAT
Bankruptcy Search including admin fee and VAT (per person)	£9.00	

Financial Asset Search (optional)	£165.00	plus VAT
Digital Assets Search (optional)	£35.00	plus VAT
International Bankruptcy Searches (optional)	Various	
Land Registry fees	Various	
Probate Plus – case management system	£100.00	plus VAT

4 Bills

We will normally send you bills of our charges and expenses:

(a) On submission of the inheritance tax account or Grant application;
(b) every two months thereafter during the administration of the estate; and
(c) when the administration of the estate has been completed.

If we hold sufficient funds on your behalf when we have sent you a bill, we will usually deduct our charges from these funds.

If you have a query about your bill, you should contact the person dealing with the matter straightaway.

5 Timescales

Each estate is different depending upon many factors; the number of assets in the estate, type and identification of assets, (perhaps a property to sell), Will disputes, beneficiary's capacity, location, inheritance tax, family assistance, legal complexity, charity involvement, DWP claims, HMRC tax return/queries and a linked trust amongst others. All of these impact on the time involved to complete the administration.

We generally aim with straightforward non-contested estates to obtain the grant within 2 to 6 months of receipt of full instructions and to complete the matter within 4 months of the date of the grant.

More complex estates particularly where inheritance tax is an issue and funding required may take longer. We generally aim for between 6 to 9 months but often sooner to obtain the grant. To complete matters realistically depends on the circumstances. We are happy to provide updates and guidance as the matter progresses.

6 Anti-Money Laundering – Identification and Verification

Our costs for Anti-Money Laundering identification and verification searches via InfoTrack for services within the Private Client Department are £50.00 plus VAT per person.