

Vincent Sykes & Higham LLP ("The LLP")
Terms of Business

The following terms and conditions, as modified by any variation from time to time agreed with you in writing will apply to our provision of services to you. In the event of any inconsistency between these Terms of Business and any terms and conditions agreed between you and us in writing at any time, the latter shall prevail. These terms and conditions apply to the provision of advice and/or services in relation to any transaction on which you instruct us on or after 1 October 2007 and supersede all other conditions sent to you for transactions in which we were already acting for you at that date. The terms of business are governed in accordance with the Laws of England and Wales. The term "Partner" refers to a member of the LLP or an employee or consultant with equivalent standing and qualifications

1. Responsibility for work

The LLP is solely responsible for the services to be provided to you. The accompanying letter of engagement identifies the person(s) who will carry out the work in the matter on behalf of the LLP.

2. Communication between us and you

We aim to offer all clients a friendly and efficient service and we hope that you will be pleased with the work that we do for you. However, if any difficulty should arise, please first consider raising this with the person responsible for your matter, if appropriate. If you then still have queries or concerns, please contact Louise Davies who is our Client Care Partner. . If you have any problem with the service we have provided for you, then please let us know. We will try to resolve any problem quickly and operate an internal complaints handling system. If for any reason we are unable to resolve the problem between us, then we are regulated by the Solicitors Regulation Authority, which also provides a complaints and redress system.

We aim to communicate with you by whatever method you request. We may need to virus check e-mails or discs. Unless you withdraw your consent, we will communicate with others when appropriate by e-mail or fax, but cannot be responsible for the security of the correspondence and documents sent by these means.

We comply with the current law on Data Protection. As part of our business we store and process information about our clients. Please tell us if you wish to see copies of this information we store about you. There is a £10 charge for this which must be paid in advance. We may occasionally contact you in writing, by phone or by e-mail with marketing communications, which we believe may be of interest to you. If you do not wish to receive this information you should write to us at our registered office address or e-mail us at info@vshlaw.co.uk. We do not share your information with any third party organisations. However, your file may be examined by external quality auditors. If you do not consent to inspections, you must tell us in writing.

To the extent permitted by applicable law and rules, you agree that we may monitor electronic communications for the purposes of ensuring compliance with our legal and regulatory responsibilities and internal policies.

3. INSURANCE AND LIMITATION OF LIABILITY

IN THE INTERESTS OF CLIENTS AND AS REQUIRED BY OUR RULES OF PROFESSIONAL CONDUCT, WE MAINTAIN PROFESSIONAL INDEMNITY INSURANCE. HOWEVER, DESPITE OUR BEST EFFORTS WE MAY MAKE A MISTAKE, BY WHICH WE MEAN ANY BREACH OF OUR DUTIES TO YOU. IF WE DO, AND WE ARE LIABLE TO COMPENSATE YOU, YOU AGREE THAT OUR LIABILITY IS LIMITED IN THE FOLLOWING RESPECTS: -

- **THE LLP IS THE LEGAL ENTITY PROVIDING ADVICE TO YOU AND NO PARTNER OR EMPLOYEE OF THE LLP WILL BE SEPARATELY LIABLE TO YOU IN RESPECT OF ANY NEGLIGENT ADVICE, ACTS AND OMISSIONS**
- **OUR MAXIMUM LIABILITY FOR ANY MISTAKE INCLUDING NEGLIGENT ADVICE, ACTS AND OMISSIONS (EXCEPT FOR FRAUD) IS £3 MILLION (UNLESS A DIFFERENT AMOUNT IS AGREED WITH YOU IN WRITING). WHERE OUR NEGLIGENCE CAUSES DEATH OR PERSONAL INJURY NO LIMIT APPLIES. WHERE THE LLP OR AN EMPLOYEE OR PARTNER OF THE LLP CAUSES YOU LOSS THROUGH FRAUD, THEY ARE LIABLE TO YOU WITHOUT LIMIT**
- **THIS OVERALL LIMIT APPLIES WHETHER THE MISTAKE AFFECTS JUST ONE PIECE OF WORK WE DO FOR YOU OR SEVERAL, SO LONG AS IT IS THE SAME OR A SIMILAR MISTAKE;**
- **FOR THE PURPOSES OF THE OVERALL LIMIT, MORE THAN ONE MISTAKE ON A MATTER OR TRANSACTION IS CONSIDERED AS ONE MISTAKE;**
- **WE ARE LIABLE FOR LOSS THAT WE DIRECTLY CAUSE AND FOR ANY INDIRECT OR CONSEQUENTIAL LOSS OR LOSS OF ANTICIPATED PROFIT OR OTHER BENEFIT, WHERE THE TOTAL LIABILITY DOES NOT EXCEED £3 MILLION. OTHERWISE WE HAVE NO LIABILITY FOR ANY INDIRECT OR CONSEQUENTIAL LOSS OR LOSS OF ANTICIPATED PROFIT OR OTHER BENEFIT;**
- **WE ARE NOT LIABLE TO THE EXTENT THAT OUR MISTAKE RESULTS FROM SOMETHING YOU DO OR FAIL TO DO (SUCH AS GIVING US THE WRONG INFORMATION, OR NOT GIVING US INFORMATION AT THE TIME WE ASK FOR IT);**
- **IF OTHERS ARE ALSO RESPONSIBLE FOR YOUR LOSS, OUR LIABILITY IS LIMITED TO OUR FAIR SHARE, WHETHER OR NOT YOU ARE ABLE TO RECOVER THE REST FROM THE OTHERS.**

THESE LIMITS APPLY TO THE EXTENT THAT THEY ARE PERMITTED BY LAW.

4. Fees

Unless and until an alternative fee arrangement has been agreed and confirmed in writing by us, the basis for calculation of our fees is described below and is mainly by reference to time spent by each professional member of staff dealing with the matter, the time charged being all time spent on the client's affairs. This will include attendances upon the client and others; any time spent traveling; considering, preparing and working on papers and correspondence; making and receiving telephone calls.

Each professional member of staff's time is charged out at an hourly rate which reflects overhead costs. The current hourly rates for those acting on your matter will be set out in the accompanying letter of engagement. These rates do not include VAT, which is added when an invoice is prepared. Hourly rates are normally reviewed once a year and take account of changes in salary and other overhead costs. You will be notified of any revision of rates occurring during the continuance of a matter. These rates may not be appropriate in cases of exceptional complexity or urgency. Where it becomes apparent that such circumstances exist we reserve the right to terminate the instructions from you unless such revised rates are agreed in substitution.

Where the instructions of a client require that interviews take place, or other work is carried out, necessarily outside our normal office hours, we reserve the right to increase the level of the hourly rate.

In property transactions, in the administration of estates and in transactions involving a substantial financial consideration or benefit to the client, fees may be calculated both by reference to the time spent and also by reference to a value element based on e.g., the price of the property, the size of the estate or the value of the financial benefit. The value element reflects the importance of the transaction and the consequent responsibility falling on the LLP.

Fees are payable whether or not a matter is successfully concluded or completed. Unless otherwise agreed, if any matter does not proceed to completion for any reason during the period in which we are instructed, then we shall be entitled to charge for work done on the basis set out above, but in our absolute discretion we may waive part or all of such entitlement to fees.

Disbursements include payments made by us on behalf of the client, e.g. for such items as court fees, counsel's fees, fees for medical reports, search fees, Land or Probate Registry fees, etc. We have no obligation to effect such payments unless funds have been provided by the client for that purpose. VAT is payable on certain disbursements.

On occasion, we may make an error in calculating a payment to a third party that you are obliged to pay as part of a transaction on which we are working for you. In the event that this results in you making an overpayment, we will use our best endeavours to recover this for you. If you make an underpayment, our error will not remove your obligation to make the full amount of the payment to the third party, although if you can show that you have suffered a direct loss in reliance on our miscalculation then we will be liable to you for that loss subject to clause 3.

5. Arrangement for the payment of fees

Property Transactions

An account will normally be rendered shortly before completion of the transaction and payment is required prior to or upon completion. Where sufficient funds are payable to the client upon completion, amounts due to us shall be deducted from such funds unless otherwise agreed.

Administration of Estates

It is our usual practice to deliver interim accounts at intervals during the administration. An interim bill will normally be submitted when the grant of representation has been obtained. If it then transpires that it will take some time to complete the administration, further interim accounts will be rendered periodically and the final account will be represented when the estate accounts are delivered for final approval.

Other Cases or Transactions

It is normal practice to ask clients to pay sums of money from time to time on account of the fees and disbursements which are anticipated in the following weeks or months. It is helpful if clients meet such requests with prompt payment to avoid any delay in the progress of their case. In transactions or cases likely to continue for more than one month, interim accounts covering the work already carried out will normally be rendered monthly. This procedure enables clients to budget costs as the matter progresses. In the event of any account or request for payment on account not being paid, we reserve the right to decline to act further in the case. The full amount of work done up to the date will be the subject of a final account rendered and will be a debt due from the client.

Fees borne by other persons

In some transactions, someone other than our client will agree to make a contribution to your fees. In all such cases and unless otherwise agreed, our fees to you will be calculated independently of the amount of such contribution. In the event that our fees for the transaction exceed the amount of the contribution, our client is liable for the remainder.

Unless otherwise indicated on our invoice, our fees are payable within 28 days of the invoice. Interest may be charged at the rate of 3 ½ per cent above the Bank of England base rate on invoices unpaid 28 days from the date of invoice. In matters continuing for some period of time, many clients find it convenient to arrange regular payments on account by way of bank standing order. Details are available on request.

6. Other Parties' Charges & Expenses

In some litigation cases a successful client may be entitled to the payment of costs by some other party to the proceedings. However, it is rare for the system of "taxation" of costs, as it is known, to result in the other party having to pay the full amount of the costs incurred by the client with their own solicitor. If the other party is in receipt of legal aid no costs are likely to be recovered. In the event that a client is successful and costs do fall to be paid by the other party, interest can be claimed on those costs against the other party as from the date on which the order for costs was made. To the extent that any such fees and disbursements incurred by us have been paid on account by the client, we will account to the client for such interest but will otherwise be entitled to retain it. Clients must note that the primary liability for costs incurred with us is that of the client even in a case where it is expected that an order for costs will be obtained against another party. Further, the costs of seeking to enforce any such order for costs against another party have to be met by the client. A client who is unsuccessful in a court case may be ordered to pay the other party's legal costs and expenses. That money would be payable in addition to our charges and expenses. Arrangements can be made to take out insurance to cover such liability. You should let us know if you are aware of any arrangements such as Legal Expenses Insurance available to you either for the payment of our charges and expenses or to pay any costs that you may have been ordered to pay to an opponent. If protection is not available to you from any other source you should talk to us about whether to purchase "after the event" legal expenses insurance.

7. Client Money & Interest Payments

We are bound by strict rules covering the way in which we handle client money. We cannot usually pay out any money on your behalf until we are in possession of cleared funds. Any cheques must therefore be received by us at least seven days before money is to be paid out on your behalf. Similarly, if we receive any cheques for you, these must clear through our bank before we can pay you.

If we hold money on clients' behalf in our Client Account we will, subject to the terms of this paragraph, pay interest to you in accordance with the Solicitor's Accounts Rules 1998 (the "Rules") which provide that subject to certain minimal amounts and periods, notional interest is payable at the same rate as you would receive from our Bank. The calculation we apply is that provided by the Rules. Unless we hold your money for less than 1 week, if the interest exceeds £20, the full amount of the interest will be paid to you. We will retain the interest if it does not exceed that amount. If the money is held in a separately designated client account and if you are a company or an LLP the interest will be paid to you gross. If you are an individual the interest will be paid to you net. You will be responsible for accounting to HMRC for any tax due on this interest.

We try to obtain electronic banking details from our clients and to return any funds due to you by BACS payment. However, if we send funds to you by way of cheque at the completion of a transaction and you fail to encash that cheque or any replacements subsequently sent to you we reserve the right to make a charge of up to £30 per uncashed cheque to reflect the administrative work involved in processing cancellation and reissue of cheques. This is in addition to any charge our bank may make in respect of cancellation of cheques.

8. Storage of Papers & Deeds

After completing your work, we are entitled to keep your papers and documents while there is money owing to us. In addition, we will keep your file of papers in secure storage for a minimum period of 6 years after the date of the final bill on the understanding that we may destroy the file after that period, without further reference to you.

We provide a safe custody service to clients in respect of wills, deeds, powers of attorney and other original documents and no charge will be made to the client for such storage unless prior notice in writing is given to the client of a charge to be made from a future date to be specified in that notice.

Where stored papers, wills, deeds, powers of attorney or other documents are retrieved from storage by us in connection with continuing or new instructions to us to act in connection with the clients' affairs, normally no charge will be made for such retrieval. However, we reserve the right to make an administration charge based on time spent in retrieval and any perusal, correspondence or other work necessary to comply with the instructions given by or on behalf of a client or former client for whom papers, wills, deeds, powers of attorney or other documents are stored.

9. Remuneration Certificate/Assessment of Costs

If you are not satisfied with the amount of our fee you have the right to ask us to obtain a remuneration certificate from the Law Society. The certificate will either say that our fee is fair and reasonable or it will substitute a lower fee. If you wish us to obtain a certificate, you must ask us to do so within one month of receiving this notice or (if later) of delivery of the bill or notification of the amount of the costs. If you ask us to obtain a remuneration certificate, then unless we already hold the money to cover these, you must first pay (a) half our fee shown in the bill (b) all the VAT shown in the bill (c) all the expenses we have incurred shown on the bill – sometimes called “paid disbursements”. However, you may ask the Law Society to waive this requirement so that you do not have to (8 Dormer Place, Royal Leamington Spa, Warwickshire CV32 5AE). Under ss70-72 of the Solicitors Act 1974 you are also entitled to apply for the assessment of our costs. Further information is available on request.

10. Tax Advice

Any work that we do for you may involve tax implications or necessitate the consideration of tax planning strategies. We may not be qualified to advise you on the tax implications of a transaction that you instruct us to carry out or the likelihood of them arising. If you have any concerns in this respect, please raise them with us immediately. If we can undertake the research necessary to resolve the matter, we will do so and advise you accordingly. If we cannot, we may be able to identify someone to assist you.

11. Partnerships, Companies & LLPs

Where our clients for the purposes of this engagement are a partnership, then each of the partners shall be jointly and severally liable for our fees and disbursements. Where our client is a company or LLP, then the directors shall be directly liable for our fees and disbursements in the event that the company or LLP fails to pay them. When accepting instructions from a company or LLP, we may ask a director and/or controlling shareholder to sign a personal guarantee in respect of our costs, and we reserve the right to refuse to act if such a guarantee is not signed.

12. Termination

You may terminate your instructions to us in writing at any time, but we will be entitled to keep all your papers and documents while there is money owing to us for our charges and expenses. If at any stage you do not want us to continue doing work and/or incurring charges, you must tell us this clearly in writing. If we decide to stop acting for you, for example if you do not pay an interim bill or comply with a request for payment on account, we will tell you the reason and give you notice in writing. Unless terminated earlier, our engagement on each transaction we undertake for you will terminate 30 days after dispatch of our final bill.

13. Money Laundering Regulations 2007

You accept that we must comply with the law and professional rules about money laundering and proceeds of crime. In order to comply with the law, we need to obtain evidence of your identity as soon as is practicable. Our letter of engagement sets out the different documents which can be used to verify your identity and address. We will not be able to receive money from you or pay it on until this check has been made. We also follow Law Society guidelines and restrict the amount of cash that we are prepared to receive from our clients. Our limit is currently £1,000 so please tell us if you think this may be a problem.

14. Confidentiality

Solicitors are under a professional and legal obligation to keep the affairs of clients confidential. This obligation, however, is subject to a statutory exception: recent legislation on money laundering and terrorist financing has placed solicitors under a legal duty in certain circumstances to disclose information to the Serious and Organised Crime Agency. Where a solicitor knows or suspects that a transaction on behalf of a client involves money laundering, the solicitor may be required to make a money laundering disclosure. If this happens, we may not be able to inform you that a disclosure has been made or of the reasons for it.

15. Investments/Insurance Mediation Activity

The LLP is not authorised by the Financial Services Authority. If during this transaction, you need advice on investments, we may have to refer you to someone who is authorised by the FSA. However, as we are regulated by the Solicitors Regulation Authority, we may be able to provide certain limited investment services where these are closely linked to the legal work we are doing for you. For this reason, we are included on the register maintained by the Financial Services Authority so that we can carry on insurance mediation activity which is broadly the advising on, selling and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by the Solicitors Regulation Authority. The register can be accessed via the Financial Services Authority website at www.fsa.gov.uk/register.

If we carry out insurance mediation activity during the course of this matter (e.g. search indemnity, defective title indemnity, missing beneficiary indemnity, unoccupied property insurance), you should be aware that we only select products from a limited number of insurers, (details available on request) but we are not contractually obliged to conduct business in this way.

16. Referral Fee

The LLP pays referral fees to some estate agents and financial advisers in respect of recommendations made by them to persons who become our clients. In the event that this applies to your transaction full details will have been provided to you.

17. Copyright

We own the copyright and any other intellectual property rights in any work we create although you do have a licence to use our work for the purpose for which it was created. We reserve the right to be identified as the author of such work and to object to any unauthorised use of it.

18. Public Funding

We do not undertake any work which is funded by the Legal Services Commission. If you believe you may be entitled to public funding and you have not already discussed this with us then you must notify us immediately. Otherwise, we shall continue to act for you on the basis that you have chosen not to apply for public funding even if you may be eligible.

19. Third Party Rights

These terms do not create any right enforceable by any person who is not a party to them, therefore, no other person may rely on advice which we give to you or be protected by our obligations and services to you.

Vincent Sykes & Higham LLP November 2007

VINCENT SYKES & HIGHAM LLP
SOLICITORS
“SUPPLEMENTARY TERMS OF BUSINESS”

The Solicitors Regulation Authority is the governing body of solicitors. Professional Rules laid down by it require that clients of solicitors be informed of certain terms of business. Accordingly, this formal statement, unless varied in writing, indicates the basis on which this company carries out professional services on behalf of clients.

1. WHAT IS INCLUDED IN YOUR CONVEYANCING COST ESTIMATE?

In each case we shall endeavor to provide you with a comprehensive quote of our fees in each conveyancing transaction. This quotation may include all or some of the following;

- a) All initial correspondence between ourselves, the agents and the other lawyers involved.
- b) Requesting your deeds and redemption figures from your lenders and obtaining up to date office copy entries in the case of a sale.
- c) Drafting and receiving contract papers. Drafting the Transfer Deed.
- d) Raising and answering any enquiries about the property and generally investigating title.
- e) Applying for the relevant searches and ensuring that the results are satisfactory.
- f) Receiving your mortgage offer and ensuring all the mortgage conditions in the offer are satisfied.
- g) Compiling Completion Statements and ensuring adequate funds are in place before exchange. Negotiating a mutual completion date with all parties concerned.
- h) Exchange of Contracts – sending and receiving the necessary deposits
- i) Completion – receiving funds from your mortgage provider, redeeming your existing mortgage account, receiving your sale proceeds, forwarding the appropriate sums on your purchase, accounting to you for any balance outstanding.
- j) Accounting to the Inland Revenue for Stamp Duty Land Tax on purchases
- k) Registering your title at H.M Land Registry
- l) Sending a copy of your completed title to you and forwarding your title deeds and documents to your mortgage lender or to your selves for safe keeping

All search fees or disbursements carried out on your behalf are in addition to our quoted fee. We have no obligation to effect such payments unless funds have been provided by you for that purpose. VAT is payable on certain expenses. In exceptional circumstances a fee may be charged for photocopying, faxes and telephone calls. Please also see our levels of service offered which detail additional services supplied to you dependent upon the option you decide to choose. Note also that there are additional fees payable when the property is bought or sold subject to a mortgage, when you are a buyer and elect not to take your lender's recommended home insurance and where you are a buyer and a Stamp Duty Land Tax declaration has to be completed.

2. WHAT IS NOT INCLUDED IN YOUR COST ESTIMATE?

- a) As soon as it becomes apparent that your file will require additional attention or work than that provided for above we shall inform you in writing and agree a cost with you prior to starting any work. Such additional work includes;

Acquisition of land by adverse possession
Acting for charities, guarantors, incapacitated clients, insolvency practitioners, the Court of Protection
Advice on incorporeal hereditaments and tax other than stamp duty land tax
Auctions
Boundary disputes
Breaches of contract
Bridging finance
Defects in title
Claims against NHBC or similar insurances
Commercial or part commercial premises
Conditional contracts and contracts with delayed completion
Contaminated land
Dealing with misrepresentations
Defective title insurance
Discharge or Charge of mortgages over unrelated properties
Disputes in relation to the contract
Equity release loans
Eviction of Squatters or tenants
Failure to complete by other party over and above what is paid by the other party
Fire (the results of)
Flying freeholds
Foreign companies
Grants of easements or obtaining new rights for a property
Issues arising from the negligence of other solicitors in the transaction

Liquor Licensing issues
 Lock out agreements
 Matters resulting from the death of a party prior to completion
 Merger of leases
 Misdescription issues arising from estate agent particulars
 Mortgage fraud or Mortgage fraud suspicion
 Obtaining amendments to leases, assents from third parties to sales, architects certificates, probate, remuneration certificates and information from Managing Companies
 Occupier consents
 Personal completions
 Private mortgages
 Purchase of plots for new build
 Purchase of additional land adjacent to the main property from a second vendor
 Purchase or Sale of Land not in England and Wales or Scotland
 Reconstitution of lost deeds
 Registrations of cautions
 Reporting matters to the Office for the Supervision of Solicitors
 Resolving issues raised by unsatisfactory search results
 Resolving breach of existing covenants
 Resolving any matrimonial issues on divorcing parties
 Sale of land with Possessory Title
 Sales of part of land
 Settled land
 Sub Sales
 Sureties
 Tenants purchase of freeholds
 Variation of leases
 Wayleave agreements
 Work in relation to any agricultural restrictions on properties

The additional work carried out on your behalf will be charged on an hourly rate. Each partner, solicitor, executive, and other personnel's time is charged out at an hourly rate which reflects overhead costs.

The current hourly rate for partners, solicitors, executives and other personnel, who may act on your behalf, will be set out in the letter enclosing these terms and conditions. These rates will not include VAT, which will be added when an invoice is prepared.

b) The following are a list of situations where accumulative fixed price additional charges will be incurred (figures are shown exclusive of VAT);

Acting where there is more than one lender	add 10%
Acting on a case where the other side is not represented	add 10%
Contract races	add 10%
Declarations of Trust	from £100
Declaration of Solvency	£10
Deeds of Postponements on Remortgages	£25
Enduring powers of attorney	£70
Life policy assignments or reassignments	£10
Leasehold	£150
Powers of attorney	£50
Sale or purchase of tenanted properties	add 20%
Statutory Declarations	From £75
Tenancies (drafting assured shorthold tenancies)	From £125
Transfers by TT of surplus funds (per transfer)	£30
Transfers by TT on completion (per transfer)	£30

Should any of these terms differ from those set out in our Standard Terms of Business then these Supplementary Terms of Business shall prevail.

Montague House Chancery Lane Thrapston Northamptonshire NN14 4LN
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1 August 2007