

ABACUS ESTATES TERMS OF BUSINESS

Estate Agents are required by the Estate Agents Act 1979 (as amended) and the Estate Agents (Provision of Information) Regulations 1991(SI 1991/859) to set out their terms of business in writing. Unless otherwise varied in writing the Terms of Business of Abacus Estates ("Abacus") are detailed below. The basis of our appointment and the rate of commission, which we will charge you as our remuneration, are set out in the accompanying letter.

We ask that you sign, date and return the copy accompanying letter before we commence marketing your property. Please read these terms of business and the accompanying letter carefully as Abacus will rely upon the written terms set out here and in the accompanying letter confirming your instructions as setting out the terms of our agreement with you. If you require any changes, please ask for them to be put in writing. In that way we can avoid any problems surrounding what Abacus and you are each expected to do. If you do not understand any term please discuss it with us before signing. If, having received the accompanying letter and these terms you do not sign and return the copy of the accompanying letter to us but nevertheless permit us to proceed with marketing your property you will be deemed to have accepted all our Terms of Business.

PROPERTY MISDESCRIPTIONS ACT 1991

It is a criminal offence for which Abacus could be liable and a civil wrong which could lead to a prospective purchaser withdrawing from his contract to purchase your property or pursuing a claim against you for damages for giving a false or misleading description of or statements about your property. Therefore in order to avoid any misunderstandings we request you carefully to check for accuracy the draft sales particulars which we submit to you prior to marketing. Please notify us immediately of any changes, errors, additions or omissions.

We will require proof of Lease, Ground Rent and Service Charges (if applicable) before we can include these details in any of our sales literature.

You are responsible for providing us with accurate information about your property. You agree to pay to Abacus, its employees and agents any damages, claims, losses and reasonable expenses which Abacus its employees or agents may have to pay or for which Abacus may be held liable arising from any misdescription of your property that arises from any false, inaccurate or misleading information which you supply to us or from any omission on your part to supply the necessary information.

If you are uncertain of any point regarding this particular Act, please contact one of our directors for clarification.

A copy of the Property Misdescriptions Act 1991 is available if you wish to refer to it.

FEES

Unless otherwise agreed with you and confirmed in writing, our remuneration (fee) is inclusive of all marketing expenses. All Abacus's fees and expenses are subject to Value Added Tax at the prevailing rate and regardless of the clients' domicile. Abacus's remuneration will be calculated as a percentage of the sale price achieved (which will include any extra amounts paid for or amounts apportioned to carpets, curtains, furniture, fixtures or other chattels).

Our remuneration is payable in accordance with the basis of our appointment and is payable if Abacus introduces a purchaser directly or indirectly who exchanges contracts to purchase your property. The circumstances in which Abacus become entitled to its remuneration and amount of such remuneration are set out below in relation to each type of appointment under the heading "AGENCY".

In circumstances where the introduction of a purchaser by Abacus gives rise to our entitlement to remuneration, this will include an indirect introduction. An indirect introduction would include, for instance, circumstances where the contractual purchaser is a nominee, associate (for example, but not limited to, a

friend, partner or business partner), associated company, relative or representative of the person introduced by Abacus. It would also include someone introduced by Abacus through our appointed sub-agent.

Our remuneration will be due and our account will be rendered to you and to your solicitors or licensed conveyancers upon exchange of contracts. By concession however it is Abacus's practice to accept payment of such remuneration out of the sale proceeds immediately on completion. In appointing Abacus to act on your behalf you authorise your solicitors or licensed conveyancers (as the case may be) to discharge our remuneration and marketing expenses incurred on your behalf out of the proceeds of sale and we shall be entitled to seek such settlement from them. Interest will be charged at [four per cent (4%)] above the base rate of Barclays Bank plc from the date of exchange of contracts on any account that remains unpaid 14 days after completion.

You must immediately inform Abacus us if you become aware of any circumstances which might result in the net proceeds of sale of the property being insufficient to discharge in full our remuneration and any outstanding expenses. Such circumstances would, by way of example, include any intervention or proposed intervention by your mortgagee.

The person(s) to whom the accompanying letter is addressed is (are) individually and collectively responsible for payment of the whole of Abacus's remuneration and all marketing expenses incurred. If more than one person is to be responsible then the accompanying letter must be signed by all relevant parties and as stated their liability will be both individual and collective. If a third party is to be responsible for the payment of our remuneration and expenses, the name and address of such third party must be disclosed to us and they must give written confirmation of such an agreement in writing to Abacus otherwise the person(s) to whom the accompanying letter is addressed will remain responsible for payment of the whole of our remuneration and expenses and warrants that he/she/they are entitled to sell the property without the consent of a third party and has authority to enter into and abide by these terms of business and the terms set out in the accompanying letter.

AGENCY

Sole Selling Rights

Our rate of remuneration is two per cent (2%) of the sale price of your property plus Value Added Tax.

You will be liable to pay remuneration to us, in addition to any other costs or charges agreed, in each of the following circumstances:

- a) if unconditional contracts for the sale of the property are exchanged in the period during which we have Sole Selling Rights, even if the purchaser was not found by us but by another agent or by any other person, including yourself;
- b) if unconditional contracts for the sale of the property are exchanged after the expiry of the period during which we have Sole Selling Rights but to a purchaser who was introduced to you during that period or with whom we had negotiations about the property during that period.

Joint Sole Selling rights

Our combined rate of remuneration is two and a half per cent (2.5%) of the sale price of your property plus Value Added Tax.

You will be liable to pay remuneration to us, in addition to any other costs or charges agreed, in each of the following circumstances:

- a) if unconditional contracts for the sale of the property are exchanged in the period during which we have Joint Sole Selling Rights, even if the purchaser was not found by us but by another agent or by any other person, including yourself;

- b) if unconditional contracts for the sale of the property are exchanged after the expiry of the period during which we have Joint Sole Selling Rights but to a purchaser who was introduced to you during that period or with whom we (or our joint sole selling agent) had negotiations about the property during that period.

Sole Agency

Our rate of remuneration is two per cent (2%) of the sale price plus Value Added Tax.

You will be liable to pay remuneration to us, in addition to any other costs or charges agreed, if at any time unconditional contracts for the sale of the property are exchanged:

- a) with a purchaser introduced by us during the period of our Sole Agency or with whom we had negotiations about the property during that period; or
- b) with a purchaser introduced by another agent during that period.

Joint Sole Agency

A joint sole agency differs from a multiple agency in that the sale of your property is entrusted to us and one other estate agency with whom we will work in tandem to achieve a sale on your behalf and is in all other respects the same as a sole agency.

The rate of remuneration is two and a half per cent (2.5%) of the sale price of the property plus Value Added Tax. You will only be liable to pay remuneration to the joint sole agent who successfully introduced the purchaser to your property (any apportionment of the remuneration between the two joint sole agents will be agreed between them and will not involve you in any further costs whatsoever), in addition to any other costs or charges agreed, if at any time unconditional contracts for the sale of your property are exchanged:

- a) with a purchaser introduced by us or your joint sole agent during the period of our joint sole agency or with whom either of the joint sole agents had negotiations with about the property during that period; or
- b) with a purchaser introduced by any other agent during the period of our joint sole agency.

Multiple Agency

Our rate of remuneration is three per cent (3%) of the sale price of the property plus Value Added Tax. You will be liable to pay remuneration to us, in addition to any other costs or charges agreed, if at any time unconditional contracts for the sale of your property are exchanged with a purchaser introduced by us or with whom we had negotiations about the property during that period of our multiple agency.

Discrete Sole Agency

Clients in some cases do not wish to expose their home to the open market. A Discrete Agency is offering the property to selective applicants who are registered on our database and potential purchasers who we feel would be suitable for the property. Our rate of remuneration in this case is one and three quarters per cent (1.75 %) of the sale price of your property plus Value Added Tax.

You will be liable to pay remuneration to us in addition to any other costs or charges agreed, if at any time unconditional contracts for the sale of the property are exchanged:

- (a) with a purchaser introduced by us during the period of our Discrete Sole Agency or with whom we had negotiations about the property during that period; or
- (b) with a purchaser introduced by another agent during that period.

SUB-AGENTS

Abacus may at its sole discretion sub-instruct or multi-list your property to selected other Estate Agents or intermediaries in instances where we consider this may assist in introducing a potentially suitable purchaser for your property. This will not incur any extra costs for you and all viewings and negotiations [are/will be] co-ordinated through Abacus.

EXPENSES

These will always be agreed in advance with you and confirmed in writing. A detailed schedule of such expenses or, where appropriate, an estimate of such expenses will be submitted to you for your signed approval before such expenses will be incurred. Where it is agreed these expenses will be borne by you, these are normally payable at the commencement of the marketing but in any event are payable once invoiced by Abacus to you.

TERMINATION OF AGREEMENT

Upon the expiry of the fixed period of our Sole Selling Rights, Joint Sole Selling Rights, Sole Agency, Joint Sole Agency or Discrete Sole Agency (as appropriate), unless otherwise specified in writing, we shall continue to act for you on the same basis.

You may specify how you wish us to continue to act on your behalf or terminate our agency at the end of the relevant fixed period by giving us your instructions in writing at any time up to 10 days prior to its expiry.

Should you specify that we should continue to act for you on a different basis to our original appointment then if the purchaser was originally introduced during the period of our Sole Selling Rights, Joint Sole Selling Rights, Sole Agency, or Joint Sole Agency, the rate of remuneration applicable to our original appointment will continue to apply even though negotiations may commence or continue through a different basis of agency appointment.

If you appoint another agent to act additionally to us on the expiry of our original appointment, or any extension thereof, our appointment will revert to that of a multiple agent and our remuneration will be that due in respect of a multiple agency appointment except where the appointment of another agent is part of a change whereby we are instructed by you on the basis of an appointment with Joint Sole Selling Rights or Joint Sole Agency.

Notwithstanding such termination our remuneration will continue to and remain payable in accordance with the nature and terms of Abacus's original appointment.

In the absence of any specified agency period, our appointment may be terminated by either side giving twenty-one days written notice. In that event, any outstanding expenses are payable immediately.

REMUNERATION IF YOU WITHDRAW FROM A READY WILLING AND ABLE PURCHASER

A purchaser is a "ready, willing and able purchaser" if he is prepared and is able to exchange unconditional contracts for the purchase of the property.

You will be liable to pay to Abacus one half of the agreed sale remuneration in addition to any other agreed charges and expenses incurred by us on your behalf, if a ready, willing and able purchaser is introduced by Abacus in accordance with your instructions and this must be paid even if you subsequently withdraw and unconditional contracts for sale are not exchanged, irrespective of your reasons.

"FOR SALE" BOARDS

If it is agreed that Abacus should erect a "For Sale" board, you agree to notify us immediately if any other board is displayed or to be erected as generally only one board per property is permitted.

DIRECT APPROACHES

Occasionally vendors are approached direct by prospective purchasers. Should you receive such an approach following our appointment and the marketing and publicity conducted by us on your behalf we recommend that in order to avoid any misunderstandings at a later stage you direct that enquiry to us and inform us immediately so that we can negotiate best on your behalf. In the event that a sale is negotiated to any person introduced to you as a consequence of any marketing or publicity conducted by us and you fail to direct that enquiry to us and that person enters in a binding contract to purchase the property then remuneration shall be payable to us in accordance with the basis of our appointment as if we had introduced that person.

OTHER SERVICES

Abacus or a connected person or company will offer services (including financial or other related services) to any prospective purchaser of your property in which case we may earn remuneration from this as well. We will let you have at the earliest opportunity details of such services offered by us or a connected person or company from whom we obtain a financial benefit, to a prospective purchaser for your property who has made an offer for it to an extent that:

(a) we or the connected person or company have accepted an application for such services;

(b) we are aware of such offer

DISCLOSABLE INTERESTS

The provisions of the Estate Agents Act 1979 require an agent to disclose both to the Client and any purchaser any connection which the agent or any of its employees or associates has or may have with either party, whether directly or indirectly, or with any member of their families. If Abacus becomes aware of any such interest we will give written notification to the Client.

NOTIFICATION OF OFFERS

Abacus will in accordance with the requirements of the Estate Agents Act 1979 notify the Client of all offers received by Abacus for the property. Such notification will be in writing.

UNOCCUPIED PROPERTY

Abacus does not maintain your property. Unless damage is actually caused by Abacus, Abacus accept no liability or responsibility for the maintenance or repair of or for any damage to the property while it is unoccupied. If the property is vacant when adverse weather conditions are likely, frost damage may occur to water and heating systems and sanitary appliances. You, the client should take all necessary action to protect your property from such risks and ensure that you have adequate insurance cover and notify your insurers accordingly.

CORPORATE CLIENTS

The person(s) giving instructions to us and acknowledging these Terms of Business confirms that they are duly authorised by the beneficial owner to sell the property. In consideration of our agreement to sell the property on behalf of the beneficial owner, the person(s) giving instructions and acknowledging these terms of business hereby guarantees payment of all sums at any time due to Abacus in respect of all matters upon which we are instructed by the beneficial owner of the property or in connection with our services to the beneficial owner. In the event that this guarantee is given by more than one person this liability shall be individual and collective.

MONEY LAUNDERING – THE PROCEEDS OF CRIME ACT 2002

The Money Laundering Regulations 2003 are now in force. These impose a legislative obligation upon all Estate Agents to carry out compulsory checks to verify the identity and address of all their Clients.

Accordingly Abacus reserves the right to make such enquiries of you and any entity/organisation which you represent as it in its absolute discretion considers appropriate to verify your/its identity and/or address. Abacus shall be entitled to require you to produce appropriate evidence in this regard. If Abacus ask you to provide such evidence and you refuse or the evidence is in our opinion insufficient then Abacus reserves the right and may be obliged to terminate its relationship with you.

Abacus are also bound by the provisions of the Proceeds of Crime Act 2002 and obliged to report as soon as practicable to the National Criminal Intelligence Service (“NICS”) if it knows, or has reasonable cause to suspect suspicions that you or the entity/organisation which you represent is engaged or involved in money laundering. Failure on Abacus’s part to make a report to NICS where it has knowledge or reasonable grounds for suspicion of money laundering is a criminal offence. Similarly Abacus cannot inform you or the entity/organisation that it is suspicious about you or such entity/organisation, because that in itself could constitute a criminal offence.

GOVERNING LAW

These Terms of Business shall be governed by and construed in all respects in accordance with the Laws of England and in relation to any legal action or proceedings to enforce these Terms of Business or arising out of or in connection with the appointment of Abacus as agents (‘proceedings’) both Abacus and you, the Client submit to the exclusive jurisdiction of the English Courts.

GENERAL

In this brochure/leaflet each of the expressions “Abacus Estates” and “Abacus” shall mean and include Abacus Estates International Limited (Company Number 5074612).