

TERMS OF ENGAGEMENT

BOWEN (TBP)

To the extent that there is any conflict or inconsistency between these Terms of Engagement and any separate Service Agreement with you, the Service Agreement will prevail.

To the extent that there is any conflict or inconsistency between these Terms of Engagement, any separately agreed Terms of Engagement and your instruction letter/email, the attached Terms of Engagement will prevail.

1.0 Client (and other intended users where applicable)

(full name and address)

2.0 The Borrower

(name of borrower)

3.0 Property to be Valued

Address of the Property:

Interest to be Valued:

Tenancies:

Type and Use of Property:

4.0 Currency

The valuation figures will be reported in Pounds Sterling (GBP).

5.0 Purpose of Valuation

(Secured lending, mortgage, etc. purposes). The valuation may be used solely for that purpose and not for any other purpose without our express written consent.

Where you have explained to us that the Valuation is required for your use in a particular lending transaction, we consent to its use solely for that purpose. Where you have not instructed us as to the purpose for which the Valuation is required, we consent to its use only in a single lending decision.

Where you have explained to us the purpose for which you require our advice, we consent to its use solely for that purpose. If you rely on our advice for any other purpose, we shall not have any liability to you for any losses caused by you using our advice for that other purpose.

6.0 Fee

Our fee for undertaking our Services shall be £....000 including VAT, subject to our Terms and Conditions of Business.

7.0 Valuation Date

Unless otherwise stated in our Report, the date of Valuation is the date of the Report.

8.0 Identification and Status of Valuer

Name: (insert name)

Qualifications: (insert qualifications)

Chartered Surveyors / Registered Valuers:

Jamie M. Cook B.Sc. M.R.I.C.S. **Graham R. Hunt** B.A. (Hons) M.R.I.C.S.

Chartered Building Surveyor:

Andrew T. Maile B.Sc. (Hons) M.R.I.C.S.

Registered Valuer Status: Valuer in accordance with the RICS Valuer Registration Scheme.

Experience and Expertise: Independent Valuer with more than five years' post-qualification experience with sufficient current local knowledge of the particular market and the skills and understanding to undertake the Valuation competently.

9.0 Conflicts of Interest

Previous Involvement with the Property or Parties to the Case: No material involvement with the subject of the valuation assignment or the party commissioning the assignment.

Declaration of Independence and Objectivity: The Valuer is in a position to provide an objective and unbiased Valuation and has no conflict of interest in acting in this matter.

Internal/External Status: External Valuer

10.0 Compliance with RICS Valuation-Global Standards

The Valuation will be prepared in accordance with the appropriate sections of the Royal Institution of Chartered Surveyors (RICS) Valuation – Global Standards ('The Red Book') effective from 31st January 2022 which incorporate the International Valuation Standards (IVS) and the UK national supplement.

11.0 Description of Report

The Report and Valuation will be undertaken in accordance with the requirements for minimum content of VPS 3 subject to the principle of "departure" outlined therein, using our standard format incorporating your requirements. Where there is a departure the Valuer will state this within the Report and Valuation.

In accordance with your instructions, in preparing our valuation report we will depart from the mandatory requirements of The Red Book in the following regards:-

12.0 Basis of Valuation (including Special Assumptions)

In accordance with your instructions, we will undertake our Valuation on the following bases:-

- (a) Market Value
- (b) Market Value (subject to any special assumptions which must be described here) or Gross Development Value
- (c) Market Rent

Where a Valuation is required on an investment property with the Special Assumption of Vacant Possession, we will make the following Assumptions:-

- (a) That the Property is in the same state as described within our Report and Valuation.
- (b) That Vacant Possession has been achieved by a managed exit.
- (c) That there is no dilapidations money available that can be applied to any refurbishment and repair costs.
- (d) That Vacant Possession is based on the current use and not any alternative uses or potential redevelopment.
- (e) That the present occupier is able to either buy or lease the Property in the event of Vacant Possession.

The following are definitions of the Bases of Value:-

Market Value (MV)

Where we have been instructed to value the property on the basis of Market Value, we have done so in accordance with VPS 4 of the Global Standards, which is defined as follows:-

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.

The statutory definition of Market Value (for capital gains tax, inheritance tax and stamp duty land tax), derived from Section 272 Taxation and Chargeable Gains Act 1992, Section 160 Inheritance Tax Act 1984 and Section 118 Finance Act 2003, is as follows:-

'The price which the property might reasonably be expected to fetch if sold in the open market at that time, but that price shall not be assumed to be reduced on the grounds that the whole property is to be placed on the market at one time and the same time'.

Gross Development Value

There is no formal definition of Gross Development Value within the Global Standards. Based on a definition within RICS Guidance Note: Valuation of Development Property (1st Edition, October 2019) our definition of Gross Development Value is as follows:-

'The aggregate Market Value of the proposed development, assessed on the Special Assumptions that the development is complete on the date of valuation in the market conditions prevailing on that date and that the development (as described within our Report) has obtained all necessary permissions, has been fully completed to a standard defined by our Report and complies in all respects with those permissions and all other Statute and Regulations and that all of the completed units have been sold individually and not as a whole'.

Fair Value

Valuations based on Fair Value shall adopt the definition in accordance with VPS 4 of the Global Standards. The definition adopted by the International Accounting Standards Board (IASB) in IFRS 13 is as follows:-

'The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date'.

Valuations prepared for financial reporting purposes under IFRS require the adoption of the IASB definition and IFRS 13 will apply. The guidance in IFRS 13 includes:

'The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. A fair value measurement requires an entity to determine all the following:-

- (a) the particular asset or liability that is the subject of the measurement (consistently with its unit of account)*
- (b) for a non-financial asset, the valuation premise that is appropriate for the measurement (consistently with its highest and best use)*
- (c) the principal (or most advantageous) market for the asset or liability*
- (d) the valuation technique(s) appropriate for the measurement, considering the availability of data with which to develop inputs that represent the assumptions that market participants would use when pricing the asset or liability and the level of the fair value hierarchy within which the inputs are categorised.*

The references in IFRS 13 to market participants and a sale make it clear that for most practical purposes, fair value is consistent with the concept of market value.

Investment Value (or Worth)

Where we have been instructed provide valuations based on investment value or worth, we have done so in accordance with VPS 4 of the Global Standards, which is defined as follows:-

'the value of an asset to the owner or a prospective owner for individual investment or operational objectives'.

Market Rent (MR)

Where we have been instructed provide valuations based on a Market Rent (MR), we have done so in accordance with VPS 4 of the Global Standards, which is defined as follows:-

'The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion.'

Our assumptions of what are 'appropriate lease terms' for this property will be set out in our report.

13.0 Source of Information

The comments in this Section are subject to PS 2 paragraph 1.5 and VPS 2 paragraph 1.9.

We will be provided with information by the Client and Borrower, which will be described within our report, upon which we shall rely as being materially correct in all aspects. This information will be relied upon subject to any verification that we have agreed to undertake.

Any assumptions resulting from lack of information are described within the relevant section of the Report and Valuation and must be verified before relying upon the Valuation.

Where we express an opinion of legal issues, any such opinion must be verified by your legal advisers before the Valuation can be relied upon or published.

We will obtain information from inter alia the websites of the Land Registry, the Environment Agency, the Local Authority, UKradon.org, Street Map, Landmark, historicengland.org.uk and the Valuation Office Agency, which we assume to be accurate and correct.

Information regarding the details of the property sales evidence will be obtained from various sources including the websites of LonRes, Rightmove Plus, Zoopla, Prime Location, EGi, Focus, CoStar and EIG Auctions. This information is assumed to be correct and accurate as at the Valuation date. In addition, where we have obtained information from other agents and/or valuers, this is usually in verbal form. We assume that the information provided by the agents/valuers is correct and has been accepted in good faith and without any liability.

You must inform us whether there has been a purchase price agreed or any recent sale or transaction in respect of the property to be valued. The Valuation will comment on whether this information has been revealed and, if not, shall contain a further request that this information must be provided to us before the Valuation can be relied upon.

14.0 Complaints Procedure and RICS Regulation

TBP is an RICS regulated firm and operates a Complaints Handling Procedure in accordance with RICS guidelines. A copy is available upon request.

Bowen is regulated by RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct and all other applicable mandatory professional practice requirements of RICS, which can be found at www.rics.org. As an RICS regulated firm we have committed to cooperating with RICS in ensuring compliance with its standards. The firm's nominated RICS Responsible Principal is Jamie Cook (Director of ASE Surveying Limited, a Member of The Bowen Partnership LLP, trading as Bowen). He may be contacted on 020 8446 8833 or jamie@bowenpartnership.co.uk.

15.0 Restrictions on Publication and Third Party Liability

In accordance with the recommendations of the RICS, we would state that our Report is provided solely for the purpose stated above and is confidential to and for the use only of the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents even if that third party pays all or part of our fees or is permitted to see a copy of our Report and Valuation.

Neither the whole nor any part of this report or any reference to it may be included now, or at any time in the future, in any published document, circular or statement, nor published, referred to or used in any way without our written approval of the form and context in which it may appear (such approval will be given or withheld at our absolute discretion).

In the event that our Report is shown to or disclosed to a third party, with or without our express written consent, without exception this will be on the basis and assumption that there is not any legal liability to that third party.

Should TBP subsequently give consent to third party reliance on our Report and Valuation, any such third party is deemed to have accepted these Terms of Engagement including the liability cap, that the liability cap is in the aggregate in respect of claims by the original Client and third parties, that the purpose for which the advice has been provided has not altered and that we will not have a liability to the third party greater than that to the original Client.

Should TBP subsequently give consent to third party reliance at a date later than the effective date of the Valuation, this will always be on the basis that TBP has not re-valued the Property to be Valued or provided fresh advice. The Valuation may, therefore, be out of date as the effective date of the Valuation will not be either agreed, or deemed, to have changed.

Draft reports, if provided, are provisional and for your internal purposes only, being subject to completion of our final report. They must not be published or disclosed and must not be relied upon for any purpose whatsoever. TBP neither owes nor accepts a duty of care to you in connection with draft reports and shall not be liable for any loss, damage, cost or expense resulting from any reliance upon a draft report. Should you rely upon a draft report this is at your own risk and you must undertake your own independent investigations.

The Client may not assign this valuation engagement, or any of its rights or obligations under this valuation engagement, without the prior written consent of TBP.

16.0 RICS Monitoring

TBP and the Valuer are registered with RICS Valuer Registration. The Report and Valuation and our files may be subject to monitoring under the Institution's conduct and disciplinary regulations.

Compliance with RICS Global Standards may be subject to monitoring under the Institution's Conduct and Disciplinary Regulations.

17.0 Limitations on Liability

Our maximum liability under this instruction is set out in Clause 19, sub-clauses 8.1, 8.2, 8.3, 8.4, 8.5, 8.6 and 8.7 of this Agreement.

18.0 General Assumptions, Extent of Investigations and Limitations

The comments in this Section are subject to VPS 2 paragraph 1.10.

These are the conditions and Assumptions upon which our valuation and reports are normally prepared and form an integral part of our appointment together with our related Terms and Conditions. These Conditions and Assumptions apply to the valuations that will be the subject of this instruction. We shall make certain that Assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, our valuations that we will not verify as part of the valuation process but, rather, as per the Glossary to the Global Standards will treat as "a supposition taken to be true". In the event that any of these Assumptions prove to be incorrect or do not accord with your requirements, we should be notified immediately and our valuations must be reviewed. Upon signing these Conditions and Assumptions, however, or accepting them for inclusion in a Report and Valuation, it is accepted by you that this forms the basis of our valuation.

For the avoidance of doubt, and overriding all other content of these Terms of Engagement, in the context of residential mortgage valuations, assumptions and special assumptions have been made in accordance with UK VPGA 11.5, the link to which is below:-

[red-book-uk-supplement-rics.pdf](#)

In order to provide a Valuation Report within a reasonable timeframe and at an economic cost the following limitations in the scope of inspections and due diligence in enquiries are agreed together with the necessary assumptions which will be adopted to cover uncertainties:-

18.1 Restrictions & Limitations of Inspection

We will undertake a visual inspection of the exterior and interior of the property, to the extent which is accessible with safety and without undue difficulty, as can be seen whilst standing at ground level and within the boundaries of the site, and adjacent public/communal areas, and whilst standing at the various floor levels which we consider reasonable in order to provide the service having regard to its purpose. We will not carry out a building or structural survey or inspect those parts of the property which are covered, unexposed or inaccessible nor raise floor boards, move any fixed apparatus or arrange for a test of the electrical, heating or other services.

We do not give any assurances as to the condition of the structure, foundations, walls, roof, services and the like. We assume that the building(s) has/have been constructed and used in accordance with all statutory and bye-law requirements. Our Report and Valuation assumes, unless otherwise stated, that the property is in reasonable repair and condition, structurally sound and free from any latent or other material defects including rot, infestation and inherently dangerous or unsuitable materials or techniques that would potentially have an adverse effect on value.

We will have regard to the apparent state of repair and condition of the Property but a condition survey will not be undertaken. We will not, therefore, be able to confirm that the Property is structurally sound or free from any defects. In instances where we have been provided with a condition survey report, we will, where possible, reflect the content of that report within our Report and Valuation.

We will view neighbouring areas only insofar as they are visible from within the boundaries of the property being inspected and valued.

No mining, geological or other investigations will be undertaken to certify that the site is free from any defect as to foundations. We will make an Assumption that the load bearing qualities of the site or the Property are sufficient to

support the buildings constructed, or to be constructed thereon. We will also make an Assumption that there are no services on, or crossing the site in a position which would inhibit development or make it unduly expensive, and that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the present or future occupation, development or value of the Property.

Unless information is provided by you to the contrary, we assume for the purpose of development sites that there are no underground streams, culverts, sewers or any other aspects which would prevent any development or affect build costs.

Our valuation assumes that all electronically operated or controlled equipment at the property is not or will not be adversely affected by any computer virus or data related programming problems.

18.2 Measurements

All measurements are carried out in accordance with the Professional Statement RICS Property Measurement issued by the Royal Institution of Chartered Surveyors. In the event of dimensions or areas being calculated from plans or other sources, we will so state in the report.

Where our Report and Valuation includes site plans of the property these will be based on the physical inspection and information provided, such as copy Title Plans and any Site Plan included within our Report and Valuation is intended for identification purposes only.

18.3 Services

We will not test any of the services within the property but will make a visual inspection of which are connected. We assume that the property is connected, or is capable of being connected without any undue expense, to the public services of gas, electricity, water and sewerage. We will not undertake any tests to ascertain the condition or the capacity of these services and will assume they are fit for purpose.

No allowance will be made for any items of plant or machinery not forming part of the service installations of the building. We will specifically exclude all items of the plant, machinery and equipment installed wholly or primarily in connection with any of the occupants' businesses. We will also exclude furniture and furnishings, fixtures, fittings, vehicles, stock and loose tools.

18.4 Construction and Condition

Refer to paragraph 18.1.

18.5 Contamination

We will make only informal enquiries as to environmental considerations unless specifically instructed otherwise. We do not undertake any environmental testing as part of a normal valuation inspection and will therefore assume that enquiries have not revealed any contamination affecting the property or neighbouring property, which would affect the valuation. However, should it be established subsequently that contamination exists at the property, or on any neighbouring land, or that the premises have been or are being put to any contaminative use, this might reduce the values reported and should be referred back to us.

When valuing property where we suspect contamination may exist this will be reported. If an approved Environmental Consultant is employed their report should be referred to us. We will then refer to the Consultant's report in the valuation identifying the nature of the contamination and adjust the valuation to have regard to the estimated cost and likely liability for treatment. However, should it be established subsequently that other contaminants exist at the property or on any other neighbouring land, or that the premises have been or are being put to any other contaminative uses this might reduce the value reported.

Unless otherwise stated by us, the following assumptions will be made by us which we are under no duty to verify:

- Investigations have not been undertaken on the site in the form of any geotechnical report to determine the suitability of ground conditions or services for any new developments.
- In the case of agricultural land, we are not able to accept any responsibility as to the possible latent infestations in the soil or any disease which might affect crops or stock at any time in the future.

18.6 Deleterious Materials

In preparing the report, unless otherwise stated by us, the following assumptions will be made which we are under no duty to verify:-

- That no deleterious or hazardous materials or techniques were used in the construction of the Property, nor have since been incorporated. Such deleterious materials include, but are not limited to, High Alumina Cement, Calcium Chlorides, Woodwool Slabs, Asbestos, ACM cladding panels and composite panels.
- That inspections of those parts which have not been inspected would neither reveal material defects nor cause us to alter the valuation materially.

18.7 Environmental Issues

Should our enquiries or any reports indicate the existence of environmental issues without providing method statements and costings for remedial works, we may not be able to issue a Valuation Report except with the Special Assumption that the Property is assumed **NOT** to be affected by such environmental matters. In certain circumstances, the making of such a Special Assumption may be unrealistic and our Valuation Report may include a statement that we have made a Departure from the requirements of the RICS Global Standards. In these circumstances, our Valuation Report may include a recommendation that an investigation should be undertaken to quantify the costs and that subsequently our valuations should be reviewed.

Where our enquiries lead us to believe that the Property is unaffected by environmental issues, unless you instruct us otherwise our valuation will be based on an Assumption that no adverse environmental issues exist in relation to the Property sufficient to affect value.

Depending on the nature of the investigations made or information provided our Valuation Report may include a statement that, in practice, a purchaser might undertake further investigations and that if these reveal environmental issues then this might reduce the value reported.

18.7.1 Mining

We will not undertake formal enquiries but will comment on mining within the scope of internet enquiries and visual inspection. It may not be possible to provide definitive conclusions based on the informal enquiries with regard to either made up ground or coal mining.

18.7.2 Flood Risk

We will not undertake formal enquiries but will comment on flooding within the scope of internet enquiries and visual inspection. It may not be possible to provide definitive conclusions based on the informal enquiries with regard to flooding.

We shall also make enquiries of the Environment Agency website regarding flooding. Whilst we shall have regard to any environmental reports which may be produced, we shall not provide a formal flood risk assessment.

If the property lies within or close to a flood plain, or has a history of flooding, we make the Assumption that Building Insurance is in place regarding flooding and available to be renewed by the current or any subsequent owner of the Property, without payment of an excessive premium or excess.

18.7.3 Radon Gas

We will not undertake formal enquiries but will comment on radon gas within the scope of internet enquiries and visual inspection. It may not be possible to provide definitive conclusions based on the informal enquiries with regard to radon gas.

18.7.4 Invasive Species

We will not undertake formal enquiries but will comment on invasive species within the scope of internet enquiries and visual inspection. It may not be possible to provide definitive conclusions based on the informal enquiries with regard to invasive species.

We will not inspect for any invasive species, such as Japanese Knotweed, unless it is clearly apparent at the time of our inspection. Otherwise, we shall assume that there are no invasive species present either in the property or surrounding properties.

Japanese Knotweed rhizomes can remain dormant within the ground for up to 20 years and we shall assume that your solicitors will make all necessary enquiries to establish whether there has been any Japanese Knotweed or other invasive species within the demise of the property or neighbouring properties.

18.8 Tenure/Tenancies/Title

18.8.1 Tenure

Unless otherwise stated in our reports we will assume that freehold and leasehold interests are to be valued with vacant possession, even where tenanted or occupied.

For long leasehold properties, we assume that the lease is on standard terms the landlord being responsible for the maintenance and decoration of the exterior, structure and common parts of the building but subject to a proportionate service charge contribution from each lessee. We further assume that each lessee is responsible for maintaining and decorating the interior of the demise.

We assume that there are no current, outstanding or imminent significant service charge requests or substantial shortfalls relating to planned maintenance or other works. We further assume that there is a sinking fund in place in relation to this work.

18.8.2 Tenancies

We will read all the leases and related documents provided to us. We will make an Assumption that copies of all relevant documents will be sent to us and that they are complete and up to date.

We will not undertake investigations into the financial strength of any tenants. Unless we have become aware by general knowledge, or we have been specifically advised to the contrary, we will make an Assumption that:-

- i) Where a property is occupied under leases then the tenants are financially in a position to meet their obligations, and
- ii) There are no material arrears of rent or service charges, breaches of covenant, current or anticipated tenant disputes

Our valuation will reflect the market's general perception of the credit worthiness of the type of tenant actually in occupation or responsible for meeting these commitments, or likely to be in occupation.

We will also make an assumption that wherever rent reviews or lease renewals are pending or impending, with anticipated reversionary increases, all notices have been served validly within the appropriate time limits.

Legal issues, and in particular the interpretation of matters relating to Title and leases, may have a significant bearing on the value of an interest in Property. No responsibility or liability will be accepted for the true interpretation of the legal position of our client or other parties. Where we express an opinion upon legal issues affecting the valuation, then such opinion should be subject to verification by you with a suitably qualified solicitor. In these circumstances, we accept no responsibility or liability for the true interpretation of the legal position of you or other parties in respect of the valuation of the Property and our Valuation Report is issued on this basis.

We shall make the Assumptions that the information provided by your borrower, if relevant, in respect of the Property to be valued is both full and correct. We shall make the Assumption that details of all matters relevant to value within their collective knowledge, such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to us and that such information is up to date.

18.8.3 Title

Where a Report on Title is available, we will reflect its contents in our valuation. Save as disclosed either in any such Report on Title or as referred to in our Report, we will make the Assumption that there good and marketable Title and that the Property is free from rights of way, easements, restrictive covenants, disputes or onerous or unusual outgoing. We will also make the Assumption that the Property is free from mortgages, charges or other encumbrances.

We shall, unless otherwise expressly agreed, rely upon information provided by you, your customer (where relevant) or your legal or other professional advisors relating to tenure, leases and all other relevant matters.

We understand, where relevant, that you will be obtaining a Report on Title which, if in conflict with the Valuation Report, should be referred to us for further consideration.

Where a Valuation Report is required to contain site plans these will be based on extracts of the Ordnance Survey or other maps showing, for identification purposes only, our understanding of the extent of Title based on site inspections or copy Title plans supplied to us. If verification of the accuracy of these plans is required, the matter must be referred by you to your solicitor.

18.8.4 Covenant Status of Tenants

In the case of Property that is let, our opinion of value is based on our assessment of the investment market's perception of the covenant strength of the tenant. This has been arrived at in our capacity as valuation surveyors on the basis of information that is publicly available. We are not accountants or financial experts and we have not undertaken a detailed investigation into the financial status of the tenants. We have, however, reviewed where possible third party commentary, on the principal tenants. Our valuations reflect the type of tenants actually in occupation or responsible for meeting these commitments, or likely to be in occupation, and the market's general perception of their credit worthiness.

If the covenant status of the tenant is critical to the valuation, we recommend that you make your own detailed enquiries as to the financial viability of the tenant and if your conclusions differ from our own, provide us with a copy of the Report in order that we may consider whether our valuation should be revised.

18.9 Statutory Matters

We will carry out such inspections and investigations as are in our professional judgement appropriate and possible in the circumstances. It is an Assumption that the property and its value are unaffected by any matters which would be revealed by a local search and replies to the usual enquiries or Statutory Notice and that neither the property nor its condition, nor its use, intended use, is or will be unlawful. It is recommended that verification is obtained from the client's solicitors that:

- (a) The position is correctly stated in the report.
- (b) The Property is not adversely affected by any other decisions made or conditions prescribed by Local Authorities.
- (c) That there are no outstanding Statutory Notices.
- (d) That the Property is not adversely affected, nor is it likely to become adversely affected, by any highway, Town Planning or other schemes or proposals and that there are no other matters affecting value.

The valuations are prepared on the basis that the premises comply with statutory regulations, including fire and Building Regulations.

18.9.1 Highways

Unless there is evidence to the contrary during our inspection, we will assume that access to the Property is directly from the public highway, that the highway is adopted by the Highways Authority and maintainable at public expense. This should be verified by your solicitor.

Where it is apparent that access to the Property is not direct from the public highway, or where there are published road proposals drawn to our attention by you, we will make appropriate comments.

18.9.2 Regulatory Reform (Fire Safety) Order 2005/Fire Regulations

We will not undertake a Fire Risk Assessment or Safety Audit of the Property. For the purposes of our valuation, we assume full compliance with the Order or any other relevant Fire Regulations and Legislation, unless otherwise stated in our report. We further assume that a Fire Risk Assessment is in place (where relevant), that all the necessary measures are in place and no additional costs will be accrued in complying with these measures.

18.9.3 Equality Act 2010

Our valuation does not take account of any rights, obligations or liabilities, whether prospective or accrued, under the Act. Unless advised to the contrary, we have assumed that the Property complies with, and shall continue to comply with, the Act. We further assume that no additional costs will be accrued in complying with the Act.

18.9.4 Health & Safety at Work Act 1974 & Defective Premises Act 1972

Our valuation does not take account of any rights, obligations or liabilities, whether prospective or accrued, under the Acts. Unless advised to the contrary, we have assumed that the Property will comply with, and shall continue to comply with, current Health & Safety Legislation.

18.9.5 Control of Asbestos Regulations 2012

We will not carry out an asbestos inspection and will not act as an Asbestos Inspector in completing the valuation inspection of properties that may fall within the Regulations. We will not make an enquiry of the duty holder (as defined by the Control of Asbestos Regulations 2012), of the existence of an Asbestos Register or of any plan for the management of asbestos to be made. Where relevant, we will make an Assumption that there is a duty holder, as defined by the Control of Asbestos Regulations 2012, and that a Register of Asbestos and effective Management Plan

is in place, which does not require any immediate expenditure, pose a significant risk to health or breach the HSE Regulations. We advise that such enquiries be undertaken by a solicitor during normal pre-contract or pre-loan enquiries.

18.9.6 Energy Performance Certificates

Energy Performance Certificates (EPC's) are required for sale, rental or construction of commercial buildings and residential buildings. Non-compliance may lead to sanction under civil legislation, involving a financial penalty. Where an EPC has not been seen, our valuation assumes that the Property has an Energy Performance Certification (if required under the Minimum Energy Efficiency Standard) and that these exceed the minimum requirements of the relevant legislation and that the certificate will be maintained as required.

18.9.7 Housing Act 2004

Our valuation does not take account of any rights, obligations or liability, whether prospective or accrued, under the Housing Act 2004. Unless advised to the contrary, we have assumed that the Property complies with, and shall continue to comply with, the Housing Act 2004, that where relevant a Licence is in place for Houses in Multiple Occupation and that there are no costs which are likely to be incurred that would affect or impact upon our Valuation.

18.9.8 Building Regulations

We have assumed for valuation purposes that there are no Building Control matters affecting the Property. We assume that Building Regulation Approval and a Final Certificate, on completion, were granted for any extensions or alterations to the building. We have assumed that the Property complies with, and shall continue to comply with, all relevant legislation and that there are no costs which are likely to be incurred that would affect or impact upon our Valuation.

18.9.9 Party Wall etc., Act 1996

Unless advised to the contrary, we have assumed full compliance with the Act and that there are no outstanding matters or disputes which would either affect or impact upon our Valuation.

18.9.10 Rights of Light

Unless advised to the contrary, we have assumed full compliance with Rights of Light issues and that there are no outstanding matters or disputes which would either affect or impact upon our Valuation.

18.10 Planning

We will make verbal or written enquiries of the relevant planning authorities as to the possibility of highway proposals, comprehensive development schemes and other ancillary planning matters that could affect property values. We will also seek to ascertain whether any outstanding planning applications exist which may affect the Property, whether it is Listed or included in a Conservation Area. We will also attempt to verify the existing permitted use of the Property and endeavour to have sight of any copies of planning permissions.

Certain planning authorities will not provide verbal information and require a formal written application for information. This can take up to 28 days in respect of written enquiries, which are likely to be subject to a charge. Such enquiries as are possible within the time scale required for us to produce the required Report and Valuation may not reveal all relevant matters and unless stated to the contrary, a full planning search should be commissioned before you enter into any financial commitment.

In instances where we are to value property with the benefit of a recently granted planning consent, or on the Special Assumption that planning consent is granted, we will make an Assumption that it will not be challenged under Judicial Review. Such a challenge can be brought by anyone (even those with only a tenuous connection with the Property, or the area in which it is located) within a period of three months from the granting of a planning consent. When a planning consent is granted subject to a Section 106 Agreement, the three month period commences when the Section 106 Agreement is signed by all parties. If a planning consent is subject to Judicial Review, we must be informed and asked to reconsider our opinion of value. Advice will be required from your solicitor and a Town Planner to obtain their opinion of the potential outcomes of such a Judicial Review, which we will reflect in our reconsideration of value.

18.11 Local Taxation

We will make enquiries to ascertain details of Local Taxation. No comment will be made as to the reasonableness of details of Council Tax Bandings or Rateable Value.

18.12 Valuations

No account will be taken in our valuation of any business goodwill that may arise from the present occupation of the Property.

The Market Value which we will attribute to the Property is the figure we consider would appear in a contract for sale, subject to the appropriate assumptions for this Basis of Value. Where appropriate, we will make an allowance in respect of stamp duty and purchaser's costs.

Where a Valuation is required on an investment property with the Special Assumption of Vacant Possession, we will make the following Assumptions:-

- (a) That the Property is in the same state as described within our Report and Valuation.
- (b) That Vacant Possession has been achieved by a managed exit.
- (c) That there is no dilapidations money available that can be applied to any refurbishment and repair costs.
- (d) That Vacant Possession is based on the current use and not any alternative uses or potential redevelopment.
- (e) That the present occupier is able to either buy or lease the Property in the event of Vacant Possession.

No adjustment will be made to reflect any liability to taxation that may arise on disposal, nor for any costs associated with disposal incurred by the owner. Furthermore, no allowance will be made to reflect any liability to repay any Government or other grants, taxation allowance or lottery funding that may arise on disposal.

Unless otherwise stated all items normally associated with the valuation of land and buildings are reflected in the valuation and reinstatement costs to the extent that they existed at the date of inspection, including:

Fixed space heating; hot water system; lighting; mains services supplying sprinkler systems and associated equipment; water; electricity; gas and steam circuits not serving industrial or commercial processes; sub-station buildings; lifts and permanent structures including crane rails where forming an integral part of the building structure; drains; sewers and sewerage plants not primarily concerned with treating trade effluent; air conditioning/comfort cooling except where part of a computer installation or primarily serving plant and machinery; suspended ceilings; carpets, perimeter trunking; raised floors and fixed demountable partitions except where these are tenant's fixtures.

Unless otherwise specified the following items are excluded:

All items of process plant and machinery, tooling and other equipment not primarily serving the building; cranes, hoists, conveyors, elevators, structures which are ancillary to, or form part of an item of process plant and machinery; sewerage plant primarily concerned with treating trade effluents; air conditioning/comfort cooling where part of a computer installation or primarily serving plant and machinery; and water, electricity, gas, steam and compressed air suppliers and circuits serving industrial and commercial processes.

Unless otherwise specified no allowance is made for the cost of repairing any damage caused by the removal from the premises of items of plant, machinery, fixtures and fittings.

All valuation figures and rentals quoted are exclusive of any VAT which may be applicable and should be confirmed following legal advice. No deductions are made for taxation or costs of realisation.

Our valuation assumes that all electronically operated or electronically controlled equipment at the Property is not or will not be adversely affected by any computer virus or date related programming problems.

Unless specifically agreed to the contrary, where our Valuation relates to properties in the course of development or requiring repair/refurbishment, we assume that we will be provided with information relating to construction and associated costs in respect of both the work completed and the work necessary for completion, together with a completion date. Normally such figures will be provided by the Quantity Surveyors involved in the construction programme. Unless specifically instructed to the contrary we will be relying upon these figures and, where relevant, your customer should make this fact known to them.

If a building is in the course of construction, our valuation of the completed building will be based on an Assumption that all works of construction have been satisfactorily carried out in accordance with the building contract and specification, current British Standards and any relevant Codes of Practice. We will also make an Assumption that a duty of care and all appropriate warranties will be available from the professional team and contractors, which will be assignable to third parties.

Unless stated otherwise within the Report, our Valuation has been based on the Assumption that a rent forming the part of a rental assessment is to be assessed upon the premises as existing at the date of our inspection.

We have disregarded the existence of any mortgages, debentures or other charges to which the Property may be subject.

18.13 Building Insurance Reinstatement Cost (BIRC)

The BIRC is provided as a guide only and without liability. Any decisions taken on the basis of it are entirely at the user's risk. The BIRC has been undertaken by a Valuer in the context of a valuation instruction and should not be relied upon for giving actual insurance cover (which is given solely as a guide since a formal estimate for insurance purposes can only be given by a Quantity Surveyor or other person with sufficient current experience) of the current replacement cost of:

- a. The buildings in their present form (unless otherwise stated).
- b. Buildings being constructed as proposed to be completed:

each including the cost of clearance and professional fees but excluding:

- i. VAT (except on fees)
- ii. Loss of rent: and / or
- iii. Cost of alternative accommodation for the reinstatement period
- iv. Cost of decontamination of the land

18.14 EWS1 Form

You formally acknowledge that where a Report and Valuation prepared by us has relied upon an EWS1 form in the full knowledge and understanding that this document is produced in good faith by a professional third party but excludes any liability to you, neither you, nor any person deriving title to any mortgage from you, will pursue a claim against the Valuer personally or against this firm for any losses or potential losses arising directly and solely from the Report and Valuation being provided in reliance upon the EWS1 form.

19.0 **Terms of Business**

The Client appoints TBP to provide the Services upon the terms of the Appointment.

1. Definitions
 - 1.1 **"Appointment"** means the appointment of TBP by the Client pursuant to the Appointment Letter and these Terms.
 - 1.2 **"Appointment Letter"** means the letter prepared by TBP setting out the Services, the remuneration arrangements and other terms and conditions that form part of the Appointment.
 - 1.3 **"Client"** means the person, firm or company to whom TBP is to provide the Services in accordance with the Appointment Letter and these Terms and includes the party to whom the Appointment Letter is addressed and/or as stated above, together with the other intended users stated under Section 1.0 of these Terms of Engagement.
 - 1.4 **"TBP"** is The Bowen Partnership LLP, Unit 9, 33a High Street, Barnet, Herts EN5 5UW.
 - 1.5 **"Terms"** means the Valuation Terms of Engagement set out in this document and (unless the context or otherwise requires) include any other terms and conditions set out or referred to in the Appointment Letter accompanying these Terms or varying these Terms.
 - 1.6 **"Intellectual Property Rights"** means all copyright, know-how (including techniques, information, manuals, processes and methodology) rights in designs and all other intellectual property rights whether registered or unregistered.
 - 1.7 **"Services"** means the specific Services to be provided by TBP to the Client pursuant to the Appointment, together with any other services which TBP agrees in writing to provide.
 - 1.8 **"Report and Valuation"** means the written report and valuation of the Property to be provided to the Client as the end product of any part of the Services.
2. TBP Obligations

- 2.1 TBP will:
- 2.1.1 provide the Services as set out in the Appointment Letter and in accordance with these Terms;
 - 2.1.2 undertake such further Services as may be agreed in writing provided that the extra cost shall first be agreed between the parties and set out in a document authorising those Services;
 - 2.1.3 disclose to the Client promptly and in writing the nature and, where known, the basis or amounts of any fee, commission (beyond the Client's agreed fee or commission) that TBP stands to gain as a result of this instruction by the Client or recommendations to the Client. Where the disclosure is oral TBP will confirm the disclosure promptly in writing.
- 2.2 Unless otherwise agreed with the Client, TBP shall not be responsible for:
- 2.2.1 any Services beyond that described in the Appointment Letter and in accordance with those Terms;
 - 2.2.2 management or responsibility for the Property which shall be the sole responsibility of the Client;
 - 2.2.3 checking or approving the accuracy of information provided to TBP; and/or;
 - 2.2.4 delays arising from the untimely action or errors on the part of others.
- 2.3 Where individual members of staff are named in the Appointment Letter TBP will use reasonable endeavours to ensure that those individuals are engaged in the provision of the Services but where appropriate TBP reserve the right to substitute appropriately skilled staff or use sub-contractors.

3. Client Obligations

- 3.1 The Client will:
- 3.1.1 pay TBP in accordance with Remuneration Clause 4, unless otherwise stated;
 - 3.1.2 provide all assistance requested by TBP and reasonably needed to provide the Services set out in the Appointment Letter or further Services.
 - 3.1.3 provide all documents, title or leases relating to the Property or copies of these to enable TBP to carry out the Services and the Client confirms any documents so provided will be true and complete and accurate; and,
 - 3.1.4 provide access to the Property for the purposes of inspection by TBP as required by them.

4. Remuneration and Disbursements

- 4.1 The fees payable to TBP are as set out in the Appointment Letter and these Valuation Terms of Engagement. All invoices are due for payment within 30 days. If the Client fails to pay the invoice in full within 30 days from the invoice date, TBP shall be entitled to:-
- Charge daily interest on the unpaid amount at 5% above the Barclay Bank Plc's base-lending rate from time to time which will be invoiced monthly. This rate will also apply after judgement;
 - Suspend all Services and other work being carried out until payment is effected and TBP will not be liable for any delays, losses, costs or expenses occasioned by such suspension; and/or
 - Charge all costs incurred in recovering monies owed in relation to unpaid fees and expenses will be recovered from the Client.
- 4.2 TBP will invoice the Client in accordance with the Appointment Letter. If the Client requires an invoice to be in particular form or addressed to a different person, firm or company then the Client is obliged to inform TBP at the outset of the instruction. If the Client fails to notify TBP changes to any of the details prior to TBP issuing the invoice then TBP shall charge an administrative fee of £100 plus VAT to readdress the invoice.
- 4.3 Where the Client requests TBP to invoice a third party (e.g. where a bank requests we invoice a Borrower) then the Client shall remain primarily liable to pay the fees should the third party fail to meet its liabilities in full.
- 4.4 In respect of loan security valuations, payment of TBP fees is not conditional upon a loan being drawn down, exchange of contracts or completion of a sale of purchase or grant of any lease.
- 4.5 Where there is a change to the stated purpose for which Services have been commissioned and in TBP sole opinion, this is deemed to result in an increase in its liability (for example a Report and Valuation for annual accounts being used for loan security purposes), TBP reserves the right to charge an additional fee.
- 4.6 In addition to the agreed fees the Client will be liable for all disbursements incurred by TBP whilst carrying out the Services. Disbursements may include marketing costs, photocopying, messenger deliveries, travel costs by car or public transport in attending properties, sites, meetings and the like, the reproduction of documents, particulars or plans, postage, overnight accommodation, subsistence and entertainment on behalf of the Client.

- 4.7 Disbursements incurred by TBP in relation to work carried on behalf of Clients sometimes come to light following the completion of Services. In these circumstances TBP will invoice these disbursements when details become available, notwithstanding that a final account may have been submitted.
- 4.8 VAT is chargeable to the Client on all fees and disbursements at the appropriate prevailing rate.
- 4.9 All payments due to TBP will be made under our Terms of Engagement and shall be made without set-off or counterclaim and free of and without deduction for any taxes, levies or duties of any description. If the Client is required at any time by any applicable Law to make any such deduction from any payment, the sum due in respect of such payments shall be increased such as shall result (notwithstanding such deduction in TBP's receipt of its due date) in a net sum equal to the sum TBP would have received had no such deduction been required.
5. Conflicts of Interest
- 5.1 TBP will take all reasonable steps to prevent any conflict of interest arising, which might prevent it from carrying out the Services in a proper manner and will notify the Client on becoming aware of any such conflict or possible conflict.
- 5.2 Where the appointment is for loan security purposes, TBP will confirm whether or not any of its Partners or employees has had any recent foreseeable undisclosed fee earning relationship relating to any property for which TBP is appointed to provide the Service, or the borrower, as the case may be. TBP will also confirm that it has no significant financial interest in, or management involvement with, the borrowers unless otherwise stated in any Report and Valuation provided, or letter confirming its appointment to provide the Services.
6. Confidentially
- 6.1 Neither TBP nor any of its staff shall have any duty to disclose to the Client any information which comes to its attention in the course of carrying on any other business or as a result of, or in connection with, the provision of Services to other persons.
- 6.2 The Report and Valuation will be confidential to the Client, and neither the valuation nor the report nor any part is to be disclosed or made available to any third party without the written approval of TBP. TBP will not accept responsibility for any Report and Valuation to any party other than the Client except where specifically agreed in writing.
- 6.3 If the content of any Report and Valuation prepared by TBP is disclosed or made available to any third party, then it shall be disclosed in full, and these Terms, and any other terms and conditions set out in the Report and Valuation shall be disclosed to, and imposed upon, such third party.
- 6.4 Neither the whole nor any part of any Report and Valuation prepared by TBP may be included in any document, circular, or statement, or published in any way, without the prior written approval of TBP as to the form, content and context in which it will appear.
7. Intellectual Property Rights
- 7.1 The Intellectual Property Rights in all documents (whether written or electronic) prepared by TBP in providing the Services shall remain the property of TBP. Subject to payment by the Client of the fees properly due to TBP under these Terms, TBP grants to the Client an irrevocable non-exclusive royalty-free licence to copy and use the documents for any purpose related to the project or instruction but not for any other purpose.
8. **Limitation of Liability**
- 8.1 **Neither party shall be liable for any special, indirect or consequential loss or damage suffered by the other (including as a result of any action brought by a third party).**
- 8.2 **No Partner, employee or consultant of TBP individually has a contract with you and does not owe you a duty of care or personal responsibility. You agree that such individuals shall not be personally or individually liable to the Client for any loss or damage howsoever arising as a consequence of the acts or omissions of such employee (including negligent acts or omissions) and no claim in respect of this agreement shall be brought personally against any individuals involved in the performance of the Services under this agreement, whether actual or deemed parties, or of associated partnerships and companies and TBP's respective members, Partners, officers, employees, agents and**

professional advisers save and to the extent that such loss or damage is caused by the fraud, fraudulent misrepresentation, dishonesty, wilful misconduct or unauthorised conduct on the part of such individuals.

8.3 RICS recommends the use of liability caps to RICS-regulated firms as a way in which to manage the risk in professional work. The aggregate liability of TBP to the Client or any one, or more, or all of the addressees to the Report or any other party who otherwise becomes entitled to rely on the Report under or in connection with these Terms of Engagement and our Valuation, however that liability arises (including, without limitation, a liability arising by breach of contract, arising by tort, including, without limitation, the tort of negligence, or arising by breach of statutory duty or any other cause whatsoever) shall be limited to the lower of:-

- (a) 33% of the Value (as defined below) of the Property to be Valued; and
- (b) £5,000,000 (five million pounds)

Value is defined as:-

- (a) where more than one value is stated for the same Property to be Valued on different bases, the highest valuation figure recorded in our Report (including the Gross Development Value in development appraisals); and
- (b) in the case of portfolios and other multi-unit properties within one Report, the aggregate of our valuations included in one Report.
- (c) where we are required to provide multiple pieces of work under one instruction, the liability cap applies to the whole engagement in the aggregate.

8.4 For the avoidance of doubt, the above limitation of liability applies to any single case or series of cases of damages irrespective of the legal reason. A single case of damages is defined as the total sum of all the damage claims of all persons entitled to claim, which arise from one and the same professional error. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, TBP can similarly only be held liable up to the above limitation of liability.

8.5 You acknowledge and agree that TBP will not be liable the Client or any one, or more, or all of the addressees to the Report or any other party who otherwise becomes entitled to rely on the Report under or in connection with these Terms of Engagement and our Valuation, however that liability arises (including, without limitation, a liability arising by breach of contract, arising by tort, including, without limitation, the tort of negligence, or arising by breach of statutory duty) to the extent that such loss or damage is consequential, indirect, special or punitive.

8.6 If the Client suffers a loss as a result of our breach of contract or negligence, TBP's liability shall be limited to a just and equitable proportion of the loss having regard to the extent of responsibility of any other party. TBP's liability shall not increase by reason of a shortfall in recovery from any other party, whether that shortfall arises from an agreement between you and them, your difficulty in enforcement or any other cause.

8.7 Nothing in these Terms of Engagement shall exclude or limit our liability for death or personal injury caused by our negligence or for any other liability that cannot be excluded by law.

9. Client's Indemnity to TBP

9.1 TBP shall not be liable for any use of the Services, advice, documents or the like for any purpose other than that for which they were specifically prepared and provided by TBP or for any use by a third party.

9.2 The Client will indemnify TBP and all its staff without limit in respect of any claims or actions which any third party might bring against them arising out of the use (in accordance with this agreement) of any materials which you provide to us for the purposes of providing the Services.

9.3 The Client will indemnify TBP against all losses, damages, costs and expenses suffered or incurred by TBP arising out of act, omission or default of the Client or any consultant or any other third party instructed by the Client.

9.4 The Client acknowledges that TBP is entitled to rely upon the accuracy, sufficiency and consistency of any information supplied to it by the Client. TBP shall have no liability for any inaccuracies contained in any information provided by the Client or any third party on behalf of the Client.

- 9.5 The Client authorises TBP to speak to or meet with any other person it may need to contact in order to provide the Services. TBP may release to such person for the purpose of the Services any information reasonably necessary to perform the Services and which it has obtained during the appointment. TBP shall not be liable for any use subsequently made of that information.
10. Electronic Communication
- 10.1 We may communicate with you by e-mail. Although electronic transmission of information cannot be guaranteed to be secure or virus or error free, TBP will use reasonable procedures to seek to ensure that they are.
11. Retention of Documents
- 11.1 Whilst certain documents may legally belong to the Client, TBP intend to destroy correspondence and other papers that are more than fifteen years old, other than documents which TBP consider to be of continuing significance. If the Client requires retention of any particular documents the Client must instruct TBP accordingly.
12. General Data Protection Regulation
- 12.1 TBP will process personal data that it holds about individuals within the Client's business in connection with providing the Services.
- 12.2 Personal data about individuals within the Client's business shall be processed in compliance with the General Data Protection Regulation.
- 12.3 A full copy of our Privacy Notice for Customers and Suppliers is available on our web-site at www.bowenpartnership.co.uk
13. Third Party Rights
- 13.1 Save as specifically set out in the Terms no provision of the agreement between TBP and the Client is intended to be enforceable by a third party pursuant to the provisions of the Contracts (Rights of Third Parties) Act 1999. Therefore, no such third party shall have the right to rely on or enforce any provision of the agreement between TBP and the Client.
14. Readdressed Reports
- 14.1 In the event of TBP being asked by the Client to readdress any existing Report and Valuation to a third party or parties or permit reliance upon it by another party or parties, TBP will give consideration to doing so, to named parties, subject to a minimum additional fee of £500 chargeable at the sole discretion of TBP. These additional fees are exclusive of VAT and expenses (including the cost of readdressing the Report and Valuation).
- 14.2 Should additional work be involved, over and above that undertaken to provide the initial report, TBP may make a further charge, to be agreed with the Client before commencing any work. The level of additional fee will be commensurate with the amount of additional work required to be undertaken to comply with the instruction and any Professional Indemnity implications.
15. Termination
- 15.1 The termination of TBP's appointment shall not affect any rights accrued by either party prior to that date. Either party may terminate TBP's appointment by giving one months' notice to the other party, or immediately if the other party, (a) has a receiver, administrative receiver or administrator appointed over all or any part of its assets or undertaking, or (b) passes a resolution to wind up or has a liquidator appointed. Termination shall not affect any accrued rights or antecedent breach.
- 15.2 TBP shall be entitled to terminate its appointment at any time if any amount due to TBP is not paid within 30 days after it becomes due for payment.
- 15.3 In the event that TBP's appointment is terminated, TBP will be entitled to payment of a fair and proper fee for the Services provided, and all expenses incurred, prior to the expiry date of termination. If TBP has sent the Client a draft Report and Valuation, such fees will be subject to a minimum of 80% of the fee originally agreed between the parties.

- 16. General
 - 16.1 TBP shall undertake all Services on the basis of these Terms and the Appointment Letter which shall apply to the exclusion of any other terms and conditions that the Client may seek to impose. No variation of these Terms shall be binding unless agreed in writing between TBP and the Client.
 - 16.2 Neither party may assign or otherwise transfer this contract or any part thereof, or any of its rights and obligations, without the prior written consent of the other party, at that party's complete discretion, save that TBP shall be entitled without consent to assign its rights and obligations under this Agreement to a successor to the whole or any substantial part of the business of TBP.
 - 16.3 In the event of any ambiguity or conflict between the letter accompanying these Terms and these Terms, the former will take precedence.
 - 16.4 Our contract with you for the provision of this Report and Valuation is subject to English Law. Any dispute in relation to this contract, or any aspect of the Report and Valuation, shall be subject to the exclusive jurisdiction of the Courts of England and Wales, and shall be determined by the application of English Law, regardless of who initiates proceedings in relation to the Report and Valuation.
 - 16.5 The Client agrees with the Valuation Terms of Engagement detailed above which the Client confirms to have read and, as acknowledgement of such agreement, signs a copy of these and returns them to TBP at the address shown on the Appointment Letter.
- 17. Client Account
 - 17.1 Where TBP are paid before inspections are undertaken, such payments received in advance of the report being issued will not be treated as Client's money and will not therefore be subject to the protection of the RICS Client Money Protection Scheme.
- 18. Money Laundering
 - 18.1 You shall promptly, on request, provide TBP with any information reasonably required to enable us to comply with our obligations under the Money Laundering Regulations and our internal compliance policies relating to same. For the avoidance of doubt, searches may also be conducted on your directors and "beneficial owners" as is required by the legislation. You agree that we may retain such information and documentation for these purposes and make searches of appropriate databases electronically. If such information is not provided within a reasonable time, or you do not meet the relevant requirements set out in our internal policies, we may terminate this instruction immediately upon written notice to you.

We accept these Terms of Engagement as an accurate summary of the instructions to provide a valuation.

Signed

For and on behalf of **Bowen**

Dated

Signed

For and on behalf of **(Client)**

Dated