

1. DEFINITIONS

In these terms, the following words shall have the following meanings:

“Company” means Virtual Processing Ltd, (company number 4458120) whose registered office is at Moneysupermarket House, St David’s Park, Chester, CH5 3UZ trading as DIY Packaging;

“Subscriber” means the party with whom the Company has entered into the Contract to provide the Service;

“Service” means the provision of software and data at regular intervals to enable the Subscriber to underwrite/package relevant mortgage applications including all future updates and improvements thereto;

“Information” means the underwriting information to be provided by the Company to the Subscriber by virtue of its use of the Service;

“Contract” means this agreement between the Company and the Subscriber for the provision of the Service to which these terms and conditions shall apply.

2. PROVISION OF THE SERVICE

2.1 The Company shall supply the Service to the Subscriber by way of a computer software programme.

2.2 Except as expressly licensed in this Contract, the Company retains all right, title and interest in (including but not limited to all confidentiality, copyright, trade secret, and patent rights) the Service and Information, and any and all upgrades, enhancements, modifications or derivative works of any of the foregoing.

2.3 The Subscriber is hereby granted a non-exclusive licence for the duration of the Contract to use the Service and Information in the United Kingdom only.

3. PAYMENT

3.1 The Subscriber shall pay to the Company a one off fee of £120 (inclusive of VAT) (the “Fee”) for the Service and the initial system training provided by the Company. The Fee shall be paid via credit or debit card upon execution of this Contract.

3.2 The Company shall pay the Subscriber for each accepted completed application in accordance with Schedule 1.

4. LIABILITY & INDEMNITY

4.1 The data used in the supply of the Service is provided to the Company by independent third parties and the Company does not warrant or undertake the accuracy or completeness, of the said data and shall not be responsible for and accepts no liability for the accuracy or completeness of the Information as a result of or arising from such data being incorrect or out of date.

4.2 The Information is supplied to the Subscriber strictly on the basis that the Subscriber has the relevant skills and expertise to use and properly operate the Service and to interpret and use the Information. The Company is not responsible for and accepts no liability for errors arising from incorrect use or misuse of the Service or any incorrect interpretation of the Information.

4.3 To the fullest extent permitted by law all warranties conditions or other terms implied by statute or common law in relation to the Contract are excluded including (but not limited to) implied warranties of merchantability and fitness for a particular purpose.

4.4 To the fullest extent permitted by law the Company shall not be liable to the Subscriber or the Subscribers clients for loss of profits, loss of business, loss of data, loss of opportunity, cost of substitute goods or services, or any form of indirect, special, incidental, consequential or punitive damages under or in connection with this Contract, whether arising in tort (including negligence), contract, strict liability or otherwise, whether or not the Company has been advised of the possibility of such damage.

4.5 The Subscriber shall indemnify the Company in respect of all claims, demands, damages, losses, liabilities, costs and expenses (including legal costs) arising from any act, omission or default of the Subscriber.

4.6 The maximum aggregate liability of Company for all claims arising in any year of the Contract commencing on the commencement date or anniversary thereof, shall be equal to the aggregate total payment made to the Subscriber from the Company in such year.

4.7 This clause shall survive the termination of this Contract.

5. DEFECT RECTIFICATION

5.1 In the event of the Subscriber experiencing a failure of or defect in the Service the Company will endeavour to rectify the failure or defect in a timely fashion. The Company will have no liability for any losses incurred by the Subscriber or any of the Subscribers clients as a result of such failure.

6. SUBSCRIBER'S RESPONSIBILITIES

6.1 The Subscriber shall not use the Services until it has received the full training provided by the Company.

6.2 The Subscriber agrees that where it has submitted three consecutive applications to the Company which the Company considers to have been incorrectly packaged the Subscriber shall undertake further training to the Company's satisfaction prior to submitting another application.

6.3 The Subscriber shall be responsible for checking the suitability of all case documents submitted with each application and submitting all information required on the system at one time as a fully packaged case. The Subscriber's failure to comply with requirement shall result in the Subscriber not being paid the processing fee for the submitted application and the application being returned to the Subscriber.

6.4 Where the Subscriber instructs the Company to carry out a credit reference check/decision in principle on behalf of its client, it must be in possession of a declaration, which must be provided on demand, that has been signed by the client confirming that the client has provided the Subscriber and the Company authority to carry out a credit check.

6.5 The Subscriber agrees that it shall pay the Company the correct valuation fee prior to the Company carrying out a valuation on behalf of the Subscriber.

6.6 The Subscriber shall comply fully with all current and future applicable laws, statutes, directives regulations and codes of Practice and all rules and guidelines issued by any relevant regulatory and trade bodies and maintain any licence necessary under the Consumer Credit Act 1974, Financial Services & Markets Act 2000 and the Data Protection Acts 1984 and 1998.

6.7 The Subscriber shall be responsible for the identification procedures required in connection with the application for mortgage, in accordance with the provisions of the European Council Directive 9 1/308/EEC and the UK Money Laundering Regulations 1993.

6.8 The Subscriber consents to the Company carrying out a credit check in relation to its employees where this is required by the Company or any lender on its panel.

6.9 The Subscriber will advise the Company of any criminal proceedings commenced or cautions issued against it or any of its employees in relation to its business, within the last 5 years or criminal proceedings which may arise during the term of this Contract in the future.

6.10 Following the notification of rate withdrawals the Subscriber shall undertake to submit cases within the specified time period requested.

6.11 The Subscriber shall not reproduce, or distribute to any other party, the software provided by the Company. All documents, records, computer software and hardware and any other items belonging to the Company and in the possession of, or under the Subscriber's control, shall at all times be available to the Company for inspection and shall be returned immediately on demand.

6.12 The Subscriber shall not sign or amend any documents on behalf of the Company or its lenders, nor make any statements or promises or representations of any kind, whether written or oral, which bind or purport to bind the Company or any other body, unless it has prior written permission to do so from the party it is purporting to bind.

6.13 The Subscriber will not use the Company software or marketing literature to procure any business that is not due to be submitted to the Company.

6.14 The Subscriber acknowledges that any lender has the right to request further information in relation to a case, in addition to the standard information requested by the Company's system.

6.15 The Subscriber shall ensure that it has adequate locum cover for its clients for extended periods of the Subscriber or its employees absence so that its clients are not contacting the Company in the absence of the Subscriber being available.

6.16 The Subscriber shall be solely liable for the advice it provides to its clients and for the avoidance of doubt the Service provided by the Company shall not be deemed as a recommendation under FSMA.

6.17 If the Subscriber is an Appointed Representative of a Network for the purposes of the Financial Services Authority, the Subscriber shall ensure that its agreement with its Principal allows it to package mortgage applications and that the lender panel is acceptable to that Principal.

6.18 The Subscriber agrees and undertakes that, both during and after the term of this Contract, it will keep confidential, will not use for its own purposes and will not without the prior written consent of the Company disclose to any third party any information concerning the business and affairs of the Company (including the terms (but not the fact) of this Contract) which may become known to such party in connection with this Contract unless such information is public knowledge other than as a result of a breach of this paragraph, has been independently acquired from a third party without restriction on disclosure, or is required by law or any regulatory body or for the purposes of litigation by or against the Subscriber to be disclosed.

7 TERMINATION

7.1 The Company may terminate this Contract with immediate effect:

7.1.1 at any time at its sole discretion; or

7.1.2 if the Subscriber commits a material breach of any of the terms of this Contract, provided that where such breach is capable of remedy, the Subscriber has been advised of the breach and has not rectified it within 7 days of receipt of such advice; or

7.1.3 if the Subscriber appoints a receiver, administrative receiver or administrator appointed over the whole or a material part of its undertaking or assets, is unable to pay its debts (as defined by section 123 of the Insolvency Act 1986) or enters into any composition or arrangements with its creditors.

7.2 The Subscriber may terminate this Contract upon one months written notice to the Company.

7.3 Where the Contract has been terminated pursuant to clause 7.2 the Service shall be disabled upon the date of termination and the Company shall at its sole discretion pay the Subscriber for any applications being processed at the time of termination.

7.4 Where the Contract has been terminated pursuant to clause 7.1 the Service shall be disabled with immediate effect and the Subscriber shall not be entitled to payment for applications that have been submitted but not processed at the time of termination.

8. Force Majeure

8.1 The Company will be excused from performance of its obligations under this Contract if and to the extent that such performance is hindered or prevented directly or indirectly by reason of any strike, lock out, labour disturbance, government action, riot, armed conflict, accident, unavailability or breakdown of normal means of transport, Act of God or any other matter whatsoever beyond its reasonable control. The Company party may terminate this Contract if such force majeure event lasts for a period of 10 consecutive days or more.

9- GENERAL

9.1 The Contract shall be governed by and construed in all respects in accordance with the laws of England and the parties agree to the exclusive jurisdiction of the English courts.

9.2 The Contract contains the entire agreement between the parties and supersedes all previous agreements and understandings between the parties and may not be modified except by an instrument in writing signed by the duly authorised persons of the parties.

9.3 The Subscriber acknowledges that it has not entered into Contract on the basis of or in reliance upon any representation, warranty or other provision except as expressly provided in the Contract.

9.4. If any provision of these terms and conditions is held by any Court or other competent authority to be void or unenforceable in whole or in part the same shall be deemed omitted here from the validity

and/or enforceability of the remaining provisions of these conditions shall not in any way be affected or impaired thereby.

9.5 The Company reserves the right to amend from time to time the facilities provided by the Service and to amend/supplement terms and conditions applicable to the Contract.

9.6 The Contract is personal to the Subscriber and shall not be transferred to or assigned by the Subscriber without the prior consent in writing of the Company. The Company may at any time assign its rights under the Contract or delegate sub-let or sub-contract the Service or provide the Service to another company which is the holding company or subsidiary (as defined by Section 1161 and 1162 Companies Act 2006) of the Company.

9.7 The rights and remedies of the Company under the Contract shall not be diminished, waived or extinguished by the granting of any indulgence, forbearance or extension of time by the Company nor by any failure of or delay by the Company in asserting or exercising any such rights or remedies.

9.8 No term of this Contract is enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to it.

Schedule 1: Fees