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By Email Only

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8 November 2017

For the attention of Mr Tomas Begley

Dear Sirs

New Basement Construction at 35 Elsworthy Road.

1. We, as Project Managers appointed by the Client, Shore Securities Ltd (“the Employer”) are authorised to confirm to you that the Employer intends to enter into a Contract (“the Contract”) with you, Trenchco Ltd, to carry out the Works, but are not yet in a position to enter into the formal contract with you. It is intended that the Contract will be based upon the JCT Standard Form of Building Contract 2016 without Quantities incorporating the certain amendments which will be subject of future agreement between the parties.
2. We hereby authorise and request you to proceed with the procurement and preparatory work necessary to enable you to comply with the programme looking to start on site on 22nd November 2017 in respect of of the full works identified in the title to this letter (Appendix A) . Under the Contract, the Contract Sum will be £1,772,779.97 (subject to amendment prior to the signing of the Contract by any revised design information issued, additional works associated with the Project and other instructed works) excluding VAT compiled as per the Contract Sum Analysis attached at Appendix D.
3. Subject to your compliance with the conditions of this letter stated in paragraph 11 below, you are authorised to enter the parts of the building on which the Works are to be carried out by agreement (the “Site”).
4. In carrying out your activities on Site you must comply with all reasonable requirements of the Employer or any of the Design Team or such other representative as we may notify to you in writing (the “the Team”).
5. Subject to your compliance with the said conditions of this letter and subject to paragraph 6 below, we undertake to pay you for all services, work, goods and materials provided by you pursuant to this letter, up to the maximum amount of £50,000.00 plus VAT (the “Maximum Amount”). Further expenditure is not permitted without revision to this Letter of Intent.

6. The amount payable for such services, work, goods and materials shall be calculated, so far as appropriate, in accordance with the Documents, but to the extent that the same cannot be priced in accordance with the Documents, we shall pay you a reasonable amount for them.
7. The Employer's liability under this letter for the cost of services, work, goods and materials provided by you pursuant to this letter shall be limited to services, work, goods or materials which are in accordance with the Documents; and (in the case of goods or materials) which are physically incorporated into the Works or are stored on the Site and in which title will transfer to us upon payment.
8. Payments under this letter shall continue to be made against your applications for payment to be submitted to the Deacon and Jones LLP ("Quantity Surveyor") monthly, the first such application to be made no earlier than one calendar month from the date of possession of the site. Each application must be supported by sufficient detail to enable the Quantity Surveyor to check that the amount applied for is in accordance with the terms of this letter. Final date for payment will be 21 days after the due date
9. In the event that, the Employer, enters into a contract with you for the carrying out of the Works (the "Contract"):
 - (i) all and any obligations on our part to make payment under this letter shall determine;
 - (ii) any payments made shall be treated as payments on account pursuant to the Contract; and
 - (iii) everything done by you or on your behalf pursuant to this letter shall be deemed to have been done pursuant to (and our obligation to make payment for the same shall be governed by) the Contract.
10. The conditions of this letter are:
 - (i) that within seven days of the date of this letter and before you enter the Site you must sign and deliver to us a copy of this letter, to signify your acceptance of its terms; and
 - (ii) that within seven days of the date of this letter and before you enter the Site, you must provide to the Quantity Surveyor written evidence that you have the insurances specified in the Appendix C and obtain his written confirmation that the terms of such insurance are satisfactory.
11. You:
 - (i) grant to us a royalty free, irrevocable, non-exclusive licence to use and reproduce all drawings, calculations and specifications and the designs contained in them ('Designs') hitherto or hereafter prepared by you or on your behalf in connection with the Works for all purposes connected with the Works such licence shall carry the right to grant sub-licences and shall be transferable to third parties; and
 - (ii) agree to supply to us on request copies of the Designs and warrant that the use of the Designs for the purposes of the Works will not infringe the rights of any third party.
12. You agree to indemnify us against all loss or liability due to death or personal injury or damage to real or personal property (including the Site and the Works) arising out of or in connection with or by reason of any act or omission on your part under or in

connection with this letter, save to the extent that such loss or liability is due to any act or neglect of ourselves or of our agents.

13. You accept appointment as Principal Contractor for the purposes of the Construction (Design and Management) Regulations 2015 (the "CDM Regulations") and for the purposes of all construction work to be performed pursuant to this letter, and agree to perform and observe his functions and duties under and the requirements and prohibitions imposed upon him by the CDM Regulations and other statutory provisions pertaining to health and safety.
14. You will ensure that any orders placed by you contain a provision allowing the benefit of such sub-contracts and orders to be assigned and/or novated to us (or to any replacement contractor appointed by us) in the event that we revoke this instruction for any reason.
15. We have the right to revoke this instruction at any time for any reason by 7 days notice in writing to you, or in the case of your insolvency, with immediate effect. Unless so revoked, your authority and obligation to proceed under this instruction shall continue until 18th December 2017 or until any later date notified by us in writing.
16. If we revoke this instruction you are to:
 - (i) immediately cease any further work;
 - (ii) vacate the Site (if in occupation) promptly and with as little disruption as possible, removing all plant and waste materials and leaving the Site clean and tidy;
 - (iii) deliver to us the Designs and the licence referred to in paragraph 12 (i) shall continue;
 - (iv) consult with us with regard to the action which you shall take for the fulfilment or cancellation of orders and shall supply to us all invoices and other written materials for orders made or intended to be made; and
 - (v) if required by us, assign and/or novate to us or our nominee the benefit of any or all contracts entered into by you with sub-contractors, consultants and suppliers in connection with this letter or the Works.
17. In the event that, for any reason, this instruction is revoked or terminated and the Contract is not executed or proceeded with, we will reimburse the reasonable costs properly incurred by you in implementing this instruction subject to agreement of the Quantity Surveyor. We shall owe you no further compensation either in respect of work which you have performed or in respect of the termination of this instruction. In particular, you shall have no claim for breach of contract, loss of profit, loss of expectation or otherwise arising from the failure to enter into the Contract or complete the Works.
18. This letter is issued strictly subject to the conclusion of a number of items currently under discussion between us
 - (i) Agreement of the Contract Sum to reflect all post tender drawings and documentation as referred to in Paragraph 2.
 - (ii) Agreement of the Contract Amendments and LAD's figure.

and we shall be under no obligation to select you for appointment as Contractor for the Works until such time as these items are concluded.

19. This letter shall be governed by English law and the English courts shall have jurisdiction with regard to all matters arising from it.

Please sign a copy of this letter and send it to us to accept the terms of this letter and agree to proceed in accordance with them.

Yours faithfully

Deacon and Jones

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Deacon and Jones LLP

For and on behalf of Shore Securities Ltd

We accept the terms of this letter and agree to proceed accordingly

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For and on behalf of
Trenchco Ltd

Attachments:
Appendix A, B, C and D

Copy to:

Appendix A

The programme

Date of Possession 22 November 2017

Completion: TBA

Appendix B

The documents comprise the following:

1. JCT Standard Form of Contract 2016 certain amendments to be agreed between the parties.
2. Tender Submission Letter
3. Contract Sum Analysis
4. Insurances
5. The Drawings and Specifications noted below

Architect

Specification dated 18th September 2017

FEV 130 Site Plan
FEV 140 Proposed Basement- Sheet 1
FEV 141 Proposed Basement- Sheet 12
FEV 145 Proposed Ground Floorplan
FEV 150 Proposed First Floorplan
FEV 155 Proposed Second Floorplan
FEV 205 Proposed Elevation 2
FEV 210 Proposed Elevation 3
FEV 215 Proposed Elevation 4
FEV 220 Proposed Elevation 5
FEV 225 Proposed Elevation 6
FEV 230 Section AA - Sheet 1
FEV 235 Section AA - Sheet 2
FEV 240 Section BB
FEV 245 Section CC
FEV 265 Section DD
FEV260 Main Stair Design Intent
FEV 270 Rear Store
FEV 300 Basement Wall/Floor -Piled Section
FEV 301 Basement Floor/Underpin Junction Section
FEV 302 Basement/GF Wall Floor Junction Section
FEV 303 Basement Int Wall/Floor Junction Plan Abutment
FEV 304 Ext Wall block Int Wall Junction Plan
FEV 305 Ext RC/int RC wall Junction Plan
FEV 308 Basement Lift Pit Section
FEV 309 Sump Pump Section
FEV 316 Basement Dining Rear Wall/Floor Section
FEV 317 Typical Basement Side Wall Section
FEV 318 Basement Single Flight Section
FEV 319 Main Stair Walls Elevation
FEV 320 Int_ext Columns Plan
FEV 321 Basement Ext Column Plan
FEV 322 Basement RC Wall Head Section
FEV 323 Basement End Upstand Wall Section
FEV 324 Rear Side Bay Section
FEV 325 GF Front Entry Threshold Section
FEV 326 GF Front RH Bay Section
FEV 327 Rear Lightwell Upstand Wall Section
FEV 328 Rear Lightwell Window Cill Section
FEV 329 Rear Centre Bay Threshold Section
FEV 330 Lift Pit Basement Door Threeshold Section
FEV 334 Side Door Threshold
FEV 335 Rear Lightwell planter
FEV 337 Storage Door Details
FEV 338 Storage Landing
FEV 339 Lightwell Long Threshold
FEV 340 Lightwell Cill Wall
FEV 341 Lift Shaft GF Door
FEV 342 Basement Stair abutmt
FEV 343 Staff Stair abutmt
FEV 344 Staff Str Section
FEV 347 Jacuzzi Section
FEV 348 Lightwel Ret Wall
FEV 350 Basement Pile upstand
FEV 351 Storage end wall
FEV 353 Basemt_House abut
FEV 354 Basemt_House abut

Structural Engineer

MBP – 6001 – 100 – P5
MBP – 6001 - 101 – P4
MBP – 6001 – 110 – P2
MBP – 6001 – 125 – P5
MBP – 6001 – 120 – P4

Appendix C

Insurance requirements:

1. Contractor's insurance – injury to persons or property : £10,000,000 for any one occurrence or series of occurrences arising out of one event.
2. Insurance of the Works: Option [C] applies as clause [6.7 and Schedule 3] of the Contract .
3. Professional Indemnity: £5,000,000 per claim or series of claims arising out of one event.

Appendix D

Contract Sum compiled in accordance with attached Schedule.