

SCHEDULE 2

TERMS WHICH MUST BE INCLUDED IN A FULL NETWORK ACCESS AGREEMENT

Liability of the Subscriber

17. Provision as to the extent to which the Subscriber will be liable to the registrar for loss and damage arising out of or in connection with the agreement and the use of the land registry network, which must include, in particular, the following—

- (a) provision that, subject to the exemptions from liability set out in sub-paragraphs (b) and (c), the Subscriber shall be liable for loss and damage suffered by the registrar, and liable to indemnify the registrar in respect of any liability to a third party incurred by the registrar, arising directly from—
 - (i) the intentional, reckless or negligent misuse of the land registry network by the Subscriber,
 - (ii) breach of the agreement by the Subscriber,
 - (iii) negligent acts, errors or omissions by the Subscriber, or
 - (iv) failure by the Subscriber to establish his client's true identity,except to the extent that the registrar has contributed to his own or the third party's loss,
- (b) provision that, if the Subscriber has taken the steps specified in the agreement to satisfy himself as to the identity of his client, the Subscriber will not be liable to the registrar for any loss or damage arising in consequence of any failure by the Subscriber to establish the client's true identity, and
- (c) a statement to the effect that, where the Subscriber has enabled a third party to access a network transaction under a read-only network access agreement or a signature network access agreement, the Subscriber will not be liable for any loss or damage suffered by the registrar or any third party resulting from such access, save to the extent that such loss or damage is attributable to negligence or breach of the agreement by the Subscriber.