

Our Ref: AA/CB/A2ILE

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IRIS Legal Solutions

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Dear

Re: Upgrade path from Evolution to IRIS Law Enterprise

Over the last few weeks we have invited all Evolution customers to meet with the IRIS Legal Senior Management team, at a series of events across the UK, to discuss the IRIS Legal future product strategy and in particular how it relates to Evolution users. If you have not already booked to attend one of the events, you can still do so, by either emailing legal@iris.co.uk or by telephoning **01274 851577** and asking to speak to a member of the Marketing Team.

As you are aware, IRIS is one of the UK's leading business software houses (in the Top 6) delivering legal, regulatory, accounting and full service solutions to well over 60,000 UK companies. IRIS has built its leadership position and reputation based on continuous product investment and a deep understanding of customer needs. Utilising our wealth of experience, we have conducted a full review of all the products that constitute the IRIS Legal range, specifically taking into consideration the issues and concerns raised by Evolution users. The objective of this evaluation was to provide a factual basis from which IRIS could identify the best way to provide you with a clear and long term product roadmap. This will provide the best return on your investment and deliver new products to help you compete in an ever competitive market.

A full technical analysis of the Evolution product concluded that the architecture of Evolution was limiting the ability to develop new features. In particular the design, together with the age of technology, was resulting in very long development and testing cycles in order to deliver new features. IRIS concluded that to enable a swift response to your needs and the demands of the market, the majority of the application would require a rewrite. The time and effort taken to do this would impact the delivery of new features to you and provide little immediate value.

Beneficial Approach

The decision was therefore taken that the most beneficial and least risk approach was to provide an upgrade path for you to IRIS Law Enterprise. This will be launched on 7th April at our customer road-shows and is based on the award winning, and market leading, IRIS Legal Office V10 solution. The software will be provided to Evolution customers **free of charge on a like for like module basis**. In doing so IRIS are able to deliver immediate product enhancements and a clear long term roadmap that protects your investment. Many of the enhancements available in IRIS Law Enterprise reflect specifically what many Evolution customers have been requesting. IRIS Law Enterprise users will benefit from the further £5 million investment IRIS has committed to their legal products over the next 3 years.

Continued Support

The Evolution **application will remain fully supported through to at least July 2011** therefore you can plan an upgrade at a time suitable to your firm. IRIS has concluded that no further feature enhancements, apart from legislative requirements on SQL, will be added to the Evolution product following the release of Evolution R2SP5 in October 2008. A full product comparison has been conducted between Evolution and IRIS Law Enterprise. IRIS Law Enterprise will deliver improved functionality requested by Evolution users, for example, Document Management, improved marketing and CRM and an XML gateway which will allow greater integration with third party products and applications.

The decision IRIS have made to upgrade Evolution users to IRIS Law Enterprise is one that has been given careful consideration. The future success of IRIS Legal is interlinked to customer satisfaction. I can therefore assure you that we have based this decision on what we believe delivers to you the best return on your investment and will provide a long term sustainable product that can deliver continuous business and competitive advantage. I appreciate that you may have many questions relating to this announcement which is why we have invited you to meet face to face with the IRIS Legal senior management team over the coming weeks. I have however also included a document with this letter which I hope you find helpful in answering some of the questions you may have.

£ 5 million investment

I would like to close by thanking you for your continued business and support. I do appreciate that you have experienced a period of change in the last few years and I appreciate your support during this time. We now have a clear product strategy in place and an excellent product from which we can build. This, together with significant further £5 million investment, will enable IRIS to deliver you a business technology platform that enables business and competitive advantage for your firm for many years ahead. Both the team and I look forward to working with you over the coming years to build a great technology platform that delivers a bright future for us all.

Kind regards



Arlene Adams
Managing Director IRIS Legal