

TERMS OF BUSINESS

The following terms of business apply to all engagements accepted by Sage and Company Chartered Accountants. All work is carried out under these terms, except where changes are expressly agreed in writing.

1.0 Applicable law

1.1 Our engagement letter, the schedules of services and our standard terms and conditions of business are governed by and should be construed in accordance with English law. Each party agrees that the courts of England & Wales will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it on any basis. Each party irrevocably waives any right to object to any action being brought in those Courts, to claim that the action has been brought in an inappropriate forum, or to claim that those Courts do not have jurisdiction.

1.2 We will not accept responsibility if you act on advice previously given by us without first confirming with us that the advice is still valid in light of any change in the law or in your circumstances. We will accept no liability for losses arising from changes in the law, or the interpretation thereof that occur after the date on which the advice is given.

2.0 Client identification

2.1 As with other professional services firms, we are required to identify our clients for the purposes of the UK anti-money laundering legislation. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases. If we are not able to obtain satisfactory evidence of your identity, we will not be able to proceed with the engagement.

Any personal data received from you to comply with our obligations under The Money Laundering, Terrorist Financing and Transfer for Funds (Information on the Payer) Regulations 2017 (MLR 2017) will be processed only for the purposes of preventing money laundering or terrorist financing. No other use will be made of this personal data unless use of the data is permitted by or under enactment other than the MLR 2017, or we have obtained the consent of the data subject to the proposed use of the data.

3.0 Client money

3.1 We may, from time to time, hold money on your behalf. The money will be held in trust in a client bank account, which is segregated from the firm's funds. The account will be operated, and all funds dealt with, in accordance with the Clients' Money Regulations of the Institute of Chartered Accountants in England and Wales.

3.2 To avoid excessive administration, interest will only be paid to you where the amount earned on the balances held on your behalf in any calendar year exceeds £25. Subject to any tax legislation, interest will be paid gross.

3.3 We will return monies held on your behalf promptly as soon as there is no longer any reason to retain those funds. If any funds remain in our client account that are unclaimed and the



client to which they relate has remained untraced for five years or we as a firm cease to practise then we may pay those monies to a registered charity.

4.0 Commissions or other benefits

4.1 In some circumstances we may receive commissions or other benefits for introductions to other professionals or in respect of transactions which we arrange for you. Where this happens we will notify you in writing of the amount and terms of payment and receipt of any such commissions or benefits. The same will apply where the payment is made to or the transactions are arranged by a person or business connected with ours. The fees you would pay will be unaffected. You agree that we can retain the commission or other benefits without being liable to account to you for such amounts.

The following are examples of likely commissions that may be received by us and the likely amounts. These are examples only and may not cover all receipts in the future.

Provided Service	Name or type of firm paying commission	Basis of commission	Rate of commission	Frequency
Provision of financial advice	RPG	Variable	1.5% of fee	One off

If in the future abnormally large commissions, for example more than double the amount in above, are received which were not envisaged when the engagement letter was signed, we will obtain specific consent to the retention of those commissions

5.0 Providing the best service

5.1 We are committed to providing you with a high-quality service that is both efficient and effective. However, should there be any cause for complaint in relation to any aspect of our service please contact a director. We would like you to contact the director in charge of your affairs in the first instance, although you reserve the right to contact any of the directors. We agree to look into any complaint carefully and promptly and do everything reasonable to put it right. If you are still not satisfied you can refer your complaint to our professional body, the Institute of Chartered Accountants in England and Wales.

For consumer agreements. Should we be unable to resolve your complaint you may also be able to refer your complaint to an alternative dispute resolution (ADR) provider to try and reach a resolution. We will provide details of a ADR provider if we cannot resolve your complaint using our internal procedures. This is in addition to your ability to complain to ICAEW.

6.0 Confidentiality

6.1 Unless we are authorised by you to disclose information on your behalf, we confirm that if you give us confidential information we will, at all times during and after this engagement, keep it confidential, except as required by law or as provided for in regulatory, ethical or other professional pronouncements applicable to us or our engagement.



6.2 You agree that, if we act for other clients who are or who become your competitors, to comply with our duty of confidentiality it will be sufficient for us to take such steps as we think appropriate to preserve the confidentiality of information given to us by you, both during and after this engagement. These may include taking the same or similar steps as we take in respect of the confidentiality of our own information.

6.3 In addition, if we act for other clients whose interests are or may be adverse to yours, we will manage the conflict by implementing additional safeguards to preserve confidentiality. Safeguards may include measures such as separate teams, physical separation of teams, and separate arrangements for storage of, and access to, information.

6.4 You agree that the effective implementation of such steps or safeguards as described above will provide adequate measures to avoid any real risk of confidentiality being impaired.

6.5 We may, on occasions, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality terms.

6.6 If we use external or cloud-based systems, we will ensure confidentiality of your information is maintained.

This applies in addition to our obligations on data protection in section [7]

7.0 Conflicts of interest

7.1 We will inform you if we become aware of any conflict of interest in our relationship with you or in our relationship with you and another client unless we are unable to do so because of our confidentiality obligations. We have safeguards that can be implemented to protect the interests of different clients if a conflict arises. Where conflicts are identified which cannot be managed in a way that protects your interests then we regret that we will be unable to provide further services.

7.2 If there is a conflict of interest that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests, we will adopt those safeguards. In resolving the conflict, we would be guided by ICAEW's Code of Ethics, which can be viewed at <https://www.icaew.com/technical/trust-and-ethics/ethics/icaew-code-of-ethics/icaew-code-of-ethics>. During and after our engagement, you agree that we reserve the right to act for other clients whose interests are or may compete with or be adverse to yours, subject, of course, to our obligations of confidentiality and the safeguards set out in the paragraph on confidentiality above.

8.0 Data protection

Sage & Company acting as Data Controller – in all areas apart from payroll

8.1 In this clause, the following definitions shall apply:

'client personal data' means any personal data provided to us by you, or on your behalf, for the purpose of providing our services to you, pursuant to our engagement letter with you;

'data protection legislation' means all applicable privacy and data protection legislation and regulations including PECR, the GDPR and any applicable national laws, regulations and secondary



legislation in the UK relating to the processing of personal data and the privacy of electronic communications, as amended, replaced or updated from time to time;

'controller', 'data subject', 'personal data', and 'process' shall have the meanings given to them in the data protection legislation;

UK GDPR' means the Data Protection Act 2018 as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019 which merge the previous requirements of the Data Protection Act with the requirements of the General Data Protection Regulation ((EU) 2016/679); and

'PECR' means the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003).

8.2 We shall each be considered an independent data controller in relation to the client personal data. Each of us will comply with all requirements and obligations applicable to us under the data protection legislation in respect of the client personal data.

8.3 You shall only disclose client personal data to us where:

- (i) you have provided the necessary information to the relevant data subjects regarding its use (and you may use or refer to our privacy notice available at <https://sageco.co.uk/wp-content/uploads/2018/05/Sage.V1-gdpr-privacy-notices.pdf> for this purpose);
- (ii) you have a lawful basis upon which to do so, which, in the absence of any other lawful basis, shall be with the relevant data subject's consent; and
- (iii) you have complied with the necessary requirements under the data protection legislation to enable you to do so.

To the fullest extent we will not be held liable if you fail in your obligations to provide the necessary information to the relevant data subjects.

8.4 Should you require any further details regarding our treatment of personal data, please contact our data protection manager.

8.5 We shall only process the client personal data:

- (i) in order to provide our services to you and perform any other obligations in accordance with our engagement with you;
- (ii) in order to comply with our legal or regulatory obligations; and
- (iii) where it is necessary for the purposes of our legitimate interests and those interests are not overridden by the data subjects' own privacy rights. Our privacy notice (available at <https://sageco.co.uk/wp-content/uploads/2018/05/Sage.V1-gdpr-privacy-notices.pdf>) contains further details as to how we may process client personal data.

8.6 For the purpose of providing our services to you, pursuant to our engagement letter, we may disclose the client personal data to our regulatory bodies or other third parties (for example, our professional advisors or service providers). The third parties to whom we disclose such personal data may be located outside of the United Kingdom. We will only disclose client personal data to a



third party (including a third party outside of the UK) provided that the transfer is undertaken in compliance with the data protection legislation.

We may disclose the client personal data to other third parties in the context of a possible sale, merger, restructuring or financing of or investment in our business. In this event we will take appropriate measures to ensure that the security of the client personal data continues to be ensured in accordance with data protection legislation. If a change happens to our business, then the new owners may use our client personal data in the same way as set out in these terms.

8.7 We shall maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of the client personal data and against accidental loss or destruction of, or damage to, the client personal data.

8.8 In respect of the client personal data, provided that we are legally permitted to do so, we shall promptly notify you in the event that:

- (a) We receive a request, complaint or any adverse correspondence from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or in respect of our processing of their personal data;
- (b) We are served with an information, enforcement or assessment notice (or any similar notices), or receive any other material communication in respect of our processing of the client personal data from a supervisory authority as defined in the data protection legislation (for example in the UK, the Information Commissioner's Officer); or
- (c) We reasonably believe that there has been any incident which resulted in the accidental or unauthorised access to, or destruction, loss, unauthorised disclosure or alteration of, the client personal data.

8.9 Upon the reasonable request of the other, we shall each co-operate with the other and take such reasonable commercial steps or provide such information as is necessary to enable each of us to comply with the data protection legislation in respect of the services provided to you in accordance with our engagement letter with you in relation to those services.

When we process your payroll, we are also considered a 'joint controller' for the purpose of the data protection legislation. This will arise in circumstances where we together (as data controllers) jointly determine the purposes and means of the data processing. There may be other circumstances in which we are 'joint controllers' and if notified of this this section will also apply.

In addition to the above paragraphs, the following clauses apply.

- The Parties shall each comply with their respective obligations under the Data Protection Legislation when Processing Personal Data pursuant to the terms of this Schedule.
- Both Parties shall at all times remain responsible for the acts and omissions pursuant to this Schedule of their respective Personnel and suppliers, contractors and agents.
- The Parties shall only Process Personal Data for the purpose or purposes set out in their respective privacy notices, copies of which shall be provided to the other Party upon request.



- Each Party shall comply with its own obligations under this Clause at its own cost.

In this event that we are considered joint controllers, in accordance with the data protection legislation we must:

Agree which of us will be responsible for each of the obligations under the data protection legislation. In this regard you are responsible for, and confirm that

- the Personal Data has been obtained by you, in your role as Data Controller in accordance with the Data Protection Legislation;
- privacy notices provided to Data Subjects are compliant with, and have been provided to the Data Subject in a manner which is compliant with, the Data Protection Legislation;
- there are no circumstances of which you as the Data Controller are aware which are likely to give rise to breach of the Data Protection Legislation in the future (including any unauthorised disclosure) or any notice, complaint, claim or notification from a Data Subject or Regulator; and
- Transferring the Personal Data to the Data Processor in accordance with this Schedule will not constitute a breach of the Data Protection Legislation.

Your duties are as follows:

- the point of contact for data subjects;
- you will collate the data required for the provision of payroll services and be responsible for its security on your premises.
- you will ensure employment contracts are compliant with data protection legislation
- make our arrangement available to the data subjects to which it will be applicable; and you will inform the data subjects to our role in processing payroll only.
- you will allow data subjects to exercise their data subject rights pursuant to the data protection legislation against each of the data controllers.

Our duties are as follows:

- we will process the data required for the provision of payroll services and be responsible for its security on our premises.
- we will respond to data subjects' requests to exercise their data subject rights pursuant to the data protection legislation.

Security

Both Parties shall implement appropriate technical and organisational measures to ensure a level of security appropriate to the risk involved under this schedule to:

- protect all Personal Data from unauthorized use, alteration, access or disclosure, and loss, theft, and damage, and to protect and ensure the confidentiality, integrity and availability of Personal Data; and
- Prevent a Security Breach.



- Both parties shall keep accurate records of the security measures which they have in place and shall make such records available to the other party upon request.
 - Security measures shall be regularly tested by each party to assess the effectiveness of the measures in ensuring the security, confidentiality, integrity, availability and resilience of personal data, and the party's compliance with this schedule and the party's obligations under the Data Protection Legislation. Both parties shall maintain records of the testing.
 - In the event of a Security Breach, the Data processor shall notify the Data controller's representative without undue delay and in any event within twenty-four (24) hours after the Data processor, or its suppliers, contractors and or agents discovered such security breach.
 - Following the notification referred to above, you shall provide assistance and co-operation with us as joint data controller to mitigate the security breach, including:
 - immediately conduct a reasonable investigation of the reasons for and circumstances of such security breach;
 - take all necessary actions to prevent, contain, and mitigate the impact of, such security breach, and remediate such security breach, without delay;
 - remediate the effects of a security breach;
 - promptly produce a written report setting out all relevant details concerning such security breach, including without limitation any security, risk or compliance assessment and security control audit reports; and
 - Provide regular updates to the Data Controller following a security breach.
- Records, Notification and Assistance

Both Parties shall at their own cost:

- keep a record of any processing of Personal Data it carries out;
 - notify the other party promptly (but in any event within 24 hours) should it; receive any data subject access request or complaint or any information notice, enforcement notice or other correspondence from a regulator, individual or third party in respect of personal data; or become aware of any circumstance which may cause either party to breach this schedule or which may cause either party to breach the Data Protection Legislation; and
 - Reasonably cooperate and coordinate with the other party concerning the other party's compliance with Data Protection Legislation.
- Reservation of right and Acknowledgment
- All personal data shall remain the property of the relevant Data Controller where such proprietary rights arise at law. Each party reserves all rights in its personal data. No rights, including intellectual property rights, in respect of a party's personal data are granted to the other party and no obligations are imposed on the Data Controller other than those expressly stated in this schedule.
 - Except as expressly stated in this schedule, no party makes any express or implied warranty or representations concerning its personal data, or the accuracy or completeness of the personal data.



9.0 Disengagement

9.1 Should we resign or be requested to resign we will normally issue a disengagement letter to ensure that our respective responsibilities are clear. Should we have no contact with you for a period of 36 months or more we may issue to your last known address a disengagement letter and hence cease to act.

10.0 Electronic and other communication

10.1 Unless you instruct us otherwise we may, where appropriate, communicate with you and with third parties via email or by other electronic means. The recipient is responsible for virus checking emails and any attachments.

10.2 With electronic communication there is a risk of non-receipt, delayed receipt, inadvertent misdirection or interception by third parties. We use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted through emails or electronic storage devices.

However electronic communication is not totally secure and we cannot be held responsible for damage or loss caused by viruses nor for communications which are corrupted or altered after despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication especially in relation to commercially sensitive material. These are risks you must bear in return for greater efficiency and lower costs. If you do not wish to accept these risks please let us know and we will communicate by paper mail, other than where electronic submission is mandatory.

10.3 We accept no responsibility or liability for the non-receipt, delayed receipt or the misdirection of any electronic communication. In addition, we accept no responsibility or liability for accidental error when dealing with such forms of communication.

10.4 Any communication by us with you sent through the post system is deemed to arrive at your postal address two working days after the day that the document was sent.

11.0 Fees and payment terms

11.1 Our fees may depend not only upon the time spent on your affairs but also on the level of skill and responsibility and the importance and value of the advice that we provide, as well as the level of risk.

11.2 If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that that will be the case. Otherwise, our fees will be calculated on the basis of the hours worked by each member of staff necessarily engaged on your affairs, multiplied by their charge-out rate per hour, VAT being charged thereon. Indicative hourly charge-out rates are as follows:-



Partner £190-£235
Manager £50-£100
Assistant £28-£40

11.3 Where requested, we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto.

11.4 In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance may be provided through insurance policies you hold or via membership of a professional or trade body. Other than where such insurance was arranged through us you will need to advise us of any such insurance cover that you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

11.5 We will bill at regular intervals and our invoices will be due for payment within 14 days of issue. Our fees are exclusive of VAT which will be added where it is chargeable. Any disbursements we incur on your behalf and expenses incurred in the course of carrying out our work for you will be added to our invoices where appropriate.

11.6 Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees. If these costs are incurred to fulfil our engagement, such necessary additional charges may be payable by you.

11.7 We reserve the right to charge interest on late paid invoices at the rate of 8% above bank base rates under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to suspend our services or to cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.

11.8 It is our normal practice to ask clients to pay by monthly direct debit and periodically to adjust the monthly payment by reference to actual billings.

11.9 If you do not accept that an invoiced fee is fair and reasonable you must notify us within 21 days of receipt, failing which you will be deemed to have accepted that payment is due.

11.10 If a client company, trust or other entity is unable or unwilling to settle our fees we reserve the right to seek payment from the individual (or parent company) giving us instructions on behalf of the client and we shall be entitled to enforce any sums due against the Group Company or individual nominated to act for you.

12.0 Implementation

12.1 We will only assist with implementation of our advice if specifically instructed and agreed in writing.



13.0 Intellectual property rights

13.1 We will retain all intellectual property rights in any document prepared by us during the course of carrying out the engagement save where the law specifically provides otherwise.

13.2 You are not permitted to use our name in any statement or document you may issue unless our prior written consent has been obtained. The only exception to this restriction would be statements or documents that, in accordance with applicable law, are to be made public.

14.0 Interpretation

14.1 If any provision of our engagement letter or terms of business is held to be void, then that provision will be deemed not to form part of this contract. In the event of any conflict between these terms of business and the engagement letter or appendices, the relevant provision in the engagement letter or schedules will take precedence.

15.0 Internal disputes within a client

15.1 If we become aware of a dispute between the parties who own or are in some way involved in the ownership and management of the business, it should be noted that our client is the business, and we would not provide information or services to one party without the express knowledge and permission of all parties. Unless otherwise agreed by all parties we will continue to supply information to the registered office/normal place of business for the attention of the directors/proprietors. If conflicting advice, information or instructions are received from different directors/principals in the business we will refer the matter back to the board of directors/the partnership and take no further action until the board/partnership has agreed the action to be taken.

16.0 Investment advice (including insurance distribution services)

16.1 Investment business is regulated by the Financial Services and markets Act 2000. If during the provision of professional services to you, you need advice on investments including insurances, we may have to refer you to someone who is authorised by the Financial Conduct Authority or licensed by a Designated Professional Body, as we are not. However, as we are licensed by the Institute of Chartered Accountants in England and Wales, we may be able to provide certain investment services that are complementary to, or arise out of, the professional services we are providing to you. Specifically, we may advise you about the availability, attributes and any potential suitability of broad types of investments but not about the attributes or suitability of any particular investments. In the unlikely event that we cannot meet our liabilities to you, you may be able to claim compensation under the Chartered Accountants' Compensation Scheme in respect of exempt regulated activities undertaken. Further information about the scheme and the circumstances in which grants may be made is available on ICAEW's website: www.icaew.com/cacs

In relation to the conduct of insurance distribution activities, we are an ancillary insurance intermediary. We are not authorised by the Financial Conduct Authority. However, we are included on the register maintained by the Financial Conduct Authority so that we can carry on insurance distribution activity, which is broadly the advising on, selling, and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by ICAEW. The register can be accessed from the Financial Conduct Authority's website at www.fca.org.uk/register



16.2 If you require advice on investment business, which we are unable to give as we are not authorised by the Financial Conduct Authority, we can introduce you to a appropriate permitted third party (PTP)

16.3 The PTP will issue you with their own terms and conditions letter, may be remunerated separately for their services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000. We will act as introducers and would be pleased to comment on, or explain any advice received and, if required, attend any meetings with you.

16.4 We may receive commission, which is based on a percentage the commission received or the fee charged by the advisor, and of which they will advise you directly. We will inform you when any commission is received and agree with you how this is to be dealt with at that time.

16.5 To enable us to provide you with a proper service, there may be occasions when we will need to contact you without your express permission concerning investment business matters. For example, it may be in your interests to sell a particular investment, and we would wish to inform you of this. We may therefore contact you in such circumstances. We will, of course, comply with any restrictions you may wish to impose which you notify to us in writing.

16.6 In the event that we introduce you to independent authorised third party (ATP), we may advise or comment on any advice given by the ATP to you if you so wish, but the ATP will take full responsibility for all aspects for compliance with regulations required by the Financial Services Act 1986.

17.0 Lien

17.1 Insofar as we are permitted to so by law or professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.

18.0 Limitation of third party rights

18.1 The advice and information we provide to you as part of our service is for your sole use and not for any third party to whom you may communicate it unless we have expressly agreed in the engagement letter that a specified third party may rely on our work. We accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, for any advice, information or material produced as part of our work for you which you make available to them. A party to this agreement is the only person who has the right to enforce any of its terms and no rights or benefits are conferred on any third party under the Contracts (Rights of Third Parties) Act 1999.

19.0 Period of engagement and termination

19.1 Unless otherwise agreed in our engagement letter, our work will begin when we receive implicit or explicit acceptance of that letter. Except as stated in that letter we will not be responsible for periods before that date.

19.2 We reserve the right to terminate the engagement between us with immediate effect in the event of your insolvency, bankruptcy or other arrangement being reached with creditors, an independence issue or change in the law, which means we can no longer act, failure to pay our fees



by the due dates, or either party being in breach of their obligations if this is not corrected within 30-days of being asked to do so.

19.3 Each of us may terminate our agreement by giving not less than 21 days' notice in writing to the other party except where you fail to cooperate with us or we have reason to believe that you have provided us [or HMRC] with misleading information, in which case we may terminate this agreement immediately. Termination will be without prejudice to any rights that may have accrued to either of us prior to termination.

19.4 In the event of termination of our contract, we will endeavour to agree with you the arrangements for the completion of work in progress at that time, unless we are required for legal or regulatory reasons to cease work immediately. In that event, we shall not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

20.0 Professional rules and statutory obligations

20.1 We will observe and act in accordance with the bye-laws, regulations and code of ethics of the Institute of Chartered Accountants in England and Wales including professional conduct relating to taxation and will accept instructions to act for you on this basis. In particular you give us the authority to correct errors made by HMRC where we become aware of them. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations. You can see copies of these requirements in our offices. The requirements are also available online at <https://www.icaew.com/regulation>.

20.2 We confirm that we are statutory auditors eligible to conduct audits under the Companies Act 2006. When conducting audit work, we are required to comply with the Ethical and Auditing Standards issued by the FRC, which can be accessed online at <https://www.frc.org.uk/auditors/audit-assurance-ethics/ethical-standard-for-auditors>. We are also required to comply with the Audit Regulations and Guidance which can be accessed at [icaew.com/en/technical/audit-and-assurance/working-in-the-regulated-area-of-audit](https://www.icaew.com/en/technical/audit-and-assurance/working-in-the-regulated-area-of-audit).

21.0 Quality control

21.1 As part of our ongoing commitment to providing a quality service, our files are periodically reviewed by an independent regulatory or quality control body. These reviewers are highly experienced and professional people and, of course, are bound by the same rules for confidentiality as our principals and staff.

21.2 When dealing with HMRC on your behalf we are required to be honest and to take reasonable care to ensure that your returns are correct. To enable us to do this, you are required to be honest with us and to provide us with all necessary information in a timely manner. For more information about 'Your Charter' for your dealings with HMRC, visit www.gov.uk/government/publications/your-charter. To the best of our abilities, we will ensure that HMRC meet their side of the Charter in their dealings with you.

22.0 Reliance on advice

22.1 We will endeavour to record all advice on important matters in writing. Advice given orally is not intended to be relied upon unless confirmed in writing. Therefore, if we provide oral advice (for



example during the course of a meeting or a telephone conversation) and you wish to be able to rely on that advice, you must ask for the advice to be confirmed by us in writing. Advice is valid as at the date it was given.

23.0 Retention of papers

23.1 You have a legal responsibility to retain documents and records relevant to your financial affairs. During the course of our work we may collect information from you and others relevant to your tax and financial affairs. We will return any original documents to you if requested. You should ensure that this documentation is retained for the period required by statute or other regulations.

23.2 Documents and records relevant to your tax affairs are required by law to be retained as follows:

- Individuals, trustees and partnerships: with trading or rental income: five years and 10 months after the end of the tax year, otherwise: 22 months after the end of the tax year.
- Companies, Limited Liability Partnerships, and other corporate entities: six years from the end of the accounting period.

23.3 Whilst certain documents may legally belong to you, we may destroy correspondence and other papers that we store electronically or otherwise that are more than seven years old, except documents we think may be of continuing significance. You must tell us, in writing, if you wish us to keep any document for any longer period.

24.0 The Provision of Services Regulations 2009

24.1 We are registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. Details of our audit registration can be viewed at www.auditregister.org.uk for the UK, under reference number C001016957.

24.2 Our professional indemnity insurer is Nexus Underwriting Limited, 52-56 Leadenhall Street, London, EC3A 2EB.

The territorial coverage is worldwide, excluding professional business carried out from an office in the United States of America or Canada, and excludes any action for a claim brought in any court in the United States or Canada.

Timing of our services

If you provide us with all information and explanations on a timely basis in accordance with our requirements, we will plan to undertake the work within a reasonable period of time to meet any regulatory deadlines. However, failure to complete our services before any such regulatory deadline would not, of itself, mean that we are liable for any penalty or additional costs arising.

25.0 Limitation of liability

25.1 We will provide our services with reasonable care and skill. Our liability to you is



limited to losses, damages, costs and expenses directly caused by our negligence or wilful default.

However, to the fullest extent permitted by law, we will not be responsible for any losses, penalties, surcharges, interest or additional tax liabilities if you or others supply incorrect or incomplete information, or fail to supply any appropriate information or if you fail to act on our advice or respond promptly to communications from us or the tax authorities.

25.2 You agree to hold harmless and indemnify us, as partners and staff against any misrepresentation (intentional or unintentional) supplied to us orally or in writing in connection with this agreement.

25.3 We have agreed that in relation to any claim made by your company against us, whether such claim be in respect of contract, tort or otherwise, the maximum total liability of such claim shall be per the agreed engagement letter, except for audits where it is £1,500,000. This sum shall be the maximum aggregate liability of this company, its directors', agents and employees to all persons to whom the engagement letter is addressed and also any other person that we have agreed with you may rely on our work. By signing the engagement letter, you agree that you have given proper consideration to this limit and accept that it is reasonable in all the circumstances. If you do not wish to accept it, you should contact us to discuss it before signing the engagement letter.

25.4 You have agreed that you will not bring any claim of a kind that is included within the subject of the limit against any of our directors' or employees on a personal basis. The advice and information we provide to you as part of our service is for your sole use and not for any third party to whom you may communicate it unless we have expressly agreed in the engagement letter that a specified third party may rely on our work. We accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, for any advice, information or material produced as part of our work for you which you make available to them. A party to this agreement is the only person who has the right to enforce any of its terms and no rights or benefits are conferred on any third party under the Contracts (Rights of Third Parties) Act 1999.

25.5 We will not be liable if such losses, penalties, surcharges, interest or additional tax liabilities are caused by the acts or omissions of any other person or due to the provision to us of incomplete, misleading or false information or if they are caused by a failure to act on our advice or a failure to provide us with relevant information. We will not be liable to you for any delay or failure to perform our obligations under this engagement letter if the delay or failure is caused by circumstances outside our reasonable control.

We will not be responsible or liable for any loss, damage or expense incurred or sustained if information material to the service we are providing is withheld or concealed from us or misrepresented to us. This applies equally to fraudulent acts, misrepresentation or wilful default on the part of any party to the transaction and their directors', officers, employees, agents or advisors. You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure by you or by any person for whom you are responsible of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including payment at our usual rates for the time that we spend of defending it.

