

TERMS OF BUSINESS

1 Applicable law

- 1.1 This engagement letter shall be governed by, and construed in accordance with English law. The Courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning the engagement letter (including the firm's terms of business) and any matter arising from it. Each party irrevocably waives any right it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts do not have jurisdiction.
- 1.2 Persons who are not party to this agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.
- 1.3 The advice we give you is for your sole use and is confidential to you and will not constitute advice for any third party to whom you may communicate it. We will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.
- 1.4 We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or your circumstances.
- 1.5 We will accept no liability for losses arising from changes in the law or the interpretation thereof that are first published after the date on which the advice is given.

2 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

3 Quality of service

We aim to provide a high quality of service at all times. If you would like to discuss with us how our service could be improved or if you are dissatisfied with the service you are receiving please let us know by contacting Mr. Simon Sanders on his direct line 020 7317 0050 or email him on simon@sandersgroup.co.uk

We undertake to look at any complaint carefully and promptly and to do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may take up the matter with the Institute of Chartered Accountants in England and Wales (ICAEW).

4 Client monies

- 4.1 We will not hold money on your behalf.

5 Investment advice

- 5.1 Although we are not authorised by the Financial Conduct Authority (FCA) to conduct Investment Business, we are licensed by the ICAEW to provide certain limited investment services where these are complementary to, or arise out of, the professional services we are providing to you.
- 5.2 Such assistance may include the following:
 - advising you on investments generally, but not recommending a particular investment or type of investment;
 - referring you to a Permitted Third Party (PTP) (an independent firm authorised by the FCA) and assisting you and the authorised third party during the course of any advice given by that party. This may include comment on, or explanation of, the advice received (but we will not make alternative recommendations). The PTP will issue you with his own terms and conditions letter, will be remunerated separately for his services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000.

The firm may receive commission from such an introduction, in which case you will be fully informed of the expected size and nature of such commission at the time of the introduction.

- advising on the sale of a contractually based investment other than disposing of any rights or interests which you may have as a member of a personal pension scheme;
- advising and assisting you in transactions concerning shares or other securities not quoted on a recognised exchange;
- managing investments or acting as trustee (or donee of a power of attorney) where decisions to invest are taken on the advice of an authorised person;

5.3 We may also, on the understanding that the shares or other securities of the company are not publicly traded:

- advise the company, existing or prospective shareholders in relation to exercising rights, taking benefits or share options valuation and methods;
- arrange any agreements in connection with the issue, sale or transfer of the company's shares or other securities;
- arrange for the issue of the new shares; and
- act as the addressee to receive confirmation of acceptance of offer documents etc.

5.4 If you are dissatisfied in any way with our services described in this section, you should follow the procedures set out in the "Quality of Service" section above. 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.

6 Commissions or other benefits

In some circumstances we may receive commissions or other benefits for introductions to other professionals or transactions we arrange for you. In this case we will notify you in writing of the amount, the terms of the payment and receipt of any such commissions or benefits. The fees you would otherwise pay as described below will not be reduced by such amounts. You agree that we can retain the commission or other benefits without being liable to account to you for any such amounts. Any commissions received in respect of designated investment business that also may include Insurance Mediation Services, you are entitled to be paid the amount. If you require us to pay you these, we will instead render a separate administration fee of at least the same amount unless we agree otherwise.

7 Fees

7.1 Our fees are generally fixed and agreed in writing in advance in our Fixed Price Agreement (FPA) or in a letter / email. Should there be no FPA or letter / email agreeing fees in advance, any fees would be agreed with you subsequently, taking into account the time spent on your affairs by the partners and team, the relevant value of the work delivered and the levels of skill or responsibility involved.

7.2 Unless specifically agreed (for example, payment by standing order), payment of our invoices is due within 30 days from the date of the invoice. If payment is not received within 30 days we reserve the option to charge interest on the outstanding balance, at a rate not exceeding 3% per annum over the relevant base rate of HSBC Bank Plc, for the period from 30 days after the relevant invoice date up to the date of payment. Any decision to charge interest will be notified to you in writing.

7.3 In the event that we cease to act as your auditors / accountants, we reserve the right to recover the actual costs of providing access to the information we hold in respect of the audit / accountancy work we have carried out to an eventual successor auditor / accountant.

8 Retention of and access to records

8.1 During the course of our work we will collect information from you and others acting on your behalf and will return any original documents to you following the preparation and audit of your accounts and returns.

8.2 For contracted services we will hold your data for a period of at least 7 years from the end of the tax year or accounting period to which they relate or such longer period as may be required to reflect the Statute of Limitations. These periods may also be extended if HM Revenue and Customs enquires into any accounts or returns. You must tell us if you require the return or retention of any specific documents for a longer period.

- 8.3 When we cease to act for you we will seek to agree the position on access to cloud-accounting records to ensure continuity of service. This may require you to enter direct engagements with the software providers and pay for that service separately.
- 8.4 Our privacy notice, which can be found on our website at www.sandersgroup.co.uk explains how we process personal data in respect of the various services that we provide, including information in relation to how and where we store your data, as well as your rights of access, correction, portability and deletion as a data subject.

9 Proceeds of Crime Act 2002 and Money Laundering Regulations

- 9.1 In common with all accountancy and legal practices, we are required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations to:
- have due diligence procedures for the identification of all clients;
 - maintain appropriate records of evidence to support customer due diligence; and
 - report in accordance with the relevant legislation and regulations.

10 Electronic communication

- 10.1 As instructed, we will communicate with you and with any third parties you instruct us to as set out in our covering letter and privacy notice 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 that 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 accept 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 hard copy, other than where electronic submission is mandatory.
- 10.3 Any communication by us with you sent through the post or DX system is deemed to arrive at your postal address two working days after the day that the document was sent.
- 10.4 When accessing information held electronically by HMRC, we may have access to more information than we need and will only access records reasonably required to carry out the contract.
- 10.5 You are required to keep us up to date with accurate contact details at all times. This is important to ensure that communications and papers are not sent to the incorrect address.

11 Data Protection

- 11.1 To enable us to discharge the services agreed, comply with related legal and regulatory obligations and for other related purposes including updating and enhancing client records and analysis for management purposes, as a data controller, we may obtain, use, process and disclose personal data about you, your business, company, partnership, its shareholders, members, officers and employees as described in our privacy notice. We confirm when processing data on your behalf that we will comply with the provisions of all relevant data protection legislation and regulation.
- 11.2 You are also an independent controller responsible for complying with data protection legislation and regulation in respect of the personal data you process and, accordingly where you disclose personal data to us you confirm that such disclosure is fair and lawful and otherwise does not contravene relevant requirements. Nothing within these terms and conditions relieves you as a data controller of your own direct responsibilities and liabilities under data protection legislation and regulation.
- 11.3 Data protection legislation and regulation places obligations on you as a data controller where we act as a data processor to undertake the processing of personal data on your behalf, for instance where we operate a payroll service for you. We therefore confirm that we will at all times take appropriate measures to comply with relevant requirements when processing data on your behalf. In particular we confirm that we have adequate security measures in place and that we will comply with any obligations equivalent to those placed on you as a data controller.

11.4 Our privacy notice, which can be found on our website at www.sandersgroup.co.uk explains how we process personal data in respect of the various services that we provide.

12 Confidentiality

12.1 Communication between us is confidential and we shall take all reasonable steps to keep confidential your information except where we are required to disclose it by law, by regulatory bodies, by our insurers or as part of an external peer review. Unless we are authorised by you to disclose information on your behalf this undertaking will apply during and after this engagement.

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

13 External review

13.1 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 us.

13.2 We may subcontract our work to other professionals within the sector. Any subcontractors are also bound by our client confidentiality terms

14 Professional rules and practice guidelines

We will observe and act in accordance with the bye-laws, regulations and Code of Ethics of the ICAEW and 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 on the internet at www.icaew.com/regulations. We confirm that we are Statutory Auditors eligible to conduct audits under the Companies Act 2006. Ethical standards for auditors may be found at www.frc.org.uk.

15 Conflicts of interest

15.1 We reserve the right during our engagement with you to deliver services to other clients whose interests might compete with yours or are or may be adverse to yours, subject to our confidentiality clause. We confirm that we will notify you immediately should we become aware of any conflict of interest involving us and affecting the company.

15.2 If a conflict of interest should arise, either between two or more of our clients, or in the provision of multiple services to a single client, we will take such steps as are necessary to deal with the conflict. In resolving the conflict, we would be guided by our Code of Ethics which can be viewed on the internet at the address above, in code of ethics B section, sub-section 220.

16 The Provision of Services Regulations 2009

16.1 We are registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales. Details of our audit registration can be viewed at www.auditregister.org.uk under reference number C008592007.

16.2 Our professional indemnity insurers are QBE UK Limited. They are located at 30 Fenchurch St, Billingsgate, London EC3M 3BD. 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

17 Limitation of liability

We will perform the engagement with reasonable skill and care. The total aggregate liability to the Company and the Board of Directors, as a body, of whatever nature, whether in contract, tort or otherwise, of Sanders Chartered Accountants for any losses whatsoever and howsoever caused arising from or in any way connected with this engagement shall not exceed ten times the fees charged for this assignment or £1,000,000 whichever is the lower amount.

18 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 in order to meet any regulatory deadlines. However, failure to complete our services prior to any such regulatory deadline would not, of itself, mean that we are liable for any penalty or additional costs arising.