

## Standard Terms of Business

All engagements that we accept are subject to the following standard terms of business unless changes are expressly agreed in writing.

### Professional obligations

We are a member of the Institute of Chartered Accountants in England and Wales and in our conduct are subject to its Code of Ethics which can be found at [www.icaew.com/regulations](http://www.icaew.com/regulations). We will observe and act in accordance with the bye-laws and regulations of ICAEW. We accept instructions to act for you on this basis.

Where we become aware of errors made by HM Revenue & Customs you give us authority to correct them. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations.

UHY WKH Limited, UHY Hacker Young (East) Limited and UHY East CF Limited are trading as UHY Hacker Young ("The Firms") are members of the UHY Hacker Young Group, a group of independent UK accounting and consultancy firms, whose organising body is UHY Hacker Young Associates Limited, a UK company. The services described herein are provided by UHY Hacker Young and not by UHY Hacker Young Associates Limited. Each member firm is a separate and independent firm. Neither UHY Hacker Young Associates Limited nor any of its member firms has any liability for services provided by other members.

The Firms are also a member of Urbach Hacker Young International Limited, a UK company, and forms part of the international UHY network of legally independent accounting and consulting firms. UHY is the brand name for the UHY international network. The services described herein are provided by the Firm and not by UHY or any other member firm of UHY. Neither UHY nor any member of UHY has any liability for services provided by other members.

As required by the Provision of Services Regulations 2009 details of the Firm's professional registrations can be found at [www.uhy-uk.com/regulatory-and-network-information](http://www.uhy-uk.com/regulatory-and-network-information)

### Professional indemnity insurance

In accordance with the disclosure requirements of the Services Regulations 2009 our professional indemnity insurer is Travelers Insurance Company, Exchequer Court, 33 St Mary Axe, London EC3A 8AG and Royal & Sun Alliance Insurance plc, St Mark's Court, Chart Way, Horsham, West Sussex, RH12. 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 bought in any court in the United States of America or Canada.

If for any reason circumstances arise that may result in a claim to our professional indemnity insurers, you give us your permission to notify them.

### Fees

Our fees are calculated on the basis of time spent on your affairs, the levels of skill and responsibility involved, the importance and value of the advice provided to you, and the level of risk. In addition we may charge disbursements of travel, accommodation and other expenses incurred in dealing with your affairs.

If it is necessary for us to carry out work that is outside the scope of the engagement currently in place with you, we will advise you of this in advance. Any additional work will result in additional fees being charged. We would therefore like to point out that it is in your interests to ensure that the information you provide us with is completed to the agreed stage.

If we give you an estimate of our fees for carrying out any specific work, then that estimate will not be contractually binding unless we have explicitly stated that will be the case.

If we agree a fixed fee with you for providing a specific range of services this will be the subject of a separate agreement. This agreement will set out the period to which the fixed fee relates and the services covered by it.

Where we have agreed that you will pay on an invoice rendered basis, invoices are payable in full (including disbursements) in accordance with the terms set out on the invoice. Any queries you have on our invoices must be notified to us within 21 days of receipt or we shall deem you to have accepted that payment is due.

Where we have agreed that you will pay us on a standing order basis, we will discuss with you separately the amount and frequency of payments. These standing orders will be applied to fees arising from work agreed in our letter of engagement for the current and ensuing years. Where a scheduled monthly payment is not made any fees invoiced to you that are outstanding at that time will immediately become due for payment in entirety.

You may have an insurance policy or membership of a trade or professional body that entitles you to assistance with payment of our fees in some situations. A particular example would be assistance with an investigation by HM Revenue & Customs. Unless you arranged the insurance through us then you will need to advise us of any such cover you have. Please note that you remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

A procurement fee will be payable by you if you employ, or otherwise engage, UHY Hacker Young staff directly or indirectly involved with you during the period of engagement and or within 12 months of the cessation of the engagement. The procurement fee will be equivalent to six months' salary.

We reserve the right to charge interest on overdue accounts at the current rate under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to terminate our engagement and cease acting if payment of any fees billed is unduly delayed. We accept settlement of fees by MasterCard and Visa.

In the event that we cease to act for you then you agree to meet all reasonable costs of providing information to your new advisers. In particular you agree to meet these costs where we are required by law to provide information to a successor firm.

For companies, as directors you guarantee to pay personally any fees (including disbursements) for services provided to the company that the company is unable to pay. This clause shall become effective in the event of a receiver or liquidator being appointed to the company or the company otherwise being wound-up.

### Probate services

In the unlikely event that we cannot meet our liabilities to you, you may be able to seek a grant from ICAEW's Compensation Scheme. Generally, applications for a grant must be made to ICAEW within 12 months of the time you become aware, or reasonably ought to have been aware of the loss. Further information about the scheme, and the circumstances in which grants may be made, is available on ICAEW's website: [www.icaew.com/probate](http://www.icaew.com/probate).

If you would like to talk to us about how we can improve our service to you, or if you are unhappy with the service you are receiving, please let us know by contacting the head of legal practice / probate contact partner Graham Boar. We will consider carefully any complaint that you may make about our probate services as soon as we receive it and will do all we can to resolve the issue. We will acknowledge your complaint within five business days of its receipt

and endeavour to deal with it within 8 weeks. Any complaint should be submitted to us in writing.

If we do not deal with it within this timescale or you are unhappy with our response you may of course take the matter up with our professional body, ICAEW, and the Legal Ombudsman. To make a complaint to the Legal Ombudsman, you must a) refer the complaint to the Legal Ombudsman no later than: one year from the act/omission that forms the basis of your complaint; or one year from when you should reasonably have known there was cause for complaint; and b) make the referral to the Legal Ombudsman within six months of the date of our final written response to you. The contact details for the Legal Ombudsman are:

Letter: Legal Ombudsman, PO Box 6806, Wolverhampton, WV1 9WJ, Email: [enquiries@legalombudsman.org.uk](mailto:enquiries@legalombudsman.org.uk) Telephone: 0300 555 0333.

### **Help us to give you the right service – non-probate services**

If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please let us know by contacting Anthony Brice.

We undertake to look into any complaint carefully and promptly and do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may of course take up the matter with ICAEW.

In order for us to provide you with a high quality service on an ongoing basis it is essential that you provide us with relevant records and information when requested, reply to correspondence in a timely manner and otherwise follow the terms of the agreement between us set out in this Standard Terms of Business and associated engagement letters. We therefore reserve the right to cancel the engagement between us with immediate effect in the event of:

- your insolvency, bankruptcy or other arrangement being reached with creditors;
- failure to pay our fees by the due dates;
- either party being in breach of their obligations, where this is not corrected within 30 days of being asked to do so.

### **Commissions or other benefits**

In some circumstances, such as an introduction to another advisor, other than a Permitted Third Party, commissions or other benefits may become payable to us, in which case we will advise you of the amount and terms of payment, unless this totals £100 or less. Commissions of less than £100 will be retained by us and commissions in excess of this amount will be shared equally with you to the extent that they exceed this amount. This clause has been drafted to remove an administrative burden in respect of smaller commission receipts and relieves us of the requirement to report to you and account for all commission to you.

### **Client monies**

We may at times hold money on your behalf. Any such money will be held on trust in a client bank account, which is held separately to funds that belong to us. The account will be operated, and all funds dealt with, in accordance with ICAEW's Clients' Money Regulations.

To avoid excessive amounts of administration, interest will only be paid to you if the amount of interest that would be earned on the balances held on your behalf in any calendar year exceeds £25. Any such interest would be calculated using the prevailing rate applied by our banker for small deposits subject to the minimum period of notice for withdrawals. Subject to any tax legislation, interest will be paid gross.

If the total sum of money held on your behalf is enough to give rise to a significant amount of interest or is likely to do so, then the money will be placed in a separate interest-bearing client bank account

designated to you. All interest earned on such money will be paid to you. Subject to any tax legislation, interest will be paid gross.

We will return monies held on your behalf promptly as soon as there is no longer any reason to retain those funds. In the unlikely event of us holding any unclaimed monies we reserve the right to pay such monies to a registered charity in line with the guidelines set out in the Clients' Money Regulations referred to above. We will not do this unless we have been unable to contact you for at least 5 years and we have taken reasonable steps to trace you and return the monies.

Money held on your behalf in relation to probate-related services will be held in a separate client bank account ring-fenced for legal services. This will normally be a separate interest bearing client account for the estate in question.

### **Retention of and access to records**

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 once the work has been completed. You have a legal responsibility to retain certain records, such as accounting information. The law requires individuals, trustees and partnerships to keep records in relation to trading or rental income 6 years from the 31 January following the end of the tax year to which they relate. Other records should be kept for 22 months after the end of the tax year they relate to. Companies, Limited Liability Partnerships and other corporate entities are required to keep records for 6 years from the end of the accounting period.

We will retain all documents whilst you remain our client and once you have ceased to be a client, we will destroy all documents that become older than 6 years. If you would like to vary this policy in relation to documents that relate to you please notify us of that fact in writing.

### **Conflicts of interest and independence**

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. We confirm that we will notify you immediately should we become aware of any conflict of interest involving us and affecting you. 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.

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 ICAEW's Code of Ethics which can be viewed at [www.icaew.com/regulations](http://www.icaew.com/regulations).

### **Confidentiality**

Communication between us is confidential and we shall take all reasonable steps to keep your information confidential except where we are required to disclose it by law, by regulatory bodies, by our insurers or as part of an external peer review. Any subcontractors we use will be bound by the same confidentiality requirements.

### **Quality control**

As part of our ongoing commitment to providing a quality service, our files are periodically subject to an independent regulatory or quality review. Our reviewers are highly experienced and professional people and are, of course, bound by the same requirements of confidentiality as our principals and staff.

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.

## Internet communication

Unless you tell us otherwise we will at times use email or other electronic means to communicate with you. This may include use of our secure portal.

Internet communications are capable of data corruption and therefore we do not accept any responsibility for changes made to such communications after their despatch. It may therefore be inappropriate to rely on advice contained in an email without obtaining written confirmation of it. We do not accept responsibility for any errors or problems that may arise through the use of internet communication and all risks connected with sending commercially sensitive information relating to your business are borne by you. If you do not agree to accept this risk, you should notify us in writing that email is not an acceptable means of communication.

It is the responsibility of the recipient to carry out a virus check on any attachments received.

## Data Protection

The Data Protection Act 2018 is the UK's implementation of the General Data Protection Regulations (GDPR). Everyone responsible for using personal data has to follow strict rules called 'data protection principles' and must make sure the information is:

- Used fairly, lawfully and transparently
- Used for specified, explicit purposes
- Used in a way that is adequate, relevant and limited to only what is necessary
- Accurate and, where necessary, kept up to date
- Kept for no longer than is necessary
- Handled in a way that ensures appropriate security, including protection against unlawful or unauthorised processing, access, loss, destruction or damage

We may obtain, use, process and disclose personal data about you in order that we may fulfil the services agreed under these Standard terms of business and the specific engagement letter(s), and for other related purposes including updating and enhancing client records, analysis for management purposes and statutory returns, crime prevention and legal and regulatory compliance.

You have a right of access, under data protection legislation, to the personal data that we hold about you. We confirm that when processing data on your behalf we will comply with the provisions of the Data Protection Act 2018. Should you require any further details regarding our treatment of personal data we have appointed a Data Protection Officer (Mark Povey) who can be contacted by email: [dpo.letchworth@uhy-uk.com](mailto:dpo.letchworth@uhy-uk.com) or by letter to Mark Povey at PO Box 501, the Nexus Building, Broadway, Letchworth Garden City, Hertfordshire SG6 9BL.

## Contracts (Rights of Third Parties) Act 1999

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.

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.

## The Proceeds of Crime Act 2002 and the Money Laundering Regulations 2017

In common with all accountancy and legal practices, the Firms are required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2017 to:

- maintain identification procedures for clients and beneficial owners of clients;
- maintain records of identification evidence and the work undertaken for the client; and
- report, in accordance with the relevant legislation and regulations.

The offence of money laundering includes concealing, converting, using or possessing the benefits of any activity that constitutes a criminal offence in the UK. It also includes involvement in any arrangement that facilitates the acquisition, retention, use or control of such a benefit.

This definition is very wide and would include such crimes as deliberate tax evasion, deliberate failure to inform the tax authorities of known underpayments or excessive repayments, fraudulent claiming of benefits or grants, or obtaining a contract through bribery. Clearly these examples are by no means exhaustive.

We are obliged by law to report any instances of money laundering to NCA without your knowledge or consent. In consequence, neither the Firms' principals nor staff may enter into any correspondence or discussions with you regarding such matters.

We may use electronic checks as part of our identification procedures. We confirm that these electronic checks are not credit checks.

## General limitation of liability

We will provide services as outlined in this letter with reasonable care and skill. However, to the fullest extent permitted by law, we will not be responsible for any losses, penalties, surcharges, interest or additional tax liabilities where you or others supply incorrect or incomplete information, or fail to supply any appropriate information or where you fail to act on our advice or respond promptly to communications from us or the tax authorities.

You will not hold us, the owners of these Firms and any staff employed by the Firms, responsible, to the fullest extent permitted by law, for any loss suffered by you arising from any misrepresentation (intentional or unintentional) supplied to us orally or in writing in connection with this agreement. You have agreed that you will not bring any claim in connection with services we provide to you against any of the principals or employees personally.

Our work is not, unless there is a legal or regulatory requirement, to be made available to third parties without our written permission and we will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

## Use of our name in statements or documents issued by you

You are not permitted to use our name in any statement or document that 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.

## Draft or interim work

In the course of our providing services to you we may provide advice or reports or other work products in draft or interim form. However, final written work products will always prevail over any draft or interim statements.

## Advice

Advice we give you orally should not be relied upon unless we confirm it in writing. We endeavour to record all advice on important matters in writing. However if you particularly wish to rely upon oral advice we give you during a telephone conversation or a meeting, you must ask for the advice to be confirmed in writing.

Unless specifically instructed and agreed in advance, we will not assist with the implementation of our advice.

### **Intellectual property rights**

The copyright in any document prepared by us belongs to us in entirety unless the law specifically provides otherwise.

### **Interpretation**

If there is a conflict between the engagement letter and these terms of business then the engagement letter takes precedence.

If any provision of this engagement letter or terms of business or its application is held to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of any other provision and its application shall not in any way be affected or impaired.

### **Provision of cloud-based services**

Where the firm provides accounting software in the Cloud, this will be provided by a third party (the 'Cloud Supplier'). The third party has signed a confidentiality agreement with the firm to ensure compliance with the relevant clauses in the firm's standard terms of business i.e. our fees, Confidentiality, Internet Communication, Data Protection Act and General Limitation of Liability.

The service provided by the Cloud Supplier will be a discrete web based hosted facility, and you agree that access will also be provided to the Firms and the third party.

The Firm cannot be held liable for any interruption of service provided by the Cloud Supplier. However, we will liaise with them to help ensure that normal service is resumed as soon as possible.

### **Sub-contracting**

We reserve the right to employ agents and sub-contractors including, for the avoidance of doubt, any other entity to assist us when providing any part of the Services. Any reference to our staff, employees or partners includes agents and sub-contractor staff. We will remain liable to you in respect of any Services provided by our agents and sub-contractors subject to the terms of this Agreement. All agents or sub-contractor staff will be bound by our client confidentiality terms.

### **Investment services**

Since we are not authorised by the Financial Conduct Authority then we may have to refer you to someone who is authorised if you need advice on investments. However, as we are licensed by ICAEW, 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.

We may therefore be able to:

- advise you on investments generally, but not recommend a particular investment or type of investment;
- refer you to a Permitted Third Party (PTP) (an independent firm authorised by the FCA), assist you and the PTP during the course of any advice given by that party and comment on, or explain, the advice received (but not make alternative recommendations). The PTP will issue you with its own terms and conditions letter, will be remunerated separately for its services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000;
- advise you in connection with the disposal of an investment, other than your rights in a pension policy or scheme;
- advise and assist you in transactions concerning shares or other securities not quoted on a recognised exchange;

- assist you in making arrangements for transactions in investments in certain circumstances; and
- manage investments or act as trustee (or donee of a power of attorney) where decisions to invest are taken on the advice of an authorised person.

For corporate clients 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, valuations and methods of such valuations;
- arrange any agreements in connection with the issue, sale or transfer of the company's shares or other securities;
- arrange for the issue of new shares; and
- act as the addressee to receive confirmation of acceptance of offer documents etc.

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.

### **Financial Promotions**

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, but would only do so in our normal office hours. We shall of course comply with any restrictions you may wish to impose which you notify to us in writing.

### **Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards**

Unless agreed specifically in a separate engagement letter, we are not responsible for your compliance with the International Tax Compliance (United States of America) Regulations 2013, produced as a result of FATCA. In particular, we are not responsible for the categorisation of any UK entity into either a Financial Institution (FI) or an active or passive Non-Financial Foreign Entity (NFFE) nor, if a Financial Institution, for its registration with the US Internal Revenue Service (IRS) and subsequent submission of the required annual returns to HM Revenue & Customs.

However, if requested to do so we can provide advice on the completion of the forms supplied by Financial Institutions under these Regulations, or under Common Reporting Standards, and used by them to determine the status of an entity. We can also provide advice on setting up the appropriate systems to identify and report on your clients or beneficiaries who are foreign citizens affected by FATCA or Common Reporting Standards.

### **Applicable law**

This engagement letter is governed by, and construed in accordance with, English law. The Courts of England will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. Each party irrevocably waives any right it may have 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.

If any provision in these terms of business or any associated engagement letter, or its application, are found to be invalid, illegal or otherwise unenforceable in any respect, the validity, legality or enforceability of any other provisions shall not in any way be affected or impaired.