

KENNETH EASBY LIMITED

TERMS OF BUSINESS

Ethics

We are bound by the ethical guidelines of our professional institute and accept instructions to act for you on the basis that we will act in accordance with those ethical guidelines.

Responsibility for work

Your contract is with the Limited Company, Kenneth Easby Limited, and not with any individual director or employee of the firm. Services are provided by Kenneth Easby Limited on the basis that by accepting these terms of business, you acknowledge and agree that no director or employee of Kenneth Easby Limited personally assumes responsibility to you and that no claim will be brought by you against any director or employee of Kenneth Easby Limited personally.

We are in law a limited company owned by our shareholders. If we use the term “partner” when referring to one of our representatives, that person will be a director.

Reliance on matters confirmed in writing only

It is our policy to only take responsibility for matters where we have confirmed advice to you in writing.

If you wish to rely on any advice from us, you should ensure that it is committed to writing and that you fully understand all aspects of the advice given.

Money Laundering

In common with all accountancy and legal practices, our firm is 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 the National Crime Agency (NCA) without your knowledge or consent. In consequence, neither the firm’s principals nor staff may enter into any correspondence or discussions with you regarding such matters.

Investment Business Services

Exempt Regulated Activities

We may in the course of the professional services which are set out in this engagement letter assist you to a certain extent with regard to exempt regulated activities incidental to these professional services for example:

- we will be able to comment in general terms on the availability, attributes and suitability of a broad range of investments but not with regard to any specific or particular investment

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- we will be able to arrange deals in investments which are not publicly traded
- we will be able to advise you in relation to any private shareholding you may have in a private limited company to the extent we are permitted to do so on exempt regulated activity.

Our Status

If, during the provision of professional services to you, you need advice on investments we may refer you to an appropriate organisation who is authorised by the Financial Conduct Authority 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 limited investment services where these are complementary to or arise out of the professional services we are providing to you.

On referral to an appropriate organisation you will become an investment business client of that company, they will take full responsibility for all aspects of compliance with the regulations of the Financial Services and Markets Act 2000. You will no longer be a client of Kenneth Easby Limited with regard to that investment business nor future non corporate investment business.

We will only be able to comment on the advice given by that company in general and non specific terms and will not be able to pass an opinion whether favourable or not on the advice given to you. No introductory fee or commission will be paid by that company to this firm.

No work may be undertaken by that company until you have reached and confirmed your agreement of the Terms of Business of that company. Under these Terms of Business that company may become entitled to commission and other payment in respect of the work carried out by them on your behalf. You will be notified by that company of the amounts received.

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.

Your Money

We do not hold money received in the course of carrying out exempt regulated activities for clients. Accordingly any money which we receive on your behalf will be forwarded to you or to a named third party on your instructions forthwith. Any cheques or banking orders drawn by you in respect of amounts owed to third parties must therefore be drawn in favour of the third party concerned.

Limitation of liability (non audit services only)

We have considered the extent of our liability to you in respect of the professional services described within this Engagement Letter (the professional services). We agree a fair maximum limit to our liability is the lower of

1. £100,000 or;
2. Five times the fee for the professional services covered by this engagement letter.

In reaching this agreement it is also agreed that:

We shall provide the professional services having undertaken all 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);

All aspects of the professional services are for your sole use and are not to be made available to any third party without our prior written consent and we will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them;

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In the event of any claim arising in respect of the professional services, you agree that the sum identified above represents the maximum total liability to you in respect of the firm, its directors and staff (and any consultants or agents as appropriate). This maximum total liability includes any claims in respect of breaches of contract, tort or otherwise in respect of the professional services and shall also include interest;

We acknowledge that the limit in respect of our total aggregate liability will not apply to any acts, omissions or representations that are in any way criminal, dishonest or fraudulent on the part of the firm, its directors or employees;

You agree that you will not bring any claim of a kind that is included within the subject of the limit against any of our employees on a personal basis.

File destruction

Whilst certain documents may legally belong to you, unless you tell us to the contrary, we intend to destroy correspondence and tax papers which are more than seven years old unless we, in our sole discretion, think they may be of continuing significance.

Fees

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 we provide, as well as the level of risk.

If we provide you with an estimate of our fees for any specific work, the estimate will not be contractually binding unless we explicitly state that will be the case.

If 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.

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 you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

We will bill at appropriate 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.

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.

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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, having given written notice, if payment of any fees is unduly delayed. You agree to indemnify us in respect of all costs incurred by us in recovering payment, including the cost of instructing solicitors and including all costs incurred in legal proceedings. We intend to exercise these rights only if it is fair and reasonable to do so solely in our opinion.

Complaints

We aim to provide you with a fully satisfactory service and the engagement director will seek to ensure that this is so. If, however, you are unable to deal with any difficulty through the engagement director and his/her team please contact the director responsible for complaints within the practice. We undertake to look into any complaints promptly and to do what we can to resolve the position. If you are still not satisfied you may of course take up the matter with The Institute of Chartered Accountants in England and Wales.

Applicable law

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 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.

Business records

There is specific legislation which governs the minimum records that should be kept and how to keep them. You are responsible for maintaining your business records such that they adhere to this legislation.

Provision of Services Regulations

The information required by the Provision of Services Regulations is on display at each office. A copy can be supplied on request.

Data Protection

The paragraphs below apply in the following circumstances:-

Paragraph 1 below applies where our relationship with you is data controller to data controller:-

1.1 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;

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‘GDPR’ means the General Data Protection Regulation ((EU) 2016/679); and

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

- 1.2 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.
- 1.3 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 www.kennetheasby.co.uk;
 - (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.
- 1.4 Should you require any further details regarding our treatment of personal data, please contact our data protection manager.
- 1.5 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 www.kennetheasby.co.uk) contains further details as to how we may process client personal data.
- 1.6 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 European Economic Area (EEA). We will only disclose client personal data to a third party (including a third party outside of the EEA) provided that the transfer is undertaken in compliance with the data protection legislation.
- 1.7 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.
- 1.8 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:

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- (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.
- 1.9 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.

Paragraph 2 where we are providing services directly to you as an individual in your personal capacity:-

2.1 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;

'GDPR' means the General Data Protection Regulation ((EU) 2016/679); and

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

2.2 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 www.kennetheasby.co.uk) contains further details as to how we may process client personal data.

Paragraph 3 where we act as a data processor for you as a client:-

3.1 In this clause:

‘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’, ‘personal data breach’, ‘processor’, ‘process’ and ‘supervisory authority’ shall have the meanings given to them in the data protection legislation;

‘GDPR’ means the General Data Protection Regulation ((EU) 2016/679); and

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

3.2 We shall both comply with all applicable requirements of the data protection legislation. This Paragraph 3 is in addition to, and does not relieve, remove or replace, either of our obligations under the data protection legislation.

3.3 We both acknowledge that for the purposes of the data protection legislation, you are the data controller and we are the data processor. The Schedule attached sets out the scope, nature and purpose of processing by us, the duration of the processing and the types of personal data and categories of data subject.

3.4 In respect of the client personal data, unless otherwise required by applicable laws or other regulatory requirements, we shall:

- a. process the client personal data only in accordance with your lawful written instructions, in order to provide you with the services pursuant to our engagement with you and in accordance with applicable data protection legislation;
- b. disclose and transfer the client personal data to our regulatory bodies or other third parties (for example, our professional advisors or service providers) as and to the extent necessary in order to provide you with the services pursuant to our engagement with you in relation to those services;
- c. disclose the client personal data to courts, government agencies and other third parties as and to the extent required by law;
- d. maintain written records of our processing activities performed on your behalf which shall include: (i) the categories of processing activities performed; (ii) details of any on cross border data transfers outside of the European Economic Area (EEA); and (iii) a general description of security measures implemented in respect of the client personal data;
- e. maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or

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- f. unlawful processing of any client personal data and against accidental loss or destruction of, or damage to, such client personal data.
 - g. return or delete all the client personal data upon the termination of the engagement with you pursuant to which we agreed to provide the services;
 - h. ensure that only those personnel who need to have access to the client personal data are granted access to it and that all of the personnel authorised to process the client personal data are bound by a duty of confidentiality;
 - i. notify you if we appoint a sub-processor (but only if you have given us your prior written consent, such consent not to be reasonably withheld or delayed) and ensure any agreement entered into with the relevant sub-processor includes similar terms as the terms set out in this clause 3;
 - j. where we transfer the client personal data to a country or territory outside the EEA to do so in accordance with data protection legislation;
 - k. notify you promptly if:
 - i. 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 the client personal data; or
 - ii. we are served with an information or assessment notice, or receive any other material communication in respect of our processing of the client personal data from a supervisory body (for example, the Information Commissioner's Officer);
 - l. notify you, without undue delay, in the event that we reasonably believe that there has been a personal data breach in respect of the client personal data;
 - m. at your cost and upon receipt of you prior written notice, allow you, on an annual basis and/or in the event that we notify you of personal data breach in respect of the client personal data, reasonable access to the relevant records, files, computer or other communication systems, for the purposes of reviewing our compliance with the data protection laws.
- 3.5 Without prejudice to the generality of clause 3.2, you will ensure that you have all necessary appropriate consents and notices in place to enable the lawful transfer of the client personal data to us.
- 3.6 Should you require any further details regarding our treatment of personal data, please contact Ken Graham.

SCHEDULE

This Schedule includes certain details of the Processing of Customer Personal Data as required by Article 28(3) of the GDPR.

1. Subject matter and duration of the processing of client personal data

The subject matter and duration of the processing of the client personal data are set out in the payroll engagement letter between us and yourself.

2. The nature and purpose of the processing of client personal data

Processing of payroll and automatic enrolment pensions (where relevant). Processing/submitting of employee payments via online banking or fax/telephone Payflow (where relevant).

3. The types of client personal data to be processed

Employee personal Data:

Full Name and Title

DOB

NI Number

Address

Email address (where relevant)

Gender

Bank account details (where relevant)

Tax Codes

Salary, Pension, Student loan deduction and benefits information

Attachments of earnings/Court orders/CSA and similar (where relevant)

Statement of fitness for work notes (where relevant)

Maternity, Paternity and Adoption information (where relevant)

4. The categories of data subject to whom the client personal data relates

Employees of the client

5. Your obligations and rights

Your obligations and rights are set out in the payroll engagement letter between us.