

The following terms of business apply to all engagements accepted by RHK Business Advisers LLP. All our work is carried out under these terms except where changes are expressly agreed in writing.

These terms may be updated from time to time. By signing up to our services you agree to review our terms of business regularly. Your continued use of our services mean that you agree to the changes. In addition, you will be notified in advance of any significant changes to our terms of business.

Last updated – 16 October 2018

1. Applicable law

Our engagement letter, the schedule 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 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 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.

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. Client identification

As with other professional services firms, we are required to identify our clients for the purposes of the UK anti-money laundering legislation. We will request from you, and retain, such information and documentation as we require for these purposes 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. Client money

We may, from time to time, hold money on your behalf. Such 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 ICAEW's Clients' Money Regulations.

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, we may pay those monies to a registered charity.

4. Commissions or other benefits

In some circumstances, commissions or other benefits may become payable to us in respect of transactions which we arrange for you, or for introductions to other Professionals. In which case you will be notified in writing of the amount and terms of payment; and also when such payment is received. The fees that would otherwise be payable by you will not be abated by such amounts. You consent to such commission or other benefits being retained by us without our being liable to account to you for any such amounts.

5. Help us to give you the best service

We are committed to providing you with a high quality service that is both efficient and effective. If, at any point 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 Mr D C Hall. Where your complaint relates to that person, you should instead please contact Mr G J Miller. We undertake to look into any complaint carefully and promptly and do everything reasonable to put it right. If we do not answer your complaint to your satisfaction, you may, of course, take up the matter with our professional body, the Institute of Chartered Accountants in England and Wales.

6. Confidentiality

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.

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.

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.

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.

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.

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

We reserve the right, for the purpose of promotional activity, training or for similar business purpose, to mention that you are a client. As stated above we will not disclose any confidential information.

7. Conflicts of interest

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. 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, we regret that we will be unable to provide further services.

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 [icaew.com/en/membership/regulations-standards-and-guidance/ethics](https://www.icaew.com/en/membership/regulations-standards-and-guidance/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. Data Protection

8.1 In this clause 8:

'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).

8.2 We shall both comply with all applicable requirements of the data protection legislation. This clause 8 is in addition to, and does not relieve, remove or replace, either of our obligations under the data protection legislation.

8.3 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 appended to these terms 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.

8.4 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 unlawful processing of any client personal data and against accidental loss or destruction of, or damage to, such client personal data;
- f. 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;
- g. 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;
- h. 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 8;
- i. where we transfer the client personal data to a country or territory outside the EEA to do so in accordance with data protection legislation;
- j. 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);
- k. 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;
- l. at your cost and upon receipt of your 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.

8.5 Without prejudice to the generality of clause 8.2, 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.

8.6 Should you require any further details regarding our treatment of personal data, please contact your engagement partner.

9. Disengagement

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 one year or more we may issue to your last known address a disengagement letter and thereafter cease to act.

10. Electronic and other communication

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.

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 or 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 agree to 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 when electronic submission is mandatory.

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. Fees and payment terms

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.

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.

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.

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.

Our invoices are due for payment upon presentation. 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.

It is our normal practice to issue "Applications for Payment" when dealing with continuous or recurring work. The payment terms for "Applications for Payment" are the same as for invoiced fees. A VAT invoice will be issued to you upon receipt of your payment.

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

We reserve the right to charge interest on late paid invoices at the rate of 3% 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. We intend to exercise these rights only where it is fair and reasonable to do so.

If you do not accept that an invoiced fee is fair and reasonable, you must notify us within 10 days of receipt, failing which, you will be deemed to have accepted that payment is due.

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. Implementation

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

13. Intellectual property rights and use of our name

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

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. Interpretation

If any provision of our engagement letter or enclosed schedules is held to be void, then that provision will be deemed not to form part of this contract and the remainder of this agreement shall be interpreted as if such provision had never been inserted.

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. Internal disputes within a client

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/the LLP and take no further action until the board/partnership/LLP has agreed the action to be taken.

16. Investment advice (including insurance distribution activities)

If, during the provision of professional services to you, you need advice on investments, we may have to refer you to someone 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 certain investment services where these are complementary to, or arise out of the professional services we are providing to you. Such services may include:-

- Arranging the transfer of shares for valuable consideration, for example – husband to wife and around the family
- Look after Share Certificates or documents of title
- Assist with regard to insurance claims as far as qualifying contracts of insurance are concerned (e.g. pension contracts)
- Participate in insurance planning in co-operation with permitted third parties
- Endorsing a permitted third party's advice with regard to regulated home finance plans

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 the Institute of Chartered Accountants in England and Wales. The register can be accessed from the Financial Conduct Authority website at www.fca.org.uk/register.

17. Referral to a Permitted Third Party (PTP)

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 a suitable PTP.

The PTP will issue you with their own terms and conditions letter, will be remunerated separately for their services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000. By engaging directly with the PTP you acknowledge that we cannot be held liable to you for any actions you take, and /or any disputes arising as a result of the PTP's advice. Our involvement is solely to act as introducers, however if required we would be pleased to comment on, or explain in general terms any advice received and, if required, attend any meetings with you.

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

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.

18. Lien

Insofar as we are permitted to do 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.

19. Limitation of liability

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.

Exclusion of liability for loss caused by others

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.

Exclusion of liability in relation to circumstances beyond our control

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.

Exclusion of liability relating to the discovery of fraud etc

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 advisers.

This exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures which we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry beyond that which it would have been reasonable for us to have carried out in the circumstances.

Indemnity for unauthorised disclosure

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 in defending it.

Limitation of aggregate liability

Where the engagement Letter specifies an aggregate limit of liability, then that sum shall be the maximum aggregate liability of this LLP, its members, 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.

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 partners, members or employees on a personal basis.

20. Limitation of Third Party rights

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.

21. Period of engagement and termination

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

Each of us may terminate this 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.

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.

In the event of termination of this 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.

22. Professional rules and statutory obligations

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 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 at our offices. The requirements are also available on-line at icaew.com/en/membership/regulations-standards-and-guidance.

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 www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors.aspx. 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.

23. Quality Control

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

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.

24. Reliance on advice

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.

25. Retention of papers

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. Any original documents held at our offices must be collected, or we will arrange delivery back to you at your expense. 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 ten months after the end of the tax year;
- otherwise: 22 months after the end of the tax year;

Companies, LLPs and other corporate entities

- six years from the end of the accounting period;

Whilst certain documents may legally belong to you we may, unless you tell us not to, destroy correspondence and other papers that we store, electronically or otherwise, which are more than seven years old. You must tell us if you require the return or retention of any specific documents for a longer period.

26. The Provision of Services Regulations 2009 ('Services Directive')

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 for the UK and www.cro.ie/auditors for Ireland under our reference number C001153079 and EWC001153079 respectively.

In accordance with the disclosure requirements of the Provision of Services Regulations 2009, our professional indemnity insurance is AXA Insurance UK plc of 5 Old Broad Street, London, EC2N 1AD. 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 of America or Canada.

27. 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.

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 engagement letter between us.

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

The nature and the purpose of processing is to perform the contract entered into with you.

3. The types of client personal data to be processed

Personal Data - Title, full name, gender, eye colour, date of birth, nationality, marital status, number of children, employer details and employee reference numbers, tax and national insurance numbers, pension details, passport number, car registration details and bank account details.

Contact Data - Full address, email address and telephone numbers.

Transaction Data - Details of all services you use from us and details about payments to and from you.

Technical Data - Internet Protocol (IP) address and accounting software technology used.

Profile Data - Feedback and survey responses.

Usage Data - Information about how you use our website, products and services.

Marketing and Communications Data - Marketing and communication preferences.

Special Personal Data - We do not collect any special categories of personal data.

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

The categories of data subject to whom the personal data relates includes Directors, Trustees, Partners, employees, customers and suppliers.

5. Your obligations and rights

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