

Terms and conditions for Thomson Cooper

1. Introduction

- 1.1 These terms and conditions set out the general terms under which we undertake our business. The specific conditions relating to particular assignments will be covered in a separate letter/letters of engagement.

2. Ethical guidelines

- 2.1 We are bound by the ethical guidelines of the Institute of Chartered Accountants of Scotland (ICAS), and accept instructions to act for you on the basis that we will act in accordance with those ethical guidelines. A copy of these guidelines can be viewed at our offices on request. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations.

3. Fees

- 3.1 Our fees may depend not only upon the time spent on your affairs but also on the level of skill and responsibility and the importance and value of the advice that we provide, as well as the level of risk.
- 3.2 If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that that will be the case.
- 3.3 Where requested we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto.
- 3.4 In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance may be provided through insurance policies you hold or via membership of a professional or trade body. Other than where such assurance 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.
- 3.5 Our invoices will be due for payment within 30 days of the date of the invoice. 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, except for payments to account rendered on an agreed basis which will be payable upon presentation.
- 3.6 Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees.

- 3.7 We reserve the right to charge interest on late paid invoices at the rate of 2% above bank base rates under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to suspend our services or to cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.
- 3.8 If you do not accept that an invoiced fee is fair and reasonable you must notify us, in writing, within 21 days of receipt, failing which you will be deemed to have accepted that payment is due.
- 3.9 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 you agree that we shall be entitled to enforce any sums due against the Group Company or individual nominated to act for you.
- 3.10 In the case of a dispute over the level of fees charged we reserve the right to require that the matter is dealt with through arbitration. We recommend that arbitration is undertaken by the fee arbitration service provided by ICAS for members. The fee arbitrator will be appointed by the ICAS President; the fee will be as negotiated with the ICAS arbitrator.

4. Client monies

- 4.1 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 the Clients' Monies Rules of the ICAS.
- 4.2 Fees paid by you in advance for professional work to be performed and clearly identifiable as such shall not be regarded as clients' monies.

5. Internal disputes

- 5.1 If we become aware of a dispute between the parties who own or are in some way involved in the ownership and management of the business, it should be noted that our client is the business and we would not provide information or services to one party without the express knowledge and permission of all parties. If conflicting advice, information or instructions are received from the business we will revert back to you.

6. Investment services

- 6.1 Thomson Cooper is regulated in the provision of financial services advice by the Financial Conduct Authority. In this function the firm is not tied to, and operates free of influence from, any financial product provider. Thomson Cooper is authorised and regulated by the Financial Conduct Authority (FCA). Our FCA registration number is 104673.
- 6.2 During the course of acting on your behalf in respect of your taxation affairs, we may be required to give you "investment advice" which would form an incidental part of our other services. Your agreement to this letter signifies that you confirm that we may give your advice amounting to investment advice which is integral to the services provided under the terms of this letter.

- 6.3 If, at your request, we undertake investment business services or corporate finance activities which are not incidental to the general professional services rendered to you, this work would be subject to a further engagement letter.

7. Commissions or other benefits

- 7.1 In some circumstances, commissions or other benefits may become payable to us in respect of transactions which we arrange for you. Where this happens we will notify you in writing of the amount and terms of payment.

8. Retention of records

- 8.1 During the course of our work we may collect information from you and others relevant to your affairs. We will return any relevant documents to you if requested. Documents and records relevant to your affairs are required by law to be retained as follows:

Individuals, trustees and partnerships

- with trading or rental income: 5 years and 10 months after the end of the tax year;
- otherwise: 22 months after the end of the tax year;

Companies

- 6 years from the end of the accounting period;

- 8.2 Whilst certain documents may legally belong to you we may destroy correspondence and other papers that we store, electronically or otherwise, which are more than 7 years old. You must tell us if you require the return or retention of any specific documents for a longer period.

9. Notification

- 9.1 We shall not be treated as having notice, for the purposes of our audit/accounts/tax responsibilities, of information provided to members of our firm other than those engaged on the specific assignment (for example, information provided in connection with accounting, taxation and other services).

10. Timetable

- 10.1 The services we undertake to perform for you will be carried out on a timescale to be determined between us on an ongoing basis.
- 10.2 The timing of our work will in any event be dependent on the prompt supply of all information and documentation as and when required by us.

11. Third parties

- 11.1 Any advice we give you will be supplied on the basis that it is for your benefit only and shall not be disclosed to any third party in whole or part without our prior written consent. It may not be used or relied upon for any other purpose or by any person other than you without our prior written consent. If our advice is disclosed to any third party (with or without our consent), then we accept no responsibility or liability to that third party for any consequences that may arise to them, should they rely on the advice.
- 11.2 If it is proposed that any documents or statement which refer to our name, are to be circulated to third parties, please consult us before they are issued.

12. Contracts (Rights of Third Parties) Act 1999

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

13. Confidentiality

- 13.1 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.
- 13.2 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.
- 13.3 We reserve the right, for the purpose of promotional activity, training or for other business purpose, to mention that you are a client. As stated above we will not disclose any confidential information.

14. Quality of service

- 14.1 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 that you are receiving please let us know by contacting our managing partner Alan Mitchell.
- 14.2 We undertake to look into 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 Scotland.

15. Communication

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

- 15.2 With electronic communication there is a risk of non-receipt, delayed receipt, inadvertent misdirection or interception by third parties. We use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted through emails or electronic storage devices. However electronic communication is not totally secure and we cannot be held responsible for damage or loss caused by viruses nor for communications which are corrupted or altered after despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication especially in relation to commercially sensitive material. These are risks you must bear in return for greater efficiency and lower costs. If you do not wish to accept these risks, please let us know and we will communicate by paper mail.
- 15.3 Any communication by us with you sent through the post or LP system is deemed to arrive at your postal address two working days after the day that the document was sent.
- 15.4 As part of our service to keep clients informed of issues that may be of interest or significance, we subscribe new clients to our news email service. These messages are generated from our website www.thomsoncooper.com and are sent fortnightly. You will receive a confirmation email. Simply click on the link to verify your details. You can unsubscribe at any point.

16. Applicable law

- 16.1 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 Scottish law. Each party agrees that the courts of Scotland 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.

17. GDPR Compliance

- 17.1 When acting for you, we are a data controller in respect of any personal data you provide to us or to which we have access. This is because accountants and similar providers of professional services work under a range of professional obligations which oblige them to take responsibility for the personal data they process. For example, if we detect malpractice whilst performing our services we may, depending on its nature, be required under our regulatory obligations to report to relevant authorities. In doing so we would not be acting on your instructions but in accordance with our own professional obligations and therefore as a data controller in our own right.
- 17.2 Where we and you are deemed in accordance with the data protection laws to be joint data controllers, you shall be liable for the personal data you process and we shall only be liable for the personal data we process.
- 17.3 You confirm that you have the right to supply personal data to us and you will not breach applicable data protection laws. Where you are providing personal data to us about a third party, for example a family member, a partner, a director (including a non-executive director), employees, and/or any other type of member, business associate or third party, you confirm that you have their authority and express permission to provide us with their personal data.

- 17.4 Neither of us will by our act or omission put the other in breach of the applicable data protection laws.
- 17.5 Where we and you are joint data controllers, you should provide all relevant information to data subjects relating to the processing of their personal data (including the processing carried out by us) and to the exercise of their rights in relation to the processing of their personal data as required by the data protection laws in a written notice ("Fair Processing Notice") and you will act as the contact point for the data subject.
- 17.6 To enable us to discharge the services agreed under our engagement, 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, we may obtain, use, process and disclose personal data about you or your entity, its officers and employees, as applicable. We confirm when processing data on your behalf we will comply with the relevant provisions of the applicable data protection laws.
- 17.7 Where we act as a data processor in relation to your personal data, we will:
- Process personal data:
 - for the purpose of performing our services and obligations to you; and
 - for such other purposes as may be instructed by or agreed with you as otherwise notified in writing from time to time; and
 - in accordance with the applicable data protection laws;
 - implement appropriate technical and organisational measures to protect the personal data against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure;
 - not otherwise modify, amend, remove or alter the contents of the personal data or (unless legally obligated to, as specified above) disclose or permit the disclosure of any of the personal data to any third party without your prior written authorisation;
 - adopt measures to maintain up to date records of our processing activities performed on your behalf which shall include the categories of processing activities performed, information on cross border data transfers and a general description of security measures implemented in respect of processed data;
 - unless otherwise required by data protection laws, or our own retention policy, we will return or delete all personal data upon the termination of our relationship with you;
 - adopt measures to ensure that only those personnel who need to have access to your personal data are granted access to it and that all of the personnel required to access your personal data are reliable and have been informed of its confidential nature;

- not appoint a sub-processor without your prior written consent, not to be unreasonably withheld, and ensure an agreement is entered into with the relevant sub-contractor which includes terms which are substantially the same as the terms set out in these clauses;
- where we transfer your personal data to a country or territory outside the European Economic Area to do so in accordance with data protection laws (including for the avoidance of doubt entering into standard form contracts);
- notify you without undue delay if we receive: (i) a request from a data subject to access your personal data; or (ii) a complaint or request relating to the data protection laws;
- assist you should you need to carry out a privacy impact assessment;
- notify you without undue delay in the event of becoming aware of any breach of the data protection laws; and
- permit without charge, on an annual basis, and/or where you become aware of a data breach or alleged breach of the data protection laws by us, reasonable access to the relevant information for the purposes of appropriately reviewing compliance with the data protection laws.

17.8 Each of you and us shall indemnify and keep indemnified the other in full from and against all claims, proceedings, actions, damages, costs, fines, expenses and any other liabilities which may arise out of, or in consequence of the indemnifying party's breach of the data protection laws or the performance or non-performance by its sub-processor(s) and personnel of its obligations in connection with these Engagement Terms in relation to the data protection laws, including loss of or damage to property, financial loss arising from any breach of the data protection laws or any other loss which is caused directly or indirectly by any act or omission arising from any breach of the data protection laws.

17.9 When acting for you in a personal capacity how we process your personal data is described in our privacy notice. This is available on our internet page.

17.10 We will tell you if, in our opinion, your instructions may breach the applicable data protection laws.

18. Money Laundering and Terrorist Financing (Amendment) Regulations 2019

18.1 In accordance with the Proceeds of Crime Act 2002 and Money Laundering and Terrorist Financing (Amendment) Regulations 2019 you agree to waive your right to confidentiality to the extent of any report made, document provided or information disclosed to the Serious Organised Crime Agency (SOCA).

18.2 You also acknowledge that we are required to report directly to SOCA without prior reference to you or your representatives if during the course of undertaking any assignment the person undertaking the role of Money Laundering Reporting Officer becomes suspicious of money laundering.

18.3 As a specific requirement of the Money Laundering Regulations we may require you to produce evidence of identity. Copies of such records will be maintained by us for a period of at least five years after we cease to act for the business.

- 18.4 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.

19. Implementation

- 19.1 We will only assist with implementation of our advice if specifically instructed in writing.

20. Intellectual property rights

- 20.1 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.

21. Interpretation

- 21.1 If any provision of the engagement letter or schedules is held to be void, then that provision will be deemed not to form part of this contract.
- 21.2 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.

22. Lien

- 22.1 Insofar as 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.

23. Limitation of liability

- 23.1 We will provide our services with reasonable care and skill. Our liability to you is limited to losses, damages, costs and expenses caused by our negligence or wilful default.

23.2 Exclusion of liability for loss caused by others

We will not be liable if such losses, penalties, surcharges, interest or additional tax liabilities are due to 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 due to a failure to act on our advice or a failure to provide us with relevant information.

23.3 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.

23.4 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 wrongly misrepresented to us or from 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.

23.5 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 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.

23.6 Limitation of aggregate liability

We have discussed with you the extent of our liability to you in respect of the professional services set out in this letter. Having considered both your circumstances and our own we have agreed that this firm's aggregate liability, whether to you or any other party, of whatever nature, whether in contract, tort or otherwise, of this firm for any losses whatsoever and howsoever caused arising from or in any way connected with this engagement and this transaction shall not exceed £3,000,000 (including interest).

This sum shall be the maximum aggregate liability of this firm, its partners, 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.

24. Reliance on advice

- 24.1 We will endeavour to record all advice on important matters in writing. Advice given orally is not intended to be relied upon unless confirmed in writing. Therefore, if we provide oral advice (for example during the course of a meeting or a telephone conversation) and you wish to be able to rely on that advice, you must ask for the advice to be confirmed by us in writing.

25. Conflicts of interest

- 25.1 We will inform you if we become aware of any conflict of interest in our relationship with you or in our relationship with you and another client. 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.

- 25.2 If there is a conflict of interest that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests then we will adopt those safeguards. Where possible this will be done on the basis of your informed consent. We reserve the right to act for other clients whose interests are not the same as or are adverse to yours, subject of course to the obligations of confidentiality referred to above.

26. Period of engagement and termination

- 26.1 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.
- 26.2 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.
- 26.3 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.

27. Disengagement

- 27.1 Should we resign or be requested to resign a disengagement letter will be issued to ensure that our respective responsibilities are clear.
- 27.2 Should we have no contact with you for a period of one year or more we may issue a disengagement letter and hence cease to act.

28. Health and Safety

- 28.1 Please note that you have a responsibility for ensuring that any of our members of staff working at your premises are given relevant health and safety information, as required by the Health and Safety at Work Act 1974. Should you be unclear as to what information should be provided, please do not hesitate to get in touch with us for more detail.

29. Professional Indemnity Insurance

- 29.1 In accordance with the disclosure requirements of the Provision of Services Regulations 2009, our lead professional indemnity insurer is Arch Insurance Company UK Limited. 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.

30. Use of our name in statements or documents issued by you

- 30.1 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.

31. Cloud based services

- 31.1 Where the firm provides software in the Cloud, this will be provided by a third party (the "Cloud Supplier").
- 31.2 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 firm and the third party.
- 31.3 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.