

Wallace Williams Austin Limited Standard Terms of Business

The following standard terms of business apply to all engagements accepted by Wallace Williams Austin Limited. All work carried out is subject to these terms except where changes are expressly agreed in writing.

1 Professional obligations

- 1.1 We will observe the byelaws, regulations and ethical guidelines of the Institute of Chartered Accountants in England and Wales and accept instructions to act for you on the basis that we will behave in accordance with those guidelines.
- 1.2 Where you give us confidential information we shall at all times keep it confidential, except as required by law or as provided for in regulatory, ethical or other professional pronouncements applicable to this engagement.
- 1.3 We reserve the right to act for other clients whose interests may be adverse to yours and will notify you immediately should we become aware of any conflict of interest.

2 Investment services

- 2.1 Although we are not authorised by the Financial Services Authority (FSA) to conduct investment business, we are licensed by of the Institute of Chartered Accountants in England and Wales to provide certain limited investment services where these are complementary to, or arise out of, the professional services we are providing to you.
- 2.2 In particular, we may:
 - 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 FSA), 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 his own terms and conditions letter, will be remunerated separately for his services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000;
 - 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.

- 2.3 We may receive commission from an introduction to a PTP, in which case you will be fully informed of the expected size and nature of such commission at the time of the introduction.
- 2.4 We will request that you allow us to retain such commissions to cover our costs in connection with the above, but permission will be sought separately from you in these circumstances. If you are dissatisfied in any way about our services described in this section, you should follow the procedures set out in the 'Help us to give you the right service' section of this letter and, 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.

3 Commissions or other benefits

Commissions or other benefits may on rare occasions become payable to us in respect of introductions to other professionals or transactions we arrange for you, in which case you will be notified in writing of the amount, the terms of payment and receipt of any such commissions or benefits. You consent to such commissions or other benefits being retained by us without our being liable to account to you for any such amounts.

4 Client monies

We do not hold clients' money on behalf of our clients. Accordingly, any money which we receive on your behalf will be forwarded to you without delay. Any cheques or banker's orders drawn by you in respect of amounts owed to third parties should be drawn in favour of the third party concerned as we are not authorised to handle cheques etc., representing clients' money drawn in favour of the firm

5 Fees

- 5.1 Our fees for preparation of your accounts and tax return are no longer computed on the basis of time spent on your affairs by the principal and our staff but instead we charge a Fixed Fee which is agreed with you before we start our work. The fee for our work will be specified in the annual engagement letter.
- 5.2 Because we fix our fees before we start work, we make certain assumptions about the quality of your accounting records – the most important assumption is that you have maintained your accounts to at least the same quality as in previous years and that you supply us with all of the relevant paperwork.
- 5.2 If it is necessary to carry out work outside the responsibilities outlined in the engagement letter it will involve additional fees. Accordingly we would like to point out that it is in your interests to ensure that your records etc., are completed to the agreed stage. If additional fees are likely to become chargeable on top of the amount specified in the engagement letter, we will stop our work and obtain your agreement to the additional fees.
- 5.3 It is our normal practice to request that clients pay their fee on a monthly standing order. These standing orders will be applied to fees arising from work agreed in the letter of engagement for the current and future years.
- 5.4 Our terms relating to payment of amounts invoiced and not covered by standing orders are 14 days. We reserve the right to charge interest and compensation for recovery costs on overdue debts at the rate applicable under the Late Payment of Commercial Debts (Interest) Act 1998.

6 Retention of and access to records

- 6.1 During our work we will collect information from you will return to you any original documents following the preparation of your accounts and tax returns. You must retain these records for at least seven years from the end of the accounting year to which they relate.

- 6.2 Whilst certain documents may legally belong to you, we reserve the right to destroy correspondence and other papers that we store which are more than seven years old, other than documents which we consider to be of continuing significance. If you require retention of any document you must notify us of that fact in writing.

7 Quality control

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

8 Help us to give you the right service

- 8.1 If you are dissatisfied in any way or would like to suggest how our service to you could be improved, please let us know by telephoning Tim Robinson
- 8.2 We will look into any complaint carefully and promptly and do all we can to explain the position to you. If you feel that we have given you a less than satisfactory service, we undertake to do everything reasonable to address your concerns. If you are still not satisfied, you may take up matters with the Institute of Chartered Accountants in England and Wales

9 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 letter or the engagement letter and any matter arising from them. 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.

10 Internet communication

- 10.1 Internet communications are capable of data corruption and 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 e-mail 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 accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication.
- 10.2 It is the responsibility of the recipient to carry out a virus check on any attachments received.

11 Data Protection Act 1998

We may obtain, use, process and disclose personal data about you in order that we may discharge the services agreed under this engagement letter, 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 1998. For the purposes of the Data Protection Act 1998, the Data Controller in relation to personal data supplied about you is Tim Robinson.

12 Contracts (Rights of Third Parties) Act 1999

- 12.1 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.
- 12.2 Any advice that we give to you is for your sole use and does not constitute advice to any third party to whom you may communicate it. We accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

13 Money laundering

- 13.1 In common with all accountancy and legal practices the firm is required by the Proceeds of Crime Act 2003 and the Money Laundering Regulations 2003 to:
- Maintain identification procedures for all new clients;
 - Maintain records of identification evidence;
- 13.2 The provision of accounting and tax services is regulated under the Proceeds of Crime Act and all employees and directors in accounting firms are required to report all knowledge or suspicion, or reasonable grounds to know or suspect, that a criminal offence giving rise to any direct or indirect benefit from criminal conduct has been committed by their client or a third party. If as part of our normal accounting work we have knowledge or suspicion, or have reasonable grounds to know or suspect, that such offences have been committed we are required to make a report to the National Criminal Intelligence Service. We will not discuss with you whether or not we have made such reports because of the restrictions imposed by the tipping off provisions of the anti-money laundering legislation.
- 13.3 The offence of money laundering is defined by s. 340(11) of the Proceeds of Crime Act and 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.
- 13.4 We are not required to undertake work for the sole purpose of identifying suspicions of money laundering. We shall fulfil our obligations under the Proceeds of Crime Act 2002 in accordance with the guidance published by of the Institute of Chartered Accountants in England and Wales.

14 Limitation of liability

- 14.1 We will provide our professional services with reasonable care and skill. However, we will not be held responsible for any losses arising from the supply by you or others of incorrect or incomplete information, or your or others' failure to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or other relevant authorities.
- 14.2 You agree to hold harmless and indemnify us against any misrepresentation, whether 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 provided to you by the firm against any of our employees on a personal basis.