

2.2 If it is necessary to carry out work outside the responsibilities outlined in this 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.

2.3 Invoices are payable in full (including disbursements) before the report is signed and the financial statements are made available for filing.

2.4 It is our normal practice to request that clients make arrangements to pay a proportion of their fee on monthly standing order. These standing orders will be applied to fees arising from work agreed in this letter of engagement for the current and ensuing years. Once we have been able to assess the amount of work and time involved, we would be grateful if you would agree to pay an amount to us on a regular basis.

2.5 Our terms relating to the payment of amounts invoiced (fees and disbursements) and not covered by standing orders, where appropriate, are strictly 7 days net. Interest will be charged on all overdue debts at the rate of 1 per calendar month or at the rate for the time being applicable under the Late Payment of Commercial Debts (Interest) Act 1998, whichever is the higher. Settlement of fees by Mastercard or Visa is accepted, a surcharge may apply.

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

2.7 Where we have agreed a fixed fee for work to be undertaken on your behalf, then any such fixed fee will be limited a specific assignment and or to one year only. Recurring jobs will not automatically be subject to a fixed fee. Any such fixed fee should be agreed in advance and in writing before the commencement of the next assignment. If no such agreement has been agreed then our Standard Terms of Business apply.

2.8 Fixed fee work is agreed on the basis of you making payments in advance in whole before work is commenced or by equal monthly standing order in advance. Should you stop your standing order payments then we reserve the right to cease further work on your affairs until and unless the standing orders are brought up to date and the mandate has been reinstated. Any bank charges and interest incurred by ElanTax due to the cancellation or failure of the standing order will be re-charged to your account.

2.9 If at the time of a filing due date for accounts and returns that we have agreed to carry out on your behalf, there are arrears on your account then we reserve the right to refuse to complete any filings until and unless you have paid the demanded arrears in full and funds are cleared in our business bank account. We have several ways in which payments can be made easily and the simplest is to use the online link on our invoices which takes you directly to our payment portals.

3 Help us to give you the right service

3.1 If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please let us know by contacting your Client Account Manager or a Principal of the firm.

3.2 We undertake to look into any complaint carefully and promptly and do all we can to explain the position to you. If we do not answer your complaint to your satisfaction you may of course take up the matter with the Association of Chartered Certified Accountants (ACCA).

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

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

4 Commissions or other benefits

4.1 In some circumstances, commissions or other benefits may become payable to us or one of our associates in respect of transactions we or such associates arrange for you. If this happens we will notify you in writing of the amount and terms of payment. The fees that would be otherwise payable by you will not be abated by such amounts. When we reduce the fees that we would otherwise charge by the amount of commission retained, we will apply the HMRC concession which allows VAT to be calculated on the net fee after deduction of the commission. You consent to such commission or other benefits being retained by us or, as the case may be, by our associates, without our, or their, being liable to account to you for any such amounts.

5 Client monies

5.1 We may at times hold money on your behalf. Any such money will be held on trust in a client bank account, which is held separately to funds that belong to us. The account will be operated, and all funds dealt with, in accordance with the Clients' Money Rules of the Association of Chartered Certified Accountants.

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

5.3 If the total sum of money held on your behalf is enough to give rise to a significant amount of interest or is likely to do so, then the money will be placed in a separate interest-bearing client bank account designated to you. All interest earned on such money will be paid to you. Subject to any tax legislation, interest will be paid gross.

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

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

6 Retention of and access to records

6.1 During the course of our work we will collect information from you and others acting on your behalf and will return any original documents to you following the preparation of your accounts and returns. You have a legal responsibility to retain these records. The law requires individuals, trustees and partnerships to keep records in relation to trading or rental income 6 years from the 31 January following the end of the tax year to which they relate. Other records should be kept for 22 months after the end of the tax year they relate to. Companies, Limited Liability Partnerships and other corporate entities are required to keep records for 6 years from the end of the accounting period.

6.2 While certain documents may legally belong to you, unless you tell us not to, we intend 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 Conflicts of interest and independence

7.1 We reserve the right during our engagement with you to deliver services to other clients whose interests might compete with yours or are or may be adverse to yours. We confirm that we will notify you immediately should we become aware of any conflict of interest involving us and affecting you. We have safeguards that can be implemented to protect the interests of different clients if a conflict arises. Where conflicts are identified which cannot be managed in a way that protects your interests then we regret that we will be unable to provide further services.

7.2 If a conflict of interest should arise, either between two or more of our clients, or in the provision of multiple services to a single client, we will take such steps as are necessary to deal with the conflict. In resolving the conflict, we would be guided by the Code of Ethics and Conduct of the Association of Chartered Certified Accountants which can be viewed at

www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html section 3.

8 Confidentiality

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

9 Quality control

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

10 Applicable law

10.1 This engagement letter is governed by, and construed in accordance with, English law. The Courts of England will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. Each party irrevocably waives any right it may have to object to any action being brought in those courts, to claim that the action has been brought in an inappropriate forum, or to claim that those courts do not have jurisdiction.

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

11 Changes in the Law

11.1 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 the light of any change in the law or your circumstances.

11.2 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.

12 Internet communication

12.1 Unless you tell us otherwise we will at times use email or other electronic means to communicate with you.

12.2 Internet communications are capable of data corruption and therefore we do not accept any responsibility for changes made to such communications after their despatch. It may therefore be inappropriate to rely on advice contained in an 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 agree to accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication.

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

13 Data Protection

13.1 To enable us to discharge the services agreed in this engagement letter, comply with related legal and regulatory obligations and for other related purposes including updating and enhancing client records and analysis for management purposes, as a data controller, we may obtain, use, process and disclose personal data about you / your business / company / partnership / its shareholders / members / officers and employees as described in our privacy notice. We confirm when processing data on your behalf that we will comply with the provisions of all relevant data protection legislation and regulation.

13.2 You are also an independent controller responsible for complying with data protection legislation and regulation in respect of the personal data you process and, accordingly where you disclose personal data to us you confirm that such disclosure is fair and lawful and otherwise does not contravene relevant requirements. Nothing within this engagement letter relieves you as a data controller of your own direct responsibilities and liabilities under data protection legislation and regulation[1].

13.3 Data protection legislation and regulation places obligations on you as a data controller where we act as a data processor to undertake the processing of personal data on your behalf, for instance where we operate a payroll service for you. We therefore confirm that we will at all times take appropriate measures to comply with relevant requirements when processing data on your behalf. In particular we confirm that we have adequate security measures in place and that we will comply with any obligations equivalent to those placed on you as a data controller. Terms relating to our responsibilities as a data processor are set out in an appendix to these terms of business.

13.4 Our privacy notice, which can be found on our website at www.elantax.com explains how we process personal data in respect of the various services that we provide.

14 Contracts (Rights of Third Parties) Act 1999

14.1 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.

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

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

15.1 In common with all accountancy and legal practices, the 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.

15.2 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.

15.3 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.

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

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

16 General limitation of liability

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

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

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

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

17.1 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.

18 Draft/interim work

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

interim statements. Where you request it, we will provide up with written confirmation of matters stated orally.

19 Advice

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

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

20 Intellectual property rights

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

21 Interpretation

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

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

22 Provision of cloud-based services

22.1 Where the firm provides accounting software in the Cloud, this will be provided by a third party (the 'Cloud Supplier'). The third party has signed a confidentiality agreement with the firm to ensure compliance with the relevant clauses in the firm's standard terms of business i.e. our fees (2), Confidentiality (8), Internet Communication (12), Data Protection Act (13) and General Limitation of Liability(16).

22.2 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.

22.3 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.

23 Investment services

23.1 Since we are not authorised by the Financial Conduct Authority then we may have to refer you to someone who is authorised if you need advice on investments. However, as we are licensed by the Association of Chartered Certified Accountants, we may be able to provide certain investment services that are complementary to, or arise out of, the professional services we are providing to you.

23.2 We may therefore be able to:

- advise you on investments generally, but not recommend a particular investment or type of investment;
- refer you to a Permitted Third Party (PTP) (an independent firm authorised by the FCA), assist you and the PTP during the course of any advice given by that party and comment on, or explain, the advice received (but not make alternative recommendations). The PTP will issue you with 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.

23.3 For corporate clients we may also, on the understanding that the shares or other securities of the company are not publicly traded:

- advise the company, existing or prospective shareholders in relation to exercising rights, taking benefits or share options, valuations and methods of such valuations;
- arrange any agreements in connection with the issue, sale or transfer of the company's shares or other securities;
- arrange for the issue of new shares; and
- act as the addressee to receive confirmation of acceptance of offer documents etc.

23.4 In the unlikely event that we cannot meet our liabilities to you, you may be able to claim compensation under the Certified Accountants' Compensation Scheme in respect of exempt regulated activities undertaken.

23.1 We are not authorised by the Financial Conduct Authority to conduct Investment Business. If you require investment business services we will refer you to a firm authorised by the Financial Conduct Authority.

Client money

23.2 Please note that we are not authorised to hold client money in connection with our designated investment business.

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

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

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Appendix – Processing of customer personal data

This Appendix gives more information on the processing of customer data in accordance with Article 28(3) of the General Data Protection Regulation.

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 members of our firm's network, 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 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 [7];
- 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:
 - l. 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 Office);
- III. 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;
- IV. 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.

Without prejudice to the generality of clause 13.1, 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.

Should you require any further details regarding our treatment of personal data, please contact our data protection manager/data protection officer/head of privacy or otherwise Mr Shakar Elahi BSc FCCA.

ElanTax.com

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[1] Including the Data Protection Act 2018, the General Data Protection Regulation (GDPR) and any related regulations.

ElanTax.com - Complaints Handling Procedure

We can fix most issues quickly but need you to let us know straight away so we can act on it at a senior management level.

Please email:

Mr Shakar Elahi BSc FCCA directly (shakar.elahi@elantax.com) or copy him and his PA, Sema Ziler (sema.ziler@elantax.com) on any emails that detail the issue to your Account Manager.

This way senior management is aware and can address the issue with your Account Manager.

Your circumstances and needs may have changed. Legislation and technology are changing constantly. We will help you address the changes required.

Should you feel there is something needing to be addressed then please bring this to our attention via your Account Manager as soon as possible. You can do this by email, letter or a telephone call. We also encourage the use of Skype and WhatsApp.

We will aim to quickly address it and resolve the issue satisfactorily with you.

Common Client Complaints

- * Who is my Account Manager?
- * Why does it take so long to get my accounts and tax affairs ready?
- * Why have I not had a response to an issue raised or an error has been made?
- * How much tax do I need to pay and when is it due?
- * I need help to understand something that is not fully explained
- * I have not been given access to promised software e.g. Xero, Receipt Bank etc
- * I have been charged for something I had not agreed to or was aware of
- * A filing deadline has been missed and I have received a fine from HMRC
- * Why do I have a penalty for late payment of tax?
- * Why do I need to file at Companies House?
- * My accounts and tax affairs have an error in them - please fix the error?
- * Where are my papers and when can you let me have them back?

For any serious complaint or conduct issues you can complain directly to our regulatory body the ACCA.

<https://www.accaglobal.com/vn/en/footertoolbar/contact-us/connect/unhappy.html>