

Standard terms of business

The following standard terms of business apply to all work we accept unless we agree to any changes in writing. The services you have asked us to provide will be set out in a separate letter (engagement letter). Our contract with you includes this letter and these standard terms of business. If you are not clear about any of these terms, speak to the person looking after your affairs.

1 Contracting parties

- 1.1 Your contract is with Kreston Reeves Private Client LLP (we, us) which is a limited liability partnership registered in England and Wales under registration number OC342713 under the Limited Liability Partnerships Act 2000.
- 1.2 A limited liability partnership has 'members'. However, it is more usual for senior professionals to be referred to as 'partners'. We have decided to keep the traditional title of 'partner'. However, there is no partnership between the members or between the members and the LLP. Whenever we refer to a person being a 'partner', we mean in their capacity as a member of the LLP.
- 1.3 There is no contract between you and any of our members, employees or consultants. Any advice we give (or other work done) is done by someone on our behalf and not in their individual capacity. This means that nobody will have any personal responsibility to you for the advice or other work they carry out for you.
- 1.4 Anyone who is not directly involved in this agreement will have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of it. This clause does not affect any right or remedy of any person which exists or is available other than under that Act.
- 1.5 The advice that we give you is for your use only and is not aimed at advising anyone else you may talk to about it, or show it to. Advice we give to Kreston member firms under 20.6 below is for them to pass on to their specific client. We accept no responsibility to anyone else for any part of our professional services or work that is made available to them.

2 Our professional responsibilities

- 2.1 We have a duty to provide services under the contract with reasonable care and skill.
- 2.2 We will keep to the Code of Ethics of The Institute of Chartered Accountants in England and Wales (ICAEW). The code is available on the ICAEW's website at www.icaew.com, where you should search for 'ethics'. We accept instructions to act for you on the basis that we will act in line with the code.
- 2.3 If you give us confidential information, we will keep it confidential unless, by law or due to regulatory, ethical or other professional pronouncements, we have to release it.
- 2.4 While we are working for you, we can act for other clients whose interests may not be the same as yours. We will let you know immediately about any conflict of interest which we may have in relation to you. If there is a conflict of interest, either between two or more of our clients, or in providing multiple services to a single client, we will take any steps, guided by the Code of Ethics Section C, sub-section 310, needed to deal with the conflict.

3 Other regulatory and similar information

- 3.1 You can find details of our current professional indemnity insurer on our website at www.krestonreeves.com
- 3.2 Our VAT registration number is GB 294 3924 68.

4 Fees

- 4.1 We work out our fees using the basis we told you about at the start of our work for you, and amended by any later agreement we may have with you. This will reflect the time spent on your affairs by our partners, employees and consultants, on the levels of skill and responsibility involved, the degree of urgency and the importance and value of the advice that we provide, as well as the level of risk.
- 4.2 All fee proposals or other indications of our fees are given before VAT. We will add VAT, at the current rate, to our invoices for fees and disbursements (payments to others in dealing with your affairs, also travel, accommodation and similar charges) unless the services qualify for specific exemption.
- 4.3 If we need to carry out work outside the responsibilities outlined in our engagement letter it will involve extra fees. Because of this, it is in your interests to make sure that your records and so on, are completed to the agreed stage.
- 4.4 You will need to pay invoices for fees and disbursements in full as soon as you receive them, unless these are covered by agreed arrangements where appropriate. As well as paying fees by direct debit, standing order, BACS or cheque, we will also accept payment by credit and debit cards.
- 4.5 Unless we agree otherwise, we will charge our fees separately for each of the main classes of work we perform for you and we will send you a bill each month or as the work is carried out.
- 4.6 The amount of time we spend on work for you will depend on how you respond to our requests for information. Giving us up-to-date information as soon as possible will help us to spend less time on your affairs.
- 4.7 Any special fee arrangement (such as fixed or capped fee) will not cover extra work which was not identified when the arrangement was agreed.
- 4.8 In some circumstances we may receive commission or other benefits for introductions to other professionals or for transactions which we arrange for you. If this happens, we will tell you in writing the amount and terms of payment and when we receive any commission or benefits. The same will apply if the payment is made to or the transactions are arranged by a person or business connected with ours. We will not reduce the fees you would otherwise pay by the amount of the commission or benefits.
- 4.9 If you and another person are acting together as a client of ours, you are each liable for paying the full amount of our invoices, regardless of any arrangement you have between yourselves. If a company, trust or other organisation cannot or will not pay our fees, the organisation's directors, parent company or authorised representatives giving us instructions on behalf of the organisation will be liable, together and separately, for paying our fees.
- 4.10 We can end or suspend further services until we receive your payment if an invoice is overdue. If we do this, we will let you know in writing. If we do end or suspend services, our contractual duty of care to you under general law will end and we will not have to provide our services, or release the product of any work we have already done (for example, accounts, returns, reports and so on), until you have paid our fees in full.
- 4.11 We have the right to charge interest at the statutory rate on overdue fees. (This is the rate of interest the law allows us to charge if you are late paying our fees. It is higher than the Bank of England base rate.)
- 4.12 If we stop acting for you, you must pay all reasonable costs of providing information to your new advisors. In particular you agree to meet these costs even if, by law, we have to provide information to a successor firm.

5 Our liability to you

- 5.1 You agree that if, as a matter of law, we have a duty of care to you, you will not make any claim against any of our partners, employees or consultants for any loss or damage that you or any person or company associated with you suffer, directly or indirectly, in connection in any way with any advice we give to you or for other work we have done for you.
- 5.2 Any claim that you want to make can only be made against us as an LLP and not against a partner, employee or consultant.
- 5.3 Nothing in these terms and the engagement letter will exclude or limit:
- any claim you may have against a partner, employee or consultant of the LLP arising out of any fraudulent or dishonest conduct on their part;
 - any liability or claim that cannot be excluded under English law; or
 - any liability or claim that cannot be excluded under any relevant professional rule or regulation.
- 5.4 Each of our partners, employees and consultants will be covered by these conditions under the Contracts (Rights of Third Parties) Act 1999, but we may amend our contract with you or end it without their agreement.
- 5.5 We will not be responsible for any increased liability we have as a result of any limit you may have agreed with any other adviser or which we may otherwise have due to the negligence of any other person against whom you do not claim back money for any reason. This is relevant in circumstances in which we and other people may be legally responsible for the same damage. In these circumstances, we will limit what we will pay to the amount we reasonably ought to pay taking account of our responsibility for the damage (within the meaning of section 2(1) of the Civil Liability Contribution Act 1978) and on the basis that any other person will have paid you any amounts they ought reasonably to have paid after taking account of:
- their own responsibility for it and ignoring any limit you may have agreed with them;
 - any subsequent extension of your claims against that person; or
 - the fact that they no longer operate.
- If you agree to limit their liability, if the claim against them ends for any reason, you stop making a claim against them or any person fails to satisfy any judgment you have gained, we will not be legally responsible for more than the net amount we would have paid, after allowing for the amounts you would otherwise have been entitled to recover from those people.
- 5.6 Unless our engagement letter states otherwise, we are acting for you and not for any other party, regardless of whether or not they are linked to you. We provide our services to you alone and you must not share our advice with third parties unless you have our permission in writing. We accept no liability to any other party in relation to the advice we provide to you.
- 5.7 You indemnify us against (protect us from) any claim, loss, damages, liability or expense (loss) which we may suffer as a result of:
- you breaking any of your obligations under this agreement; or
 - claims brought against us by third parties and which relate to us performing our obligations under this agreement.
- 5.8 We will not be liable for any loss arising from us meeting our legal obligations to report certain details to the relevant authorities. This includes, but is not limited to, details relating to money laundering and financial sanctions.
- 5.9 We accept no liability to you if we cannot provide our services due to circumstances beyond our control. This includes, but is not limited to, war, civil disturbance, terrorism, fire, flood, storm, accident, pandemic, government action or the failure of a bank or other financial institution which holds client money on our behalf.
- 5.10 We do not accept any liability for, and you should not rely on, any advice not given in writing, or any draft version of any report we have prepared.

- 5.11 Any claims, whether these relate to breaking the terms of a contract, negligence or anything else, must be formally started within two years after you become aware of (or should reasonably have become aware of) the facts which lead to the claim. You cannot start a claim more than four years after the event the claim relates to, regardless of when you become aware of it. This clause overrides any other rights you have relating to when a claim can be started.
- 5.12 We will not be responsible for any losses, penalties, charges, interest or other tax arising from you or others providing incorrect or incomplete information, or you or others failing to provide any appropriate information or failing to act on our advice or respond promptly to communications from us or the tax or other authorities.
- 5.13 If any clause in these terms is not valid for any reason, it will be removed from the terms. The remaining clauses will continue to be valid.

6 Limit of liability

- 6.1 Unless our engagement letter shows a different amount, our maximum liability to you (including for loss, interest and costs suffered by you) is limited to:
- £250,000; or
 - five times the total fees (not including disbursements, VAT and equivalent taxes) which we invoice you for and which you have paid for the relevant service;
- whichever is higher.

If our liability to you is limited, the following paragraphs (6.2 to 6.6) apply.

- 6.2 We consider any limit of liability we offer to be reasonable. We have set the limit based on the services we provide to you, the associated risks to us of providing the services, and the potential loss you could suffer as a result of any mistake. We would be happy to discuss our liability limit with you, although this may affect the fees you must pay for our services.
- 6.3 Our maximum liability (including for loss, interest and costs suffered by you) is as set out above (or in our engagement letter). We accept no responsibility for indirect or consequential losses, loss of expected profits, damage to reputation or loss or corruption of data if the total liability, together with any other liability we have to you, is more than the amounts set out above (or in our engagement letter).
- 6.4 If we are instructed by more than one party, the limit of liability set out above (or in our engagement letter) is split equally between all parties and does not apply to each party individually.
- 6.5 The limit set out above (or in our engagement letter) is the total liability we will accept in relation to all claims arising from something we have done or have failed to do, or a series of similar acts or failures, on one assignment or transaction, or several related assignments or transactions.
- 6.6 Unless we agree different terms with you, the limits set out above (or in our engagement letter) will apply to any services we provide under our engagement letter.

7 Help us to give you the right service

- 7.1 If you would like to talk to us about how we can improve our service to you, or if you are unhappy with the service you are receiving, please let us know by contacting Simon Levine, Head of Legal Practice. We will consider carefully any complaint that you may make about our services as soon as we receive it and will do all we can to resolve the issue. We will acknowledge your complaint within five business days of its receipt and endeavour to deal with it within eight weeks. Any complaint should be submitted to us by letter. If we do not deal with it within this timescale or you are unhappy with our response you may of course take the matter up with our professional body, ICAEW and the Legal Ombudsman. Complaints to the Legal Ombudsman should be made within six years of the act or omission or within three years of you becoming aware of the issue and in either case within six months of our written response to your complaint to us.

The contact details for the Legal Ombudsman are:

Legal Ombudsman, PO Box 6167, Slough, SL1 0EH,
email: enquiries@legalombudsman.org.uk or telephone 0300 555 0333.

8 Probate compensation arrangements

- 8.1 In the unlikely event that we cannot meet our liabilities to you, you may be able to seek a grant from ICAEW's Compensation Scheme. Generally, applications for a grant must be made to ICAEW within twelve months or the time you become aware, or reasonably ought to have been aware of the loss. Further information about the scheme relating to probate work and the circumstances in which grants may be made is available on ICAEW's website: www.icaew.com/probate

9 Client money

- 9.1 We may sometimes hold money for you. We will hold your money in trust in a client bank account separate from our own money. The Clients' Money Regulations (CMR) of ICAEW will apply to the client bank account and the money in it. You can see the CMR at www.icaew.com where you should search for 'client money regulations'.
- 9.2 We will pay you interest if the amount earned is more than £25.

10 Owning information and keeping records and data

- 10.1 We own all information such as working papers, letters, emails, memos, file notes of meetings and phone calls and copies of other original documents which we create or which we receive either in our own right or as your agent.
- 10.2 During the course of our work for you we gather a variety of information. Certain documents may legally belong to you. We do not separate out documents by legal ownership. Usually we will return original documents to you after the end of an assignment, unless we have agreed to keep them in safe custody for you. When this is not practical, we will store your information with our own for at least six years and then destroy it, unless we consider it to be of continuing significance. If you need us to keep or return of any document you must tell us in writing.
- 10.3 We can convert information records and data, no matter who owns it, into electronic format (for example, digital images) and then destroy the original documents. If you need us to return information to you, we may supply it either in electronic format or as a print of the image.

11 Working with other professional advisors

- 11.1 We may work with other professional advisors in providing services to you. If you do use the services of other professional advisors, you must make your own contractual arrangements with them. We will not be legally responsible for advice they provide or work which they carry out on your behalf.

12 Anti-money-laundering regulations

- 12.1 Like all accountancy and legal practices, by law, we have to keep to identification procedures for clients and beneficial owners of clients and also to keep records of evidence used as identification. We will not carry out any work for you until you have met our requirements for checking your identity and we take no responsibility for any delay in carrying out work because we are waiting to see evidence of your identity.
- 12.2 We have legal duties to report to the National Crime Agency (NCA) if we know or have a reasonable suspicion that you or anyone connected with your business is, or has been, involved in any activity that is a criminal offence in the UK. We have a legal obligation to report to NCA without your knowledge or agreement and because of this we cannot enter into any discussion with you about these matters.

13 Confidentiality and quality control

- 13.1 From time to time we have to let regulators and other organisations have access to clients' files and information. Wherever relevant we have confidentiality agreements in place with these organisations.
- 13.2 There may be times when we would like to make it known that we act or have acted for you in a particular market place. To avoid any doubt, we will not reveal any confidential information about you, your activities or a particular transaction.

14 Intellectual property rights

- 14.1 We keep all intellectual property rights (IPR) in everything we have developed before or during our work for you. We also keep all IPR in reports, written advice or other materials we have prepared.

15 Law which applies and serving legal proceedings, notices or other legal documents

- 15.1 Our work for you is governed by the laws of England and Wales. You agree the English courts will deal with any disputes in relation to any claim, dispute or difference concerning these terms, our engagement letter and any matter arising from them. You and we permanently give up any right to:
- object to any action being brought in those courts;
 - claim that the action has been brought in an inappropriate place; or
 - claim that those courts do not have the legal authority to act.
- 15.2 You and we cannot serve legal proceedings, notices or other legal documents by fax or email. You can use first-class post and a recognised document exchange system or hand them to us personally. We may also do the same.

16 Internet communication

- 16.1 Internet communications can be corrupted and so we do not accept any responsibility for changes made to these communications after they have been sent. As a result, it may not be appropriate to rely on advice in an email without also getting confirmation from us. We do not accept responsibility for any mistakes or problems that may arise through using internet communication and you are responsible for all risks connected with sending commercially sensitive information relating to your business. If you do not agree to accept this risk, you should let us know in writing that email is not an acceptable form of communication.
- 16.2 As long as you and we take reasonable care to make sure that all messages and attachments are free of malicious software (for example, viruses) then neither you nor we will be legally responsible to the other for losses caused by these viruses.

17 Data protection

- 17.1 We may gather, use, process and release personal and other information about you so that we can provide our services as agreed, and for other related purposes including updating and improving client records, analysis for management purposes and statutory returns, prevent crime and keep to the law and regulations. The processing of personal information is regulated in the UK by the data protection legislation that applies and other laws which relate to privacy and electronic communications. In this clause, we refer to these laws as 'data protection law'.
- 17.2 We act as an independent controller in providing all of our services. As a result, we are responsible for keeping to data protection law for any personal information we process in providing our services to you. You are also an independent controller responsible for keeping to data protection law for the personal information you process. As such, if you reveal personal information to us, you confirm that you are legally able to do this and it does not break any data protection law. Our privacy notice, which you can see at www.krestonreeves.com, explains how we process personal information.
- 17.3 We may also transfer information about you to other countries including countries outside the European Economic Area which do not have the same level of data protection as the UK. We will only do this when appropriate, for example when we work with foreign professionals on your behalf.
- 17.4 In order to meet their anti-money laundering obligations, our bank may require us to give them 'due diligence' documents to make sure we have carried out the necessary checks relating to the source of your money that we hold, along with other client money, in a bank account. You agree that we may provide these documents to our bank, whether or not anti-money laundering regulations apply to the services we provide to you.

18 Staff

- 18.1 Our partners and staff work for you on the understanding that:
- you will not offer employment to our partners and staff involved in the work unless we give you written permission, and
 - we will not offer employment to your staff involved in the work unless you give us written permission.

If written permission is given, either we or you can bill the other for an appropriate fee of 20% of the annual salary on appointment plus VAT.

19 Investment services

- 19.1 We are licensed by ICAEW to provide certain limited investment services if these work alongside, or arise out of, the professional services we are providing to you. In particular, we may:
- advise you on investments generally, but not recommend a particular investment;
 - advise you in connection with what to do with an investment, other than your rights in a pension policy or scheme;
 - advise and help you make transactions concerning shares or other securities not quoted on a recognised exchange;
 - help you make arrangements for transactions in investments in certain circumstances; and
 - manage investments or act as trustee (or donee of a power of attorney) if decisions to invest are taken on the advice of a permitted third party (PTP). A PTP is an independent firm authorised by the Financial Conduct Authority (FCA).

- 19.2 Although we are not authorised by the FCA to carry out investment business, we may:
- refer you to a PTP;
 - help you and the PTP during the course of any advice given by them; and
 - comment on, or explain, the advice received but not make alternative recommendations.

The PTP may be Kreston Reeves Financial Planning Services Limited (company number 13241966, authorised by the FCA under reference 971317). The PTP will give you its own terms and conditions letter, and will take full responsibility for keeping to the requirements of the Financial Services and Markets Act 2023. You will pay them separately for their services.

- 19.3 In asking a PTP for advice, we may give them information in connection with your affairs which they may reasonably ask for so they can provide the advice. In providing this information, we will do our best to make sure that it is complete and accurate and you agree not to withhold any information that we may reasonably ask you for in connection with the advice being sought.
- 19.4 If we receive advice on your behalf from a PTP, we will make sure we pass on, as soon as possible, the information they give us and any risk warnings.
- 19.5 We may comment on the advice given by a PTP and may agree with their advice. We may also disagree with their advice but may not, in normal circumstances, provide alternative recommendations. We will at all times make you aware of our and their responsibilities.
- 19.6 We have a financial interest in and representatives on the board of Kreston Reeves Financial Planning Services Limited. Although we do not receive introductory commission from this company, we receive a share of profits from it.
- 19.7 If you ask for the services of Kreston Reeves Financial Planning Services Limited, we may share information with them, unless otherwise agreed with you.
- 19.8 We may receive commission from any introduction to a PTP in connection with the above. If we do, we will tell you the expected size and nature of the commission at the time of the introduction. We will hold the commission in our clients' account until we receive instructions from you as to what we should do with it. If we do not receive your instructions, we may use the money to pay off any fees that have been due for 30 days or more and which you do not dispute paying. We may also ask that you allow us to keep the commission to cover our costs in connection with the above. However, if this is the case, we will ask your permission separately.
- 19.9 If you are not satisfied 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.
- 19.10 ICAEW provide a compensation scheme for members of the public who have suffered a financial loss as a result of unsuitable investment advice given by a firm of authorised chartered accountants. Please see www.icaew.com and search for 'investment business compensation scheme'.
- 19.11 We are not authorised by the FCA. However, we are included on the Register they keep so that we can carry on insurance distribution activity. This broadly involves advising on, selling, and dealing with insurance contracts. This part of our business, including arrangements for complaints or action if something goes wrong, is regulated by ICAEW. You can see the register on the FCA website at www.fca.org.uk where you should follow the links to the 'Financial Services Register'.

20 Our membership of Kreston Global and Kreston International Limited

- 20.1 Kreston Global (Kreston) is a worldwide network of independent accounting firms which provide professional services to clients. Each firm is a member of Kreston International Limited (Kreston International), a UK company limited by guarantee, which provides no services to the clients of its members. Members of Kreston are separate legal organisations and are only associated with each other by being members of Kreston International. Some of the members of Kreston use Kreston as part of their business name.

- 20.2 Nothing in the arrangements or rules of Kreston creates or implies an agency relationship or a partnership between Kreston International and the member firms of Kreston.
- 20.3 You agree that we may release your confidential information to other members of Kreston or to Kreston International if this relates to services we may provide, are providing or have provided, to you.
- 20.4 Any claim arising from work by a Kreston member you have hired can only be made against that member. Claims cannot be made against Kreston or Kreston International, or personally against any other person or organisation involved in working for you.

If you hire other member firms separately

- 20.5 We may introduce you to partners or staff from other members of Kreston to help us in providing services to you. If you use the services of their partners or staff, you must make your own contractual arrangements directly with them. They are not acting as our servants or agents. In the same way, we will not be legally responsible for work which they carry out on your behalf. Neither Kreston International nor any other member firm of Kreston will have any responsibility to you in connection with our work for you unless you make a contract direct with them. The fact that you may have been introduced to us by an associated Kreston organisation does not make that associated Kreston organisation or any of its staff members responsible for any of our acts or failure to act.

If we enter into an agreement with another member firm for them to carry out work on your behalf

- 20.6 Although your contract is with us, we may use the services of partners or staff from other members of Kreston to help us in providing services to you. When we use the services of these partners or staff they are acting as our servants or agents and not the partners, servants or agents of any other person (including any other member firm of Kreston or Kreston International itself). As a result, we will be legally responsible for their activities as if they were our partners or staff. Neither Kreston International nor any other member firm of Kreston will have any responsibility to you in connection with this work because there is no contract between you and any other member firm.
- 20.7 Each member firm of Kreston, Kreston International itself, each partner or member of staff and each of our partners or members of staff will be covered by section 18.6 and any other contractual protection contained in these terms and have the right to rely on and enforce any of its terms.

21 Entire agreement

- 21.1 Our engagement letter and these terms of business form the whole agreement between us and replace all previous agreements and terms between us. In entering into this agreement, you have not relied on any statement, representation, assurance or warranty (whether made negligently or innocently) other than as set out in our engagement letter and these terms of business.

22 Change to these standard terms of business

- 22.1 These standard terms of business may change. We will make changes by publishing them on our website www.krestonreeves.com. You can find the current version there.
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