

APPENDIX 1 - TERMS OF BUSINESS

1. Definitions

1.1 In these Terms of Business and any associated engagement letter:

1.1.1 "We" means A2+B LLP ("AAB") and shall include any successor or assignee.

1.1.2 "You" means the person or company with whom the Contract is agreed and that is named as such in the engagement letter.

1.1.3 "Contract" means the terms of engagement agreed between AAB and you to which these terms of business relate and into which they are incorporated.

1.1.4 "Services" means the services we agree to provide you with under the Contract, as set out in the engagement letter.

2. Limitation of Liability

2.1 We never seek to exclude or restrict our liability for our fraud or dishonesty, or otherwise to the extent that we cannot do so by law for any reason.

2.2 We accept that we owe you a duty of care to provide the Services with reasonable skill and care, regardless of whether the people we decide to use are members or employees (who may also be described as 'partners') of AAB or agents or sub-contractors retained by us. You in turn agree that you will not bring any claim based on any cause of action in respect of or in any way connected with the Contract against anyone other than AAB.

2.3 Where we are liable to you, and in addition any other person is also liable to you, or any such person or you have caused or contributed to the same loss or damage for which we are liable, either in whole or in part, then our liability shall be limited to such amount as is just and equitable having regard to the extent to which each of us and/or such other person is liable for and/or has otherwise caused or contributed to such loss or damage. For the purposes of this clause, the liability for and/or cause or contribution of any such other person shall be determined by disregarding any limitation, exclusion or restriction of legal liability or any inability to pay or insolvency, even if it means that you cannot recover any compensation from such other person.

2.4 Any action (including any proceedings in a court of law) in connection with this Contract or the Services must be brought within 3 years of the date of the act or omission that is alleged to have given rise to the action.

3. Investment Business Services

3.1 If, during the provision of professional services to you, you need advice on investments, we may have to refer you to someone who is authorised by the Financial Conduct Authority, as we are not. However, as we are licensed by the Institute of Chartered Accountants in Scotland, we may be able to provide certain investment services where these are

complementary to or arise out of the professional services we are providing to you.

4. Responsibility to Third Parties

4.1 We shall provide the Services for your exclusive use and for the purpose for which you engage us, and you agree that you will not disclose our advice or the product of our Services to anyone else without our specific written agreement.

4.2 We do not accept any responsibility to anyone other than you ("third party") for any aspect of our Services, whether because any work of ours is made available to the third party or for any other reason.

4.3 To the extent that the law imposes on us any responsibility to any third party even though we do not accept that, our liability to that third party shall be limited in accordance with the "Limitation of liability" section of the engagement letter. You therefore agree that you will share a single limit of liability as set out in those provisions in the event that we have a liability to you and to a third party.

5. Nature of Our Services

5.1 You acknowledge that we will rely on information and documentation provided to us by you, your management, employees and third parties in the course of our work. We will not be responsible for the consequences of any deficiency in the information or documentation provided to us, whether as a result of it being false, misleading or incomplete. You agree to inform us if you are or become aware of anything inaccurate or misleading in respect of information or documentation provided to us.

5.2 Except as expressly agreed in the description of the Services in the engagement letter, our work will not be an audit as conducted in accordance with applicable auditing standards. Unless expressly agreed, we will not seek to verify the accuracy of the information provided to us in the course of carrying out our Services, and we will not seek to or be responsible for detecting fraud by you or by your management, employees or third parties. We shall satisfy ourselves that the information provided is consistent with other information provided to us, but we will otherwise generally accept the explanation and assurances we receive from the directors, officers and employees of the entity that is the subject of the Services under this Contract or other third parties in the course of our work.

5.3 It may be necessary or desirable to instruct other professional advisers or third party suppliers in connection with the Services, upon whom we may place reliance and/or in conjunction with whom we may carry out our work. You shall be responsible for the appointment of such other professional advisers or suppliers and for their fees and expenses. We shall have no liability for the non-delivery, non-performance or any acts, errors or omissions of such other advisers or suppliers (other than our express agents), regardless of any role that we may perform in relation to communications with such advisers or suppliers.



6. Fees

- 6.1 Our fees are payable upon presentation. You undertake to ensure that you will settle our bills in accordance with our terms of business
- 6.2 Payment of our fees from a bank based outside the UK must be made via transfer to our bankers and must quote our invoice details.
- 6.3 We will claim for relief for any fees falling within the scope of the VAT Regulations 1995 (SI 1995/2518).
- 6.4 Our fees will be payable upon presentation.

7. Non-Payment of Fees

- 7.1 If you fail to pay our fees within 30 days from the date of the invoice, we reserve the right:
 - 7.1.1 to charge monthly interest on the unpaid amount at 5% over the Barclays Bank plc Base Rate in accordance with the Late Payment Legislation;
 - 7.1.2 to suspend the Services and any other work which we are carrying out for you;
 - 7.1.3 to take whatever legal remedy exists in order to obtain payment; and
 - 7.1.4 to claim the cost of debt recovery.

8. Communicating with you

- 8.1 Unless we hear from you, we will use whatever mode of communication appears appropriate in the circumstances, including secure portal solutions, email, letter and phone.
- 8.2 We will not, under any circumstances, send personal data about your employees by email to anyone. All transfers of your employees' personal data will be performed through an encrypted file transfer service such as ShareFile.
- 8.3 All email messages sent to us will, if properly addressed, arrive on the terminal of the person to whom they are addressed. Please be aware of the following points:
 - 8.3.1 the firm is connected to the internet, but the exchange of email messages may be subject to delays outside of our control;
 - 8.3.2 the safe delivery of email via the internet should not be assumed; and
 - 8.3.3 the confidentiality of email cannot be guaranteed.
- 8.4 You and we shall not be responsible for each other's loss or damage arising from any corruption or alteration, or any unauthorised interception, redirection, copying or reading, of emails including any attachments.
- 8.5 You and we shall not be responsible for the effect on each other's hardware or software (or any loss or damage arising from any such effect) of any emails or attachment which may be transmitted by the other.
- 8.6 The recipient is responsible for carrying out a virus check on attachments.

9. Improving Our Service

- 9.1 If at any time you would like to discuss with us how we could improve our service to you or you are dissatisfied with the service you are receiving, please let us know by contacting G A Allan or your client engagement partner/director.
- 9.2 Should our service be less than satisfactory we will take all reasonable steps to correct the situation. We undertake to investigate any complaints carefully and promptly and to report our findings to you.
- 9.3 If you are still dissatisfied, you may take the matter up directly with the Institute of Chartered Accountants in Scotland at:

Investigations Department
ICAS
CA House
21 Haymarket Yards
EDINBURGH
EH12 5BH

10. Professional Rules and Practice Guidelines

- 10.1 We will observe the bye-laws, regulations and ethical guidelines of the Institute of Chartered Accountants in Scotland and accept instructions to act for you on the basis that we will act in accordance with them. The requirements are available on the internet at www.icas.com/governance/charter.
- 10.2 We are eligible to conduct audits under the Companies Act 2006 and details about our audit registration can be viewed at www.auditregister.org.uk, under reference number 4272.
- 10.3 In accordance with the disclosure requirements of the Services Regulations 2009, our professional indemnity insurer is RSA plc & others, c/o Lockton Companies LLP, Pavilion 7, Kingshill Business Park, Westhill, Aberdeenshire, AB32 6FL.
- 10.4 Our Services for you shall not be exclusive, and you agree that this Contract shall not prevent or restrict us from carrying on our business. We reserve the right during our engagement with you to act for other clients who may be competitors of yours or in respect of whom issues of commercial conflict may arise, subject to the Confidentiality section below.
- 10.5 Where a specific legal or ethical conflict of interest, actual or potential, is identified, and we believe that implementing appropriate procedures can properly safeguard your interests, we will promptly notify you and discuss the position with you. Please note that there may be circumstances where we are unable to fully explain all of the aspects of the conflict because of obligations that we owe to other clients or third parties. It may also not be possible to put effective safeguards in place, or you may not be content with the situation, in which case it may be necessary for us to terminate the Contract. You also agree to inform us immediately if you should become aware of, or believe that there may be, a conflict affecting our provision of the Services.



Appendix 1 – Terms of Business (continued)

- 10.6 Our files are periodically reviewed by an independent regulator or quality controller as part of our on-going commitment to providing a quality service. The reviewers are bound by the same rules of confidentiality as our partners and staff.
- 11. Confidentiality**
- 11.1 We confirm that 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 statements relevant to our engagement or for the purpose of notifying insurers concerning any actual or potential dispute relating to the Services.
- 11.2 You agree that we will be complying sufficiently with our duty of confidence if we take steps that we in good faith think fit to keep appropriate information confidential during and after our engagement.
- 11.3 You agree to reimburse any reasonable costs that we may incur in complying with any requirement for disclosure of your information that is imposed on us in any proceedings or regulatory process that does not involve any substantive claim or proceeding against us, provided that we promptly notify you in writing of any such requirement (to the extent we are legally permitted to do so) and that we reasonably cooperate with you in any efforts to protect against such disclosure.
- 11.4 You agree to keep confidential any methodologies and technology used by us to carry out the Services.
- 12. Money Laundering and Countering Tax Evasion**
- 12.1 We have a duty under Section 330 of the Proceeds of Crime Act 2002 to report to the National Crime Agency (NCA) if we know, or have reasonable cause to suspect, that another person is involved in money laundering. Failure on our part to make a report where we have knowledge or reasonable grounds for suspicion would constitute a criminal offence.
- 12.2 We are committed to the prevention and detection of criminal tax evasion and the criminal facilitation of tax evasion and have an obligation under the Criminal Finances Act 2017 ("CFA 2017") to ensure all persons associated with us have reasonable procedures in place to prevent the facilitation of tax evasion.
- 12.3 By signing this engagement letter, you warrant, represent and agree to the undernoted.
- 12.4 You, and your parent or subsidiary companies, affiliates, Associated Persons and any of your shareholders, officers, directors, members, employees, agents, subcontractors and anyone acting on its or their behalf (collectively known as "Associated Persons") are currently in compliance with and shall at all times comply with the CFA 2017. You shall be responsible for the observance of and compliance with the CFA 2017 by your Associated Persons and shall be directly liable to us for any breach by you or your Associated Persons of the CFA 2017.
- 12.5 You have considered the impact of the CFA 2017 on your business, have taken reasonable steps to assess and minimise the occurrence of the facilitation of tax evasion on your business and are committed to the prevention and detection of tax evasion.
- 12.6 An Associated Person includes any individual or body corporate who acts for or on behalf of us including employees, contractors and agents.
- 13. Data Protection**
- 13.1 The information you provide is subject to UK data protection legislation and the EU's General Data Protection Regulation EU 2016/679, together with other laws which relate to privacy and electronic communications.
- 13.2 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 the malpractice to the police or other 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.
- 13.3 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.
- 13.4 You confirm that you have the right to supply personal data to us and this 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), 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.
- 13.5 Neither of us will by our act or omission put the other in breach of the applicable data protection laws.
- 13.6 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 ("Fair Processing Notice") and you will be the contact point for the data subject.



Appendix 1 – Terms of Business (continued)

- 13.7 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.
- 13.8 Where we act as a data processor in relation to your personal data, we will:
- 13.8.1 process personal data:
- 13.8.1.1 for the purpose of performing our services and obligations to you; and
- 13.8.1.2 for such other purposes as may be instructed by or agreed with you or as otherwise notified in writing from time to time; and
- 13.8.1.3 in accordance with the applicable data protection laws;
- 13.8.2 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;
- 13.8.3 not otherwise modify, amend, remove or alter the contents of the personal data or subject to clause 0 above disclose or permit the disclosure of any of the personal data to any third party without your prior written authorisation;
- 13.8.4 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;
- 13.8.5 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;
- 13.8.6 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;
- 13.8.7 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 this clause 13;
- 13.8.8 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);
- 13.8.9 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;
- 13.8.10 assist you should you need to carry out a privacy impact assessment;
- 13.8.11 notify you in the event we become aware without undue delay of any breach of the data protection laws; and
- 13.8.12 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 records, files, tapes, computer systems, for the purposes of reviewing compliance with the data protection laws.
- 13.9 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. We will tell you if, in our opinion, your instructions may breach the applicable data protection laws.
- 13.10 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 this Contract 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. Any amount payable by us under this clause shall form part of, and not be in addition to, the aggregate limit of liability.
- 14. Ownership and Retention of Documents**
- 14.1 All correspondence and papers in our possession or control and generated for our internal purposes (including our working papers) or addressed to us relating to the Services or the subject matter of the Services shall be our sole property.
- 14.2 We retain copyright and other intellectual property rights in everything produced by us before or during the Services.
- 14.3 We will keep correspondence and other papers and electronic data relating to the Contract, for such period as we may consider reasonable or that is required by law, and for at least eight years. After that time, we may destroy them without further reference to you.



15. Termination

15.1 In relation to Services as Auditor under any statutory provisions, you or we may terminate the Contract only in accordance with the provisions of the relevant Act or regulation. In relation to any other Services, you or we may terminate the Contract at any time by giving not less than 90 days' notice in writing. We shall be entitled to payment for any work performed in relation to the Services by us prior to such termination.

16. Miscellaneous

16.1 Neither of us may transfer nor assign this Contract, or any rights or obligations under it, without the prior written consent of the other party.

16.2 Neither of us will be liable to the other for any delay or failure to fulfil obligations caused by circumstances outside our reasonable control.

16.3 This Contract replaces and supersedes any previous proposal, discussion, correspondence, representation or agreement between us in relation to the Services and forms the whole agreement between us in relation to such Services.

16.4 Any variation to the Contract shall only be effective if it is agreed in writing between you and a member in AAB and only if agreed by reference expressly to the specific term to be amended.

16.5 Upon the termination of this Contract, we shall be under no further obligation to perform any part of the Services. However, the provisions of many clauses of these Terms of Business will, by their nature, continue to apply notwithstanding termination.

16.6 Unless we both agree otherwise, these Terms of Business (as amended from time to time) will apply to any future instructions that you may give us.

16.7 If at any time any provision of these Terms of Business or any engagement letter is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, then that shall apply to the minimum extent required and shall not affect or impair the legality, validity or enforceability in that jurisdiction of any other provision of these Terms of Business or any engagement letter.

16.8 In the event that any staff member ceases employment with any Anderson Anderson & Brown entity in order to work for you within a period of one year from the end of their involvement in any provision of services to you, we will make an additional charge under the terms of this engagement letter. The additional charge, which is intended to defray replacement recruitment costs generally, will be 100% of the usual annualised rate of pay of our staff member on termination of employment with us.

17. Applicable Law and Enforcement

17.1 Our Contract with you is governed by, and interpreted, in accordance with the laws of Scotland.

17.2 A person who is not a party to the Contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the terms of the Contract. This clause does not prejudice you in relation to any right or remedy that exists independently of the Act.

17.3 However, clause 17.2 does not apply to members, employees, agents, sub-contractors and others who have the benefit of the exclusion of liability in their favour under clauses 2.2 and 2.3. Accordingly, such persons may enforce that exclusion in their favour under the Contracts (Rights of Third Parties) Act 1999.

17.4 The Courts of Scotland shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning this Contract 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 inconvenient forum, or to claim that those Courts do not have jurisdiction.

17.5 No failure by us to exercise any right or remedy available to us pursuant to the terms in this letter nor any delay to exercise any such right or remedy shall operate as a waiver thereof nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy.

