

EAG TAX ADVISORY SERVICES - TERMS OF ENGAGEMENT

1. Application of these terms

- 1.1 We are EAG Tax Advisory Services Limited (**we, us, our**), a company incorporated and registered in England and Wales (company number 14076481), with our registered office at The Generator Hub, The Gallery, Kings Wharf, Exeter, EX2 4AN. References to “you/your” is a reference to our client, as specified in our engagement letter.
- 1.2 Details of information relevant to us and our business, as required by the Provision of Services Regulations 2009 (SI 2009/2999), can be found in our engagement letter and on our website.
- 1.3 These terms, together with our engagement letter to you, form our agreement with you to provide professional advisory services. These terms apply to each piece of work we do for you. If there is a conflict between these terms and our engagement letter, these terms will prevail, unless the engagement letter expressly overrides them.
- 1.4 These terms will apply to any recurring or additional services we agree to provide to you, whether or not subject of a written engagement letter.
- 1.5 These terms apply to the exclusion of any other terms that you may seek to impose or which may otherwise be implied by course of dealing.
- 1.6 These terms and our engagement by you does not constitute an exclusive relationship and you agree that we are free to provide the same or similar services to any third parties, subject to any professional or industry rules to which we may be bound.

2. Changes to the terms of our engagement

- 2.1 We may change these terms from time to time in response to legal, regulatory and technological changes, and/or to reflect any changes to our services. If we do so, we will issue the updated terms together with a new engagement letter or otherwise notify you of the changes in writing.
- 2.2 We may increase our charge-out rates from time to time (typically no more than once per annum). If we do so, we'll notify you and you can contact us to terminate our instructions before the changes take effect, subject to payment of any work completed or in progress.

3. Our services

- 3.1 The scope of our services is as set out in our engagement letter. We agree to provide such services with all due care and skill and in accordance with all applicable laws, regulations and professional or industry codes.
- 3.2 When dealing with HMRC on your behalf we are required to be honest and to take reasonable care to ensure that your returns are correct. To enable us to do this, you are required to be honest with us and to provide us with all necessary information in a timely

manner. For more information about ‘Your Charter’ for your dealings with HMRC, see <https://www.gov.uk/government/publications/hmrc-charter>.

- 3.3 Our advice is intended solely for you. We do not accept or assume responsibility to anyone other than the client(s) identified in our engagement letter. Unless we agree otherwise in writing, you must not share our advice with anyone else. If, arising out of our retainer with you, a third party makes a claim against us or we are joined in any legal proceedings, you agree to indemnify us against any loss or damage (including all reasonable costs and expenses) which we may suffer as a result unless the losses arise from our professional negligence, breach of contract or breach of duty to you.
- 3.4 In the course of our providing services to you we may provide advice or reports or other work products in draft or interim form, or orally. However, final written work products will always prevail over any draft, interim or oral statements. Where you request it, we will provide you with written confirmation of matters stated orally. Advice is valid as at the date it was given.
- 3.5 Where requested by you, we may introduce you to third parties (such as valuation specialists and other types of tax specialists) to provide services to you. Where appropriate we may agree to instruct these third parties as your agent. Regardless of how the third parties are instructed, you are responsible for the sums charged by third parties and their services are provided to you on their terms. We are not responsible for the services the third parties provide.
- 3.6 If our services to you are delayed by an event outside our reasonable control, we will contact you as soon as possible to let you know and do what we can to reduce the delay. We won't be liable for or compensate you for the delay in these circumstances, but you have rights to terminate your instructions in accordance with these terms.

4. Service exclusions

- 4.1 We only advise on matters within the scope of our instructions, as set out in our engagement letter. Without prejudice to the specific exclusions in our engagement letter, we will not be responsible for providing any other services, or advising on any other matters, except as expressly agreed in writing between us.
- 4.1 We are not authorised by the Financial Conduct Authority to conduct investment business or other financial services. If you require regulated investment or other financial services we will aim to refer you to a firm authorised by the Financial Conduct Authority. In addition, we will not advise you on:

EAG TAX ADVISORY SERVICES - TERMS OF ENGAGEMENT

- (a) any financial or tax matters otherwise than those specified in the engagement letter, or on your wider tax or financial interests;
 - (b) jurisdictions outside of England and Wales; or
 - (c) legal, accounting and/or commercial matters, even if a relevant issue arises during the course of our work together.
- 4.2 Unless agreed specifically in a separate engagement letter, we are not responsible for foreign tax compliance, including but not limited to compliance with the Foreign Account Tax Compliance Act or International Tax Compliance (United States of America) Regulations 2013.
- 5. Client obligations**
- 5.1 You agree to:
- (a) provide us with clear, timely and consistent instructions, and respond fully, frankly and quickly to our requests for information and co-operate with us and those we instruct on your behalf;
 - (b) comply with any client dependencies set out in the engagement letter and provide the input materials, information and/or access to documents, materials, systems and/or personnel required by us for the proper performance of our services;
 - (c) ensure that all documents, materials, information and instructions you give us are full and accurate, to the best of your knowledge and belief. We don't verify the information you give us, unless we have expressly agreed to do so;
 - (d) comply with all applicable laws and regulations in connection with the performance of this engagement;
 - (e) not engage in any fraudulent, illicit or unlawful activity or practice, or instruct us in connection with any of the same;
 - (f) tell us promptly if your contact details, or details relevant to our relationship with you and/or the performance of our services, change;
 - (g) respect our regulatory restrictions and any legal or professional duties that we inform you apply to our services or otherwise limit what we can do for you; and
 - (h) contact us by telephone to verify any change of our payment details with us if received by email, even if it appears to come from our firm.
- 6. Our communications with you**
- 6.1 For convenience and speed, we will correspond with you by email and rely on communications coming from your email account. However, email is inherently insecure. We are not responsible for loss or damage caused by email use, provided we have taken reasonable security measures, including against viruses or similar harmful items.
- 6.2 Our filtering software may prevent us receiving emails from you or third parties in connection with our engagement with you and we are not responsible to you for losses resulting from this. Please contact us if you wish to verify receipt of an email by us.
- 6.3 Our normal business hours are between 9.00 am and 5.00 pm Monday to Friday, except for bank holidays. Our staff may sometimes respond to communications and work outside of our normal business hours, but this is at our discretion and we ask you to respect that there will be times when we are not available.
- 6.4 We may give advice and information to, and act on instructions from, any of the individuals to whom our engagement letter is addressed without the need to copy such advice to, or to confirm such instructions with, the other(s). You can let us know in writing that we are authorised to deal with someone else on your behalf in this way. For organisations, we can ask for a formal resolution confirming who can instruct us.
- 7. Our fees, disbursements and expenses**
- 7.1 Our fees for our services are calculated either on the basis of time spent or on a fixed, capped basis and may be staged, as set out in our engagement letter.
- 7.2 If our fees are calculated on a time spent basis:
- (a) we will record the time spent on the performance of our services. We record time in six-minute units and charge it at the hourly rate for the person doing the work;
 - (b) we may increase our rates if your instructions change, for example if the services we are performing become more urgent, your instructions require the services of a more senior member of staff, or you wish to share our advice with third parties. We will give you advance notice of any increases;
 - (c) any estimate of the total charges (fees, disbursements and expenses) for performance of our services or reaching a certain stage are not binding. We may update estimates during the course of the services and you agree to pay all of our charges even if they exceed any estimate.
- 7.3 If we have agreed a fixed or capped fee with you:
- (a) if the assumptions on which the fixed or capped fee are based (as set out in our engagement letter) prove incorrect we may increase our fixed or capped fee or switch to charging you on a time-spent basis. If we switch to charging on a time-spent basis, we will provide you with an estimate of our fees to complete the work; and

EAG TAX ADVISORY SERVICES - TERMS OF ENGAGEMENT

- (b) if you terminate our instructions (other than because we are at fault) we can charge you the full fixed fee unless you are an individual who is not instructing us in connection with your business (a consumer) in which case we will charge you on a time spent basis for the work we have done prior to termination, if this is less.
- 7.4 All hourly rates, estimates, fixed, capped or staged fees we quote to you are exclusive of the following, which you agree to pay in addition:
- (a) **Disbursements.** We may instruct third parties to provide services to you. You will be responsible for associated charges and costs (disbursements). Your engagement letter will include an estimate of any disbursements;
- (b) **Expenses.** In addition to our fees, we charge you our expenses which may include the costs of travel, document production (scanning, photocopying, binding), payment transfers, and support staff overtime; and
- (c) **VAT.** VAT on our fees and, where applicable, on disbursements and expenses, unless expressly stated otherwise.
- 7.5 We may hold some money from you as security against non-payment of our charges (fees, disbursements and expenses). We can require you to pay an appropriate amount on account before we start work and to top it up from time to time.
- 8. Our invoices and payment terms**
- 8.1 Unless a specific invoicing schedule is specified in our engagement letter, we may invoice you at regular intervals and/or on completion of the relevant services.
- 8.2 We may invoice you for disbursements and expenses for any period at any time, even after we have invoiced our fees for that period.
- 8.3 Our invoices are payable within thirty (30) days of issue. We charge interest on unpaid bills at a rate of 8% above the Bank of England's base rate. Interest will begin to run before securing judgment.
- 8.4 If we are instructed by more than one person, then we can require any of those persons to pay our invoices in full (joint and several liability).
- 9. Limitations on liability**
- 9.1 Nothing in these terms limits or excludes any liability which cannot legally be limited or excluded, including without limitation liability for (i) death or personal injury caused by negligence, or (ii) fraud or fraudulent misrepresentation.
- 9.2 **Exclusion of indirect and consequential loss (business customers only).** Subject to clause 9.1, if you are a business or acting in a professional or business capacity, we will not be liable to you, whether in contract, tort (including negligence), for breach of statutory duty or otherwise, arising under or in connection with this agreement for any indirect or consequential loss.
- 9.3 Subject to clause 9.1, we will not be liable to you, whether in contract, tort (including negligence), for breach of statutory duty or otherwise, arising under or in connection with this agreement for any loss arising as a result of:
- (a) our complying with our legal and regulatory duties, such as delays or disclosures arising in the context of compliance with anti-money laundering or financial crime legislation;
- (b) errors or defects in third party services instructed by us on your behalf or used by us in the provision of services to you, provided we use reasonable skill and care in selecting and appointing those third parties (see paragraph 3.4);
- (c) circumstances beyond our reasonable control (see paragraph 3.6); or
- (d) loss or damage caused by email use, provided we have taken reasonable security measures (see clause 6.1).
- 9.4 Unless otherwise specified in our engagement letter, and subject to the foregoing provisions of this clause 9, our aggregate liability to you shall be limited to the lower of (i) £500,000; or (ii) an amount equal to 250% of the fees paid by you to us in connection with the services. This limitation will apply whether the liability arises in contract, tort (including negligence), for breach of statutory duty or otherwise and whether it arises under or in connection with this agreement.
- 9.5 Services are provided by our staff for and on behalf of our company. Our staff do not assume any personal responsibility to our clients in relation to work carried out under these terms and any personal liability of any member of staff is therefore excluded.
- 10. Insurance**
- We have and shall maintain in place professional indemnity liability insurance and any other insurance coverage required by law. We will provide details of our insurer on your request.
- 11. How you and we can terminate our agreement**
- 11.1 You may terminate your instructions to us at any time by telling us in writing. We can also stop acting for you, if we have reasonable grounds to do so, for example because you have broken our agreement by not giving us timely instructions or paying our invoices on time. We can also stop acting for you if we discover a conflict of interest, if to proceed would otherwise be contrary to legal or regulatory duties, or if you experience an insolvency event. We will write to you explaining our decision, giving you as much notice as reasonably possible.

EAG TAX ADVISORY SERVICES - TERMS OF ENGAGEMENT

- 11.2 If you terminate your instructions or we stop acting for you, you must pay our charges (fees, disbursements and expenses) incurred up to the point of termination, as well as any charges we incur after termination, for example in transferring your information and/or documents to another adviser.
- 11.3 In the event of the termination of an ongoing service engagement, we will normally issue a disengagement letter to ensure that our respective responsibilities are clear. In any event, on termination, we will comply with our professional clearance obligations.
- 12. Intellectual property rights**
- We retain all intellectual property rights in the advice which we provide and the documents which we prepare during the course of our engagement. We permit you to make use of such work to the extent necessary to receive the benefit of our services, and for your own internal business or personal (as applicable) use only.
- 13. Complaints and concerns**
- We hope that you are happy with the service we provide. If at any stage you have concerns or wish to make a complaint, please inform us immediately about the nature of your concern.
- 14. Confidentiality**
- 14.1 We will keep confidential information we obtain through our services confidential but we reserve the right to use and disclose it to:
- (a) deliver those services, which may include storing confidential information on our computers, in our email and in the cloud, and disclosing it to other tax or accounting professionals engaged on your behalf;
 - (b) comply with the law, including by performing conflicts of interest checks for new cases against a list of current and former clients, reporting suspicious activity to the National Crime Agency if we suspect money laundering and responding to freedom of information requests; and
 - (c) comply with requests by regulators and other competent authorities.
- 15. Data protection and records**
- 15.1 We will process your personal data in accordance with our privacy notice, a copy of which is provided together with our engagement letter.
- 15.2 As a client we may in the future send you a newsletter or similar. We find that most clients find this helpful. We rely on the legitimate interest we have in maintaining contact with former clients to do this. We will make it quick and easy for you to opt out of future communications in every communication we send.
- 15.3 You have a legal responsibility to retain documents and records relevant to your financial affairs. Documents and records relevant to your tax affairs are required by law to be retained as follows:
- (a) **Individuals, trustees and partnerships:** five years and 10 months after the end of the tax year for records with trading or rental income and 22 months after the end of the tax year for any other records;
 - (b) **Companies, LLPs and other corporate entities:** six years from the end of the accounting period.
- 15.4 We will return original documents to you (or your nominated adviser) at the end of our engagement, unless we both agree that original documents should be retained by us for a longer period of time. We reserve the right to destroy non-original material following termination of our engagement in accordance with our normal retention, archiving and deletion procedures.
- 16. Anti-money laundering and financial crime procedures**
- 16.1 As a professional service firm, we must comply with legal and regulatory requirements aimed at preventing crime. You agree to co-operate with us in order to verify your identity, your business structure, organisation history and sources of income and other matters relevant to discharging our legal and professional duties in this respect. Save in exceptional circumstances, we cannot commence performance of our services until such requirements have been met. We may also check your credit rating.
- 16.2 If we have to report information about you or your affairs to the National Crime Agency or any other regulatory agency we may be prevented by law from informing you of this fact. If this happens we can stop working for you and withhold any money we hold for you without notice or explanation to you, until the issue is resolved.
- 16.3 If you undertake business that requires you to be supervised by an appropriate supervisory authority to follow anti-money laundering regulations, you should inform us.
- 17. Other important terms**
- 17.1 This legal agreement is between you and us. Unless otherwise specified in our engagement letter, no third party has rights under it or can enforce it.
- 17.2 If a court or other authority decides that some of these terms are unlawful, the rest will continue to apply.
- 17.3 These terms are governed by English law and you can bring claims against us in the English courts. If you act as a consumer and live in Scotland, you can bring claims in either the Scottish or the English courts. If you act as a consumer and live in Northern Ireland, you can bring claims in either the Northern Irish or the English courts.