

Standard Terms of Business

The following Standard Terms of Business apply to all engagements accepted by Parry Hancock. All work carried out is subject to these terms except where changes are expressly agreed in writing.

These Standard Terms of Business are applicable to all types of entities (e.g. companies, LLPs, charities, friendly societies, academies, pension schemes, etc.). Any reference therefore to 'director' or 'company' should be interpreted as appropriate for the entity type (e.g. partner, trustee, governor, charity, LLP, etc.).

1 Professional Obligations

- 1.1 As required by the Provision of Services Regulations 2009 (SI 2009/2999), details of the firm's professional registrations, including audit registration and non-contentious probate authorisation where applicable, can be found on our website at www.parryhancock.co.uk/our-services/professional-obligations.
- 1.2 We will observe and act in accordance with the bye-laws and regulations of the Institute of Chartered Accountants in England and Wales, together with their code of ethics. We accept instructions to act for you on this basis. In particular, you give us authority to correct errors made by HM Revenue and Customs (HMRC) where we become aware of them. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations.

Professional Indemnity Insurance

- 1.3 In accordance with the disclosure requirements of the Provision of Services Regulations 2009, details of our professional indemnity insurer are provided on our website at www.parryhancock.co.uk/our-services/professional-obligations.

2 Investment Services

- 2.1 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.

3 Commissions or Other Benefits

- 3.1 It is not our policy to enter into any arrangements whereby commissions or other benefits may become payable to us.

4 Client Monies

- 4.1 We may, from time to time, hold money on your behalf. Such money will be held in trust in a client bank account, which is segregated from the firm's funds. The account will be operated, and all funds dealt with, in accordance with the Clients' Money Regulations of our professional body – the Institute of Chartered Accountants in England and Wales.
- 4.2 In order to avoid an excessive amount of administration, interest will only be paid to you where 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 Lloyds Bank for small deposits, subject to the minimum period of notice for withdrawals. Subject to any tax legislation, interest will be paid gross.
- 4.3 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.

- 4.4 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 five years and we have taken reasonable steps to trace you and return the monies.

5 Fees

- 5.1 Our fees are computed on the basis of time spent on your affairs by the partners and our staff, and on the levels of skill and responsibility involved. Disbursements represent travel, accommodation and other expenses incurred in dealing with your affairs.
- 5.2 If it is necessary to carry out work outside the responsibilities agreed with you for each service, we will advise you in advance. Any additional work 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.
- 5.3 Invoices are payable in full (including disbursements) in accordance with the terms set out on the invoice (normally seven days). If you do not accept that an invoiced fee is fair and reasonable, you must notify us within seven days of receipt, failing which, you will be deemed to have accepted that payment is due.
- 5.4 It is our normal practice to request that clients make arrangements to pay a proportion of their fee on a monthly Standing Order (see Section 29 for more details of our Monthly Payment Scheme). 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.
- 5.5 Our terms relating to payment of amounts invoiced (fees and disbursements) and not covered by Standing Orders, where appropriate, are strictly seven days net. Interest will be charged on all overdue debts at the rate of 2% per month compound (APR 26.82%). We also reserve the right to terminate our engagement and cease acting if payment of any fees billed is unduly delayed.
- 5.6 In the event that this firm ceases to act in relation to your affairs, you agree to meet all reasonable costs of providing information to your new advisors. In particular, you agree to meet these costs where we are required, by law, to provide information to a successor firm. You also agree to pay the postage cost plus an admin fee of £25 plus VAT when you request us to return records to you by post if you do not wish to pick them up from our office.
- 5.7 For companies, 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.
- 5.8 Insofar as we are permitted to do so by law or by professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.
- 5.9 See Section 29 below for more details of the two different schemes under which you can pay by monthly instalments: a) our Monthly Payment Scheme, and b) Fixed Agreed Monthly All-Inclusive Fees.

6 Retention of Papers

6.1 You have a legal responsibility to retain documents and records relevant to your financial affairs. During the course of our work, we may collect information from you and others relevant to your tax and financial affairs. We will return all original documents to you. Documents and records relevant to your tax affairs are required by law to be retained as follows:

Individuals, Trustees and Partnerships:

- with trading or rental income: five years and ten months after the end of the tax year;
- otherwise: 22 months after the end of the tax year.

Companies, Limited Liability Partnerships, and Other Corporate Entities:

- six years from the end of the accounting period.

6.2 Although certain documents may legally belong to you, we may destroy correspondence and other papers that we store electronically or otherwise that are more than seven years old, except documents we think may be of continuing significance. You must notify us in writing if you wish us to keep any document for a longer period.

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, subject to Section 8 below. We confirm that we will notify you immediately should we become aware of any conflict of interest involving us and affecting you unless we are unable to do so because of our confidentiality obligations. 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 During and after our engagement, you agree that we reserve the right to act for other clients whose interests are or may compete with or be adverse to yours, subject, of course, to our obligations of confidentiality and the safeguards set out in the paragraph on confidentiality below.

8 Confidentiality

8.1 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.

8.2 You agree that, if we act for other clients who are or who become your competitors, to comply with our duty of confidentiality, it will be sufficient for us to take such steps as we think appropriate to preserve the confidentiality of information given to us by you, both during and after this engagement. These may include taking the same or similar steps as we take in respect of the confidentiality of our own information.

8.3 In addition, if we act for other clients whose interests are or may be adverse to yours, we will manage the conflict by implementing additional safeguards to preserve confidentiality. Safeguards may include measures such as separate teams, physical separation of teams, and separate arrangements for storage of, and access to, information.

8.4 You agree that the effective implementation of such steps or safeguards as described above will provide adequate measures to avoid any real risk of confidentiality being impaired.

8.5 We may, on occasion, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality terms.

- 8.6 If we use external or cloud-based systems, we will ensure confidentiality of your information is maintained.
- 8.7 We will never mention that you are a client for the purpose of promotional activity, training, or other purposes.

9 Quality Control

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

Dealing with HM Revenue & Customs (HMRC)

- 9.2 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 www.hmrc.gov.uk/charter/index.htm. To the best of our abilities, we will ensure that HMRC meet their side of the Charter in their dealings with you.
- 9.3 We will take account of the steps and checks suggested by HMRC in their 'Agent Toolkits'. While use of the Toolkits is voluntary, we will ensure that our quality control procedures match or enhance the suggestions in the Toolkits so that, in the unlikely event that HMRC consider any of your tax returns with which we assist to be inaccurate, we will be able to help you demonstrate to HMRC that reasonable care has been taken in the preparation of the return, thereby significantly reducing the possibility of an inaccuracy penalty being imposed. To further reduce the possibility of an inaccuracy penalty, you will remain responsible for maintaining good-quality supporting records for each return, providing us with all relevant information and explanations, and acting on any advice that we give you.

10 Help Us to Give You the Right Service

- 10.1 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 David Hancock on 01489 885772.
- 10.2 We undertake to look into any complaint carefully and promptly and to 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 Institute of Chartered Accountants in England & Wales.
- 10.3 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.

11 Applicable Law

- 11.1 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.
- 11.2 If any provision in this Standard 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.

12 Changes in the Law, in Practice or in Public Policy

- 12.1 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 light of any change in the law, public policy or your circumstances.
- 12.2 We will accept no liability for losses arising from changes in the law or the interpretation thereof, practice, or public policy that are first published after the date on which the advice is given to the fullest extent permitted by applicable law.

13 Internet Communication

- 13.1 Unless you instruct us otherwise, we may, where appropriate, communicate with you and with third parties via email or by other electronic means. However, 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 email 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 email is not an acceptable means of communication. We will never change our bank details without confirming this to you by posted letter. Any emailed or telephoned communications appearing to be from us which are not confirmed by post are fake and we accept no liability for any loss caused to you through accepting such communications as genuine. Similarly, always give us by hand or by post (as well as by email) details of your bank account.
- 13.2 It is the responsibility of the recipient to carry out a virus check on any attachments received.

14 Data Protection

- 14.1 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/your business/company/partnership/its officers and employees, and shareholders ('personal data').

Data Controller and Data Processor

- 14.2 In the course of providing services to you and processing personal data, we may disclose personal data to other firms in our network, a regulatory body or a third party. We may export personal data you supply to us outside the EU/EEA/UK if necessary (subject to your prior written consent, which will not be unreasonably withheld where we are a processor). We will ensure all such data disclosure/export is compliant with relevant data protection legislation in the EU/EEA/UK and will use our reasonable endeavours to ensure that any agreement entered into with sub-processors include similar terms to those set out in this clause 14. Where cloud-based services are to be used you may be subject to our cloud services terms and conditions, and cloud storage may be outside the EU/EEA/UK.
- 14.3 We confirm we have adequate security measures in place to protect personal data provided to us, including administrative, physical and technical safeguards.
- 14.4 We will notify you within ten working days if an individual asks for copies of their personal data, makes a complaint about the processing of personal data or serves a notice from a relevant data protection authority where this relates to you. You and we will consult and cooperate with each other when responding to any such request, complaint or notice. If an individual whose data you have supplied to us or which we are processing on your behalf asks us to remove or cease processing that data, we shall be entitled to do so where required by law.
- 14.5 We will answer your reasonable enquiries to enable you to monitor compliance with this clause.

Data Controller

- 14.6 We confirm that we are each considered an independent data controller in relation to personal data and that we will each comply with the relevant provisions of applicable data protection legislation.
- 14.7 You will also ensure that any disclosure of personal data to us complies with such legislation. If you supply us with any personal data or confidential information, you shall ensure you have a lawful basis to pass it to us and will fully indemnify and hold us harmless if you do not have such a basis and that causes us loss. If you are supplying us with personal data on the basis of a power of attorney for anyone, you must produce to us an original or certified power of attorney on demand. You must ensure you have provided the necessary information to the relevant data subjects regarding its use. You may refer to our privacy notice at the web address shown in **Key Facts** for this purpose.

Data Processor

- 14.8 Applicable data protection legislation places express obligations on you as a data controller where we as a data processor undertake the processing of personal data on your behalf. An example would be where we operate a payroll service for you. We therefore confirm that we will, at all times, use our reasonable endeavours to comply with the requirements of applicable EU/EEA/UK data protection legislation when processing data on your behalf. In particular, we confirm that we will aim to comply with any obligations equivalent to those placed on you as a data controller. You will also comply with applicable data protection legislation, including but not restricted to, ensuring that you have all appropriate consents and notices or another lawful basis in place to enable the lawful transfer of personal data to us. You will fully indemnify and hold us harmless if you do not have a lawful basis and that causes us loss.
- 14.9 **Schedule 1** forms part of this engagement letter and sets out the subject matter and duration of the processing, the nature and purpose of the processing, the type of personal data and the categories of data subjects.

14.10 As the data processor we shall:

- process personal data only on written instruction from you;
- restrict data access to authorised personnel only, and who are bound by confidentiality;
- disclose the personal data to courts, government agencies and other third parties as and to the extent required by law;
- maintain a written record of all categories of personal data processing carried out on your behalf, including details of transfers of personal data outside of the EU/EEA/UK and a general description of the technical and organisational security measures in place in relation to personal data; and
- delete or return all personal data to you at the completion of our engagement requiring personal data processing, subject to legal requirements to retain data.

15 Limitation of Third-Party Rights

15.1 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.

15.2 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, unless we have expressly agreed in writing that a specified third party may rely on our work. We will accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, your spouse nor any family member of yours or your employer, for any aspect of our professional services or work that is made available to them.

16 Client Identification

16.1 In common with other professional services firms, we are required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2017 to:

- maintain identification procedures for clients, beneficial owners of clients, and persons purporting to act on behalf of clients;
- maintain records of identification evidence and the work undertaken for the client; and
- report, in accordance with the relevant legislation and regulations.

We have a statutory obligation under the above legislation to report to the National Crime Agency (NCA) any reasonable knowledge or suspicion of money laundering. Any such report must be made in the strictest confidence. In fulfilment of our legal obligations, neither the firm's partners nor staff may enter into any correspondence or discussions with you regarding such matters.

16.2 If we are not able to obtain satisfactory evidence of your identity and, where applicable, that of the beneficial owners, we will not be able to proceed with the engagement. It is our policy to meet all new clients in person before acting.

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

- 17.1 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 (HMRC).
- 17.2 However, if requested to do so, we can provide advice on the completion of the forms supplied by Financial Institutions under these Regulations, or under Common Reporting Standards, and used by them to determine the status of an entity. We can also provide advice on setting up the appropriate systems to identify and report on your clients or beneficiaries who are foreign citizens affected by FATCA or Common Reporting Standards.

18 General Limitation of Liability

- 18.1 We will provide our services with reasonable care and skill. Our liability to you is limited to losses, damages, costs and expenses caused by our negligence or wilful default. 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. Further, we will not be liable to you for any delay or failure to perform our obligations if the delay or failure is caused by circumstances outside our reasonable control. Subject to clause 18.5 below, our liability to you shall be limited as set out in our engagement or other client letter.
- 18.2 You will not hold us, our partners and staff, 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. This applies equally to fraudulent acts, misrepresentation or wilful default on the part of any party to the transaction and their directors, officers, employees, agents or advisers. However, this exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures which we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry.
- 18.3 You agree that you will not bring any claim in connection with services we provide to you against any of our partners or employees personally.
- 18.4 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. You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure by you or by any person for whom you are responsible of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including payment at our usual rates for the time that we spend in defending it and our legal fees on an indemnity basis.
- 18.5 Nothing in this agreement shall exclude or limit our liability for death or personal injury caused by negligence nor for fraudulent misrepresentation or other fraud which may not as a matter of applicable law be excluded or limited.

19 Intellectual Property Rights and Use of Our Name

- 19.1 We will retain all intellectual property rights in any document prepared by us during the course of carrying out the engagement, except where the law specifically states otherwise. You may only use such rights to the extent we agreed when engaged to provide services to you and may not resell or sublicense such rights without our further prior consent.
- 19.2 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.

20 Draft/Interim Work or Oral Advice

- 20.1 In the course of our providing services to you, we may provide advice or reports or other work products in draft or interim form, 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.

21 Interpretation

- 21.1 If any provision of our engagement letter or terms of business is held to be void for whatever reason, then that provision will be deemed not to form part of this contract and no other provisions will be affected or impaired in any way. In the event of any conflict between these terms of business and the engagement letter or appendices, the relevant provision in the engagement letter or schedules will take precedence.

22 Internal Disputes Within a Client

- 22.1 If we become aware of a dispute between the parties who own the business, or who are in some way involved in its ownership and management, it should be noted that our client is the business (unless we have agreed otherwise) and we would not provide information or services to one party without the express knowledge and permission of all parties. Unless otherwise agreed by all parties, we will continue to supply information to the registered office/normal place of business for the attention of the directors/proprietors. If conflicting advice, information or instructions are received from different directors/principals in the business, we will refer the matter back to the board of directors/the partnership and take no further action until the board/partnership has agreed the action to be taken. In certain cases, we reserve the right to cease acting for the business/client entirely.

23 Disengagement

- 23.1 If we resign or are asked to resign, we will normally issue a disengagement letter to ensure that our respective responsibilities are clear.

24 Probate Services

- 24.1 As we are authorised for the reserved legal activity of non-contentious probate, in the unlikely event that we cannot meet our liabilities to you, you may be able to seek a grant from ICAEW's Probate Compensation Scheme. Generally, applications for a grant must be made to ICAEW within 12 months of the time you become aware, or reasonably ought to have been aware of the loss. Further information about the scheme and the circumstances in which grants may be made is available on ICAEW's website: www.icaew.com/probate.

- 24.2 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 David Hancock. We will consider carefully any complaint that you may make about our probate 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.
- 24.3 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 – the Institute of Chartered Accountants in England and Wales, 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:
- Letter: Legal Ombudsman, PO Box 6806, Wolverhampton WV1 9WJ
Email: enquiries@legalombudsman.org.uk
Telephone: 0300 555 0333

25 References, Including Mortgage References

- 25.1 Our policy towards Mortgage References is to deal with these within three working days of the formal request arriving at our office from the lender.
- 25.2 You agree to inform us in writing when you start negotiating a house transaction which might require a Mortgage Reference from us as your Accountants. Mortgage References can only be approved and signed by Mr David Hancock or Mrs Lucy Parry. Therefore, these cannot be dealt with while the partners are out of the office. If we are notified of the need for a Mortgage Reference at the last minute, during the closing stages of a house transaction, and it happens that the partners are out of the office, then your transaction may be delayed if the Accountant's Reference is critical to the lender. You therefore agree to let us know, as soon as you are aware, that a Mortgage Reference might be required, so that suitable arrangements can be made if the Completion Date is likely to clash with the partners' holiday dates. This principle also applies to other types of reference which only the partners can sign.
- 25.3 Our policy is to make a standard charge of £75 plus VAT for providing straightforward Mortgage References. However, we are finding that lenders' requirements are rarely straightforward and, therefore, we are likely to charge a fee in the range £75 - £175 plus VAT as a contribution towards our costs for anything other than a simple case. These higher charges would apply, for example, for a director/shareholder of a limited company (even if the company is small) where the taxable earnings of the director are derived from a combination of salary, dividends and benefits, which very often cannot simply be entered on the lender's standard form requesting a reference. For higher earners with even more complex taxation affairs involving multiple sources of income, we reserve the right to charge a fee greater than £175 plus VAT so that we can recover our costs at commercial charge-out rates. You agree that the act of charging a fee for this service in no way places us under any liability to you regarding your ability to repay the loan, which is a matter solely between you and the lender. In all cases, we will simply provide historical earnings data from our files on a factual basis. We will not provide projections of earnings without separate instructions, including a separate engagement letter. This requirement will mean that we will need a great deal of additional information from you and the additional work will increase our fee still further.
- 25.4 We do not provide references in respect of gun licences.

26 Postage on Correspondence Sent to Our Office

- 26.1 Royal Mail postal rates are based on a combination of size, thickness and weight of the letter/parcel. We find that clients occasionally send us correspondence where the postage is underpaid. We then receive a note from Royal Mail that a parcel is available for collection and the additional postage, plus a 'handling fee', has to be paid by us. Because correspondence from clients is often time-critical, our policy is to pay the excess postage and obtain the letter/parcel from the local Royal Mail office. You agree that if we ever have to do this for any underpaid post sent to us by you, then we can charge you with the additional postage cost plus an admin fee of £25 plus VAT to cover our costs for the time and expenses incurred.

27 Additional Fees

- 27.1 Our engagement letter specifies the date by which relevant information should be supplied to us. If you do not supply the information by the agreed date, we will endeavour to help you meet relevant deadlines but cannot be held responsible for the consequences of any failure to meet deadlines. In order to help you meet deadlines, we may need to work unsociable hours, as well as rush our work and deal with matters arising whilst under time pressure. To compensate us for having to work in this manner, we will charge a higher level of fee than that quoted. If you do not supply the information by the agreed date, you agree that our fee will be 10% higher than quoted. If you supply the information so late that there are less than 60 calendar days until the relevant deadline when you submit the information to our office, then you agree that our fee will be 20% higher than quoted. If you supply the information so late that there are less than 30 calendar days until the relevant deadline, you agree that our fee will be 50% higher than quoted.
- 27.2 You agree that our fees will be 20% higher than quoted in the following circumstances (all of which involve us in additional, unplanned work):
- i) Failure to answer all the questions, or provide the requested information, on any checklists which we may ask you to complete (including our Tax Return Checklist);
 - ii) Failure to sign and date our Tax Return Checklist (in which case we will send the Checklist back to you so that you can sign, date and return it);
 - iii) You are a company director and you allow your director's current account to become overdrawn (i.e. withdrawing more funds from the company than it can afford).
- 27.3 You agree that we will invoice you for an administration charge of £50 plus VAT if your fee account becomes 90 days old for whatever reason. In the event that your account is in arrears, we will provide you with monthly statements showing the makeup of your fee account, including any interest charges that become payable under these Standard Terms. We will also work with you to agree a payment plan if you are having difficulties making payment in full. You agree that we will make further administration charges of £50 plus VAT every 90 days until such time as your overdue fee account is paid in full.

28 Payment of Fees by Standing Order

- 28.1 **Monthly Payment Scheme:** Any client can join our Monthly Payment Scheme and details of this can be viewed on our website. You will be provided with written details, together with a recommended amount to pay by monthly Standing Order. If you decide to join our Monthly Payment Scheme, you agree that the monthly payments by Standing Order represent payments-on-account, which build up for offset against your annual fee. You acknowledge that such cumulative monthly payments will not equate to the amount of work done at any particular date. For the avoidance of doubt, what this means in practical terms is that, in the event of the termination of our engagement, either we will owe you an amount for payments in excess of work done, or you will owe Parry Hancock an amount for work done in excess of payments made.

28.2 **Fixed Agreed Monthly All-Inclusive Fee:** We offer certain clients the option of a Fixed All-Inclusive Monthly Fee, payable by Standing Order. In contrast to the Monthly Payment Scheme, this monthly payment represents the total fee obligation for all agreed services, irrespective of the stage of the annual or quarterly cycle of work. The Fixed All-Inclusive Monthly Fee payments are non-returnable. This arrangement is subject to one month's notice by either party. You agree that our engagement would cease immediately in the event of the cessation of the monthly Standing Order payment. This could be an important consideration if, for example, we were close to finalising a significant piece of work, such as the preparation of your annual accounts, as these monthly payments are non-returnable.

29 Website Registration

29.1 By registering on our website, you will have access to our 'Client Only' area which provides you with significant tax and business planning information. You will also receive a fortnightly email newsletter which sends you reminders of important deadlines. By agreeing to our Standard Terms, you authorise us to register you on our website on your behalf. If you would prefer not to receive the fortnightly email newsletter, you can unsubscribe from this by clicking on the 'Unsubscribe' link at the bottom of the email.

Schedule 1: Data Processor – Additional Information

1. Introduction

- 1.1. This schedule accompanies our Standard Terms of Business and details supplementary information which, in accordance with applicable data protection legislation, must be included in a written contract if the firm is acting as a data processor.

2. Subject Matter of the Processing

- 2.1. The subject matter of the processing are the services to be provided, as set out in this engagement letter.

3. Duration of the Processing/Retention of Records

- 3.1. The duration of the processing will be for as long as we are engaged as your advisor. We destroy client files at least six years after we finish advising you but reserve the right to retain files longer in appropriate cases or where the law requires.

4. Nature and Purpose of the Processing

- 4.1. The nature and purpose of the data processing is dependent on the nature of the services we are providing. The most common reason for processing data will be the provision of payroll services. We will detail anything other than this in the **Key Facts**, if relevant.

5. Types of Personal Data to be Processed

- 5.1. **Personal data:** names, addresses, dates of birth, email addresses, National Insurance numbers, tax references.
- 5.2. **Special personal data:** as set out in **Key Facts**, if relevant.

6. Categories of Data Subjects (Those to Whom the Client Data Relates)

- 6.1. **Categories of data subjects:** these will typically be client employees for payroll processing. We will detail any other data subjects, if relevant, in the **Key Facts**.

7. Obligations and Rights of the Client (as the Data Controller)

- 7.1. Your obligations and rights are as set out in your engagement letter.

If you need to contact us about any data protection issue, please contact Lucy Parry.