

# SUMER GROUP

## TERMS OF BUSINESS

These Terms of Business contain important matters. They include obligations that you need to be aware of and perform. They also include restrictions on our liability and our scope of work. Please read these Terms carefully. If you have any questions concerning them then please ask.

### 1. OUR AGREEMENT WITH YOU

1.1 Defined terms appear below in bold in the clause in which they are defined.

1.2 Unless the context otherwise requires, **documents** means both paper and electronic documents; **person** means any individual and any corporate or unincorporated body (whether or not having separate legal personality); any reference to the singular shall include the plural and vice versa; any reference to legislation includes amended versions, subordinate legislation and any equivalent replacement; the headings shall not affect interpretation and words such as **include** or **including** are to be construed without limiting the generality of the preceding words.

1.3 These **Terms of Business** apply to all work undertaken by Sumer Group Holdings Limited and members of its group of companies (together, the **Sumer Group**) including Sumer Auditco Limited and Sumer Auditco NI Limited. These Terms of Business apply whether or not we have also provided you with an Engagement Letter.

1.4 Our **Engagement Letter** is the letter, alongside any associated schedules or appendices, that we provide to you usually at the start of our engagement and that describe the services to be provided to you by the member entity, or, in the absence of such a letter, some other written description of our services (the **Services**). Our Services include our work-product and any information and advice produced or that we provide you.

1.5 References to **we**, **our** or **us** are to the entity or entities providing the **Services** to you, as set out in the Engagement Letter or otherwise confirmed in writing. Where this document says that we “may” do something, this means that we have the contractual entitlement to do so, but not the obligation.

1.6 **Our Client** is the person to whom the Engagement Letter is addressed and any other persons expressly identified in that Engagement Letter as our client. **You** and **yours** refer to our Client.

1.7 Your **affiliates** means any of: your partners, directors, members, shareholders, officers, employees or family members; and any entity forming part of a corporate group that includes you.

1.8 Our agreement with you comprises our Terms of Business and our Engagement Letter (together, our **Agreement**), unless otherwise agreed by both of us and recorded in writing.

1.9 We may make changes to our Terms of Business from time to time for reasons including but not limited to legal and regulatory developments. If we do, we will notify you in writing.

1.10 In the event of any conflict between our Terms of Business and our Engagement Letter, the relevant provision in the Engagement Letter will take precedence.

1.11 Your continuing instructions following receipt of our Engagement Letter, and/or your settlement of our invoices, amount to your acceptance of our Agreement and its terms. See also clause 21. below for provisions concerning the start, end and termination of our Agreement with you.

1.12 If, following the termination or expiry of this Agreement, you engage us again to provide further services and we agree to provide them, then these Terms of Business shall apply to that new provision of services and those future instructions will comprise a new and separate Agreement between you and us (and whether or not we also provide you at that time with a new Engagement Letter).

1.13 Details of our professional indemnity insurance and how our services are regulated can be viewed at <https://sumer.co.uk/legal-and-regulatory-information/>.

## 2. APPLICABLE LAW

2.1 The Engagement Letter, any description or schedule of Services, and our Terms of Business are governed by the laws of the location of the office from which we are engaged to provide the Services to you (and which will usually be set out in our Engagement Letter with you). You agree that any dispute between us will be subject to the exclusive jurisdiction of the courts of that jurisdiction.

## 3. CLIENT IDENTIFICATION

3.1 As with other professional services firms, we are required to identify our clients for the purposes of the UK anti-money laundering legislation. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases. If we are not able to obtain satisfactory evidence of your identity, we will not be able to proceed with the engagement.

3.2 If you undertake business that requires you to be supervised by an appropriate supervisory authority to follow anti-money laundering regulations including if you accept or make high value cash payments of Euro 10,000 or more (or equivalent in any currency) in exchange for goods you should inform us.

3.3 Any personal data received from you to comply with our obligations under The Money Laundering, Terrorist Financing and Transfer for Funds (Information on the Payer) Regulations 2017 (**MLR 2017**) will be processed only for the purposes of preventing money laundering or terrorist financing. No other use will be made of this personal data unless use of the data is permitted by or under enactment other than the MLR 2017, or we have obtained the consent of the data subject to the proposed use of the data.

3.4 We have a statutory obligation to report to certain authorities, including 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 principals nor staff will enter into any correspondence or discussions with you regarding such matters, and we may cease acting for you without providing you with the reasons for doing so.

## 4. YOUR PROVISION OF INSTRUCTIONS AND INFORMATION TO US

4.1 We shall agree with you (usually within our Engagement Letter) the individual(s) from whom we can receive instructions on behalf of our client. You agree that that individual(s) is/are duly authorised to provide us with such instructions on your behalf.

4.2 We refer to our individual staff members who are involved from time to time in the provision of the Services under this Agreement as the **Engagement Team**.

4.3 It is your responsibility (and you agree):

4.3.1 to provide the **Engagement Team** with all instructions, information and documents (**Client Information**) that we require (or, in the case of non-audit work, that you choose to provide us with) in order to provide our Services;

4.3.2 to notify us within 14 calendar days of any changes to your circumstances which we should reasonably be made aware of, including (a) changes of name, address, telephone or e-mail address; (b) (where you are a company, a group of companies or a trust or other entity) ownership changes and changes in directors or trustees; and (c) if you go into administration, receivership or liquidation or make any arrangement with your creditors;

4.3.3 to ensure that your provision to us of Client Information does not infringe the legal entitlements of any other person;

4.3.4 to take all reasonable steps to ensure the accuracy of all Client Information;

4.3.5 in circumstances where you have asked another person to provide you with a service connected, or otherwise relevant, to our provision of Services under the Agreement, to ensure that all information provided to that other person (together with their work-product), is communicated to us, and vice versa.

4.4 We are not obliged to provide you with any information that is not known to the Engagement Team, and the Engagement Team shall not be deemed to have knowledge of information that is known to any of our other staff (or the staff of any other firm in the Sumer Group).

4.5 We may rely on any Client Information supplied to us by any person whom we reasonably believe to be properly authorised by you to communicate with us for those purposes.

## 5. USE OF ELECTRONIC AND OTHER COMMUNICATION METHODS

5.1 Unless you instruct us otherwise, we may, if appropriate, communicate with you and with third parties by email or other electronic means including using cloud-based document exchanges. The recipient is responsible for virus checking emails and any attachments.

5.2 You agree that we may also use third parties' electronic platforms, such as HMRC's online services, to file your accounts and tax returns, and to generally enable us to provide the Services to you, unless you tell us otherwise in writing. We may rely on third party software providers as well as HMRC software, to ensure that the returns are compatible with HMRC requirements and are delivered in a timely manner. We accept no liability for penalties incurred for late submission of returns due to the failure of either HMRC or of a third party software.

5.3 With electronic communication, there is a risk of non-receipt, delayed receipt, inadvertent misdirection or interception by third parties. We use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted in emails or by electronic storage devices. Nevertheless, electronic communication is not totally secure. We are not responsible for damage or loss caused by viruses or for communications which are corrupted or altered after despatch (except in the case of our negligence or dishonesty). Nor can we accept any liability for problems or errors relating to this means of communication, especially in relation to commercially sensitive material (except in the case of our negligence or dishonesty). Both of us agree to take reasonable steps to safeguard against the risks of using electronic communications.

5.4 Any communication by us with you sent through the postal or DX system is deemed to arrive at your postal or DX address two working days after the day the document was sent.

## 6. CLIENTS' MONEY

6.1 We can, from time to time, hold money on your behalf. The money will be held on your behalf in a client bank account, which is segregated from our own funds. The account will be

operated, and all funds dealt with, in accordance with the requirements of our regulator (the details of which are set out at <https://sumer.co.uk/legal-and-regulatory-information/>).

6.2 If the total sum of money held on your behalf exceeds £10,000 for a period of more than 30 days, or such sum is likely to be held for more than 30 days, all client monies will be held in an interest-bearing account. To avoid excessive administration, interest will only be paid to you if the amount earned on the balances held on your behalf in any calendar year exceeds £50 unless otherwise agreed. Subject to any tax legislation, interest will be paid gross.

6.3 We will promptly return monies held on your behalf as soon as there is no longer any reason to retain those funds. If any funds remain in our client account that are unclaimed, and the client to which they relate has remained untraced for five years, or we as a firm cease to practise, we may pay those monies to a registered charity.

## 7. COMMISSIONS OR OTHER BENEFITS

7.1 In some circumstances we may receive commissions, payments or other benefits (**Commissions**) for introductions made to other professionals or in respect of transactions which we arrange for you.

7.2 If we anticipate receiving specific Commissions, then we may inform you (either in the Engagement Letter or otherwise in writing) of such Commissions, their nature, frequency and amount, and provided we have so informed you then you agree we may retain such Commissions upon their receipt by us. If the amount of any such Commission is significantly in excess of the amounts indicated in the Engagement Letter (or otherwise in writing), then we will obtain specific consent to the retention of those Commissions.

## 8. CONFIDENTIALITY

8.1 For the purposes of this clause, Client Information includes the product of our provision of Services.

8.2 At all times during and after this engagement, we will keep confidential all Client Information and shall not disclose it to any other person unless permitted by this clause 8. .

8.3 We may disclose your Client Information:

8.3.1 to any other person, if we consider it is necessary to give effect to your instructions;

8.3.2 to any other person, where we are compelled to do so by law (for example in the course of legal proceedings);

8.3.3 to any other person, where we are permitted to do so by law and/or you authorise us to do so;

8.3.4 to any other person, where we are subject to a professional duty or right to disclose in order to: (a) comply with the quality review of a professional body; (b) respond to an inquiry or investigation by a professional or regulatory body; (c) protect the professional interests of a professional accountant in legal proceedings; or (d) comply with technical and professional standards, including ethics requirements;

8.3.5 to any subcontractor appointed under clause 9.3 below;

8.3.6 to our external legal advisers, accountants, auditors, insurance brokers and insurers, provided we do so on terms that they treat the Client Information as confidential to the same extent as set out in these Terms of Business; and

8.3.7 to any other current or future member of the Sumer Group, provided that in such circumstances, we shall take appropriate steps to ensure that that other member treat the Client Information as confidential to the same extent as set out in these Terms of Business.

8.4 You acknowledge (and agree) that:

8.4.1 we are obliged to preserve the confidentiality of all of our clients and nothing in this Agreement shall in any way affect our obligations to those other clients;

8.4.2 in circumstances where we act for other clients who are or who become your competitors, we may take such steps as we consider appropriate to preserve the confidentiality of information given to us by you, both during and after this engagement;

8.4.3 in circumstances where we act for other clients whose interests are or could be adverse to yours, we may manage any applicable conflict of interests that could thereby arise (and any risk to client confidentiality) by implementing appropriate safeguards to preserve confidentiality; and

8.4.4 the safeguards referred to above can include measures such as separate teams, physical separation of teams, and separate arrangements for storage of, and access to, information, and you agree that the effective implementation of such safeguards will provide adequate measures to avoid any real risk of confidentiality being impaired.

8.5 We may wish to disclose that we have performed work for you for the purpose of marketing or publicising or selling our services. We may also wish to mention that you are a client and the general nature or category of work performed, as well as any details which have entered the public domain. In those circumstances, we shall seek your consent in advance.

8.6 If we use external or cloud-based systems, we will take reasonable steps to ensure that your Client Information is kept confidential. We may make use of artificial intelligence (AI) business tools and systems in connection with the provision of our Services but we will take reasonable steps to ensure that your Client Information is kept confidential if we do so.

8.7 This clause 8. applies in addition to our data protection obligations set out in clause 11.

## 9. WORKING WITH OTHERS

9.1 Whilst we form part of the Sumer Group, your engagement is with us only, and you agree that no other member of the Sumer Group acts for or advises you, unless that other member does so in accordance with the clauses 9.2 or 9.3 .

9.2 With your prior consent, we may instruct on your behalf a third party, including another member of the Sumer Group, to provide a service to you in addition to the Services we have agreed to provide. Where we do so, we may incur their fees as an expense on your behalf and include them in our fees to you. A third party instructed under this clause is neither a sub-contractor appointed under clause 9.3 nor one of our staff, and we do not accept any responsibility for any of their acts or omissions.

9.3 We may, on occasion, subcontract work on your affairs to a third party, including another member of the Sumer Group, if we consider it is necessary to give effect to your instructions. If we subcontract work to another member of the Sumer Group, unless we agree in writing to the contrary, the engagement will be subject to these Terms of Business and on the same charging basis and/or fee rates as you have agreed with us.

9.4 If we introduce you to a third party with whom you enter into a separate agreement for the provision of separate services, then we do not take any responsibility for any third party whom we work with or alongside, or to whom we have introduced you, unless otherwise expressly agreed in writing.

## 10. CONFLICTS OF INTEREST

10.1 We have safeguards that can be implemented to protect the interests of different clients if a conflict is identified at the outset of our instruction or arises during the course of us providing the Services to you. If conflicts are identified which cannot be managed in a way



that protects your interests, then regrettably that we will be unable to provide further Services and we may terminate this Agreement in accordance with clause 21. .

10.2 If there is a conflict of interest that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests, we will adopt those safeguards. During and after the period of this Agreement, you agree that we may act for other clients whose interests compete (or might compete) with or be adverse to yours, subject of course to our obligations of confidentiality and the safeguards set out at clauses 8. and 10.1 above.

10.3 If, during the course of us acting for you, we are provided with conflicting instructions or information by you (for example, by two or more directors or principals), then we will likely consider that a conflict of interest has arisen. In those circumstances, we may 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 may cease acting for you in accordance with clause 21.5 .

## 11. DATA PROTECTION

11.1 In this clause 11. , the following definitions shall apply:

11.1.1 **'shared personal data'** means any personal data provided to us by you, or on your behalf, for the purpose of providing (or in connection with) the following Services to you, pursuant to our Engagement Letter with you: (i) Audit; (ii) internal audit; (iii) accounting services; (iv) bookkeeping; (v) tax services; (vi) probate services; (vii) insolvency services; (viii) forensic services; and (ix) legal services;

11.1.2 **'data protection legislation'** means all applicable privacy and data protection legislation and regulations including PECR, the UK GDPR and any other applicable national laws, regulations and secondary legislation in the UK relating to the processing of personal data and the privacy of electronic communications, as amended, replaced or updated from time to time and the EU GDPR (Regulation (EU) 2016/679) as appropriate;

11.1.3 **'controller'**, **'data subject'**, **'supervisory authority'**, **'personal data'**, and **'process'** and **'processor'** shall have the meanings given to them in the data protection legislation;

11.1.4 **'UK GDPR'** means EU GDPR as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018; and

11.1.5 **'PECR'** means the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003) as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2020.

11.2 When acting for you, we shall each be considered an independent data controller in relation to the shared personal data. Each of us will comply with all requirements and obligations applicable to us under the data protection legislation in respect of the shared personal data. More information on how we may process your personal data when providing the Services for which we will act as an independent controller can be found at <https://sumer.co.uk/privacy-notice>. Where we act as a processor on your behalf, the Annex (Data Processing Terms) to this Agreement shall apply.

11.3 You shall only disclose shared personal data to us where:

11.3.1 you have provided the necessary information to the relevant data subjects regarding its use (and you may use or refer to our privacy notice available at <https://sumer.co.uk/privacy-notice/> for this purpose);

11.3.2 you have a lawful basis upon which to do so, which, in the absence of any other lawful basis, shall be with the relevant data subject's consent; and

11.3.3 you have complied with the necessary requirements under the data protection legislation to enable you to do so.

11.4 Should you require any further details regarding our treatment of shared personal data, please contact our Compliance Team at [compliance@sumer.co.uk](mailto:compliance@sumer.co.uk).

11.5 We shall only process the shared personal data:

11.5.1 in order to provide our Services to you and perform any other obligations in accordance with our engagement with you;

11.5.2 in order to comply with our legal or regulatory obligations; and

11.5.3 where it is necessary for the purposes of our legitimate interests and those interests are not overridden by the data subjects' own privacy rights. Our privacy notice (available at <https://sumer.co.uk/privacy-notice/>) contains further details as to how we may process shared personal data.

11.6 For the purpose of providing our Services to you, you agree that we may disclose the shared personal data to members of the Sumer Group, our regulatory bodies or other third parties (for example, our professional advisors or service providers). The third parties to whom we disclose such personal data may be located outside of the United Kingdom. We will only disclose shared personal data to a third party (including a third party outside of the UK) provided that the transfer is undertaken in compliance with the data protection legislation.

11.7 We may disclose the shared personal data to other third parties in the context of a possible sale, merger, restructuring or financing of or investment in our business. In this event we will take appropriate measures to ensure that the security of the shared personal data continues to be ensured in accordance with data protection legislation. If a change happens to our business, then the new owners may use our shared personal data in the same way as set out in these terms.

11.8 We shall maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of the shared personal data and against accidental loss or destruction of, or damage to, the shared personal data.

11.9 In respect of the shared personal data, provided that we are legally permitted to do so, we shall promptly notify you in the event that:

11.9.1 we receive a request, from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or a complaint or any adverse correspondence in respect of our processing of their personal data;

11.9.2 we are served with an information, enforcement or assessment notice (or any similar notices), or receive any other material communication in respect of our processing of the shared personal data from the Information Commissioner's Office or any other supervisory authority); or

11.9.3 we reasonably believe that there has been any incident which resulted in the accidental or unauthorised access to, or destruction, loss, unauthorised disclosure or alteration of, the shared personal data, only where that incident results in a risk to the rights and freedoms of data subjects in accordance with Article 33 UK GDPR.

11.10 Upon the reasonable request of the other, we shall each co-operate with the other and take such reasonable commercial steps or provide such information as is necessary to enable each of us to comply with the data protection legislation in respect of the shared personal data or Services provided to you in accordance with our Engagement Letter with you.

## 12. OUR FEES

12.1 In consideration of the provision of our Services, you shall pay our fees when they become due, without any right of set-off. Where we have more than one client on an engagement, all such clients are jointly and severally responsible for payment of our fees.

12.2 If you expect a third party (who is not our client) to be paying our fees on your behalf (a **Third Party Payor**), then: (a) please let us know in advance; (b) such an expectation does not relieve you of your obligation to pay our fees under the Agreement and in accordance with this clause 12. ; (c) we may refuse to accept payment from a Third Party Payor; (d) we only issue invoices to our clients and will not do so to Third Party Payors; (e) we may ask a Third Party Payor to provide us with any information that we need in order to discharge our legal or regulatory obligations (e.g. under The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017); and (f) our willingness to accept (and our acceptance of) payment from a Third Party Payor does not mean that we owe any kind of duty or responsibility to that person.

12.3 Our fees may reflect any of: the time spent on your affairs; the level of skill, experience, seniority and responsibility of our personnel involved; the nature of your business; the priority, importance and value of our Services to you; the level of risk; and expenses incurred on your behalf.

12.4 If we provide you with an estimate of our fees for any specific work then such an estimate is for your guidance purposes only and will not be contractually binding.

12.5 Unless agreed otherwise in writing, where our fees reflect our staff's time then this will be calculated on the basis of the hours worked by each member of staff, multiplied by their standard hourly rate (unless other rates have been agreed with you).

12.6 Unless the contrary is expressly stated, our fees (and any estimates of our fees) are described exclusive of any applicable tax thereon.

12.7 We review our standard hourly rates each year. As part of this review, we may increase the hourly rate applicable to the fees payable by you for the Services and, if appropriate, we shall inform you of any such increase.

12.8 In some cases, you could be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance could be provided through insurance policies you hold or via membership of a professional or trade body. Other than where such insurance was arranged through us, you will need to advise us of any such insurance cover you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

12.9 Unless otherwise agreed to the contrary, we may bill you monthly in arrears or otherwise periodically and/or on completion of the Services. We may also provide you with a request for payment (**RFP**) before providing you with our invoice.

12.10 Our RFPs and invoices will be due for payment upon delivery of the same to you (unless otherwise agreed in writing).

12.11 Any disbursements we incur on your behalf, and expenses incurred in the course of carrying out our work for you, will be added to our invoices. If it is agreed in our Engagement Letter or otherwise in writing with you, we may charge an additional fee equal to an agreed percentage of the value of time charged to cover incidental costs, which can include printing costs, IT and database licences and other additional costs.

12.12 Our fees may include the costs of any third party, counsel or other professional whom we instruct on your behalf, and such costs incurred by us shall be added to our invoices and you shall be responsible for paying them.



12.13 Where we incur on your behalf an expense in a foreign currency, at the time of billing we may charge you for any cost to us arising as a result of such expense and any exchange rate conversion.

12.14 We may charge interest plus late fees and debt recovery fees on late or unpaid invoices at the rate of 8% above bank base rates under the Late Payment of Commercial Debts (Interest) Act 1998. We also may suspend our Services or to cease to act for you, having given written notice, if payment of any of our fees (or a RFP) is unduly delayed. We intend to exercise these rights only if it is fair and reasonable to do so. We may use any money we, or our related entities, may hold on your behalf as payment (whether in whole or in part) of any sum that you owe us under this Agreement. We will, however, advise you in writing before taking such action.

12.15 If you do not accept that an invoiced fee is fair and reasonable, you must notify us within 21 days of receipt, failing which, you will be deemed to have accepted that payment is due.

12.16 If we are required by our legal obligations to make a disclosure of your Client Information to another person (including government and law enforcement agencies), then we may charge you for our time and any associated expenses incurred when doing so. If we incur time dealing with any regulatory obligations or investigations arising out of our provision of the Services, we also may charge you for our time and any associated expenses incurred.

12.17 We may ask for payment of our fees in full (including disbursements and expenses) before our work is made available to you or any report is signed. If you pay our fees in any way other than in arrears (for example, by way of monthly direct debit), we shall hold such amounts on trust for you and our billed fees will be set off against such amounts we hold for you in accordance with what has been agreed with you in our Engagement Letter or otherwise in writing.

12.18 In the event that we cease to act for you, and either you or your new advisors asks us for information or documentation relevant to your affairs, we may charge you for our reasonable costs of providing such information to your or new advisors. In particular, you agree to meet these costs where we are required by law to provide information to a successor firm.

12.19 You agree that the fees payable by you for the Services provided shall not be affected or reduced by any Commissions retained by us in accordance with clause 7. .

### **13. CLIENT SERVICE AND COMPLAINTS**

13.1 We are committed to providing you with a high-quality service that is both efficient and effective. If at any point you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the Services you are receiving, please let us know by, in the first instance, contacting the partner named in our Engagement Letter with you. If your problem is not resolved or you would prefer to contact someone other than that partner please contact the Managing Partner of the company providing the Services to you or, in the case of Sumer Auditco Limited or Sumer Auditco NI Limited, the Audit Compliance Principal of Sumer Auditco Limited or Sumer Auditco NI Limited.

13.2 We will consider carefully any complaint that you make about our Services within a reasonable time frame of receiving it and we will do all we can to explain the position to you. We will acknowledge your letter within five business days of its receipt and endeavour to respond to your complaint within eight weeks.

13.3 If we do not answer your complaint to your satisfaction, you can, of course, take up the matter with our professional body as set out more fully at <https://sumer.co.uk/legal-and-regulatory-information/> or in our Engagement Letter.

## 14. INTELLECTUAL PROPERTY RIGHTS AND USE OF OUR NAME

14.1 We will retain ownership of the copyright and all other intellectual property rights in the product of the Services including any document prepared by us during the course of carrying out the engagement except where the law specifically states otherwise. Upon payment of our fees, you shall have a non-transferable royalty free licence to use and copy for your own purposes the deliverables in their final form for the agreed purpose.

14.2 You are not permitted to use our name or the name of any member of the Sumer Group in any statement or document you may issue unless our prior written consent has been obtained. The only exception to this restriction would be statements or documents that are required to be issued by law.

## 15. INTERPRETATION

15.1 If any provision of our Engagement Letter or Terms of Business is held to be invalid or void for any reason or unenforceable, then that provision will be deemed not to form part of this Agreement and the validity of each other provision will remain unaffected.

## 16. INVESTMENT ADVICE (INCLUDING INSURANCE DISTRIBUTION SERVICES)

16.1 Investment business is regulated by the Financial Services and Markets Act 2000. If, during the provision of professional services to you, you need advice on investments including insurances, we may have to refer you to someone who is authorised by the Financial Conduct Authority, as we are not. However, certain of the members of the Sumer Group which are licensed by ICAEW, ACCA, ICAS or CAI hold a Designated Professional Body licence, and may be able to provide certain investment services that are complementary to, or arise out of, the professional services being provided to you.

16.2 Such advice may include:

16.2.1 advising you on investments generally, but not recommending a particular investment or type of investment;

16.2.2 referring you to a Permitted Third Party (**PTP**) (an independent firm authorised by the FCA), and assisting you and the PTP during the course of any advice given by that party. This may include comment on, or explanation of, the advice received (but we will not make alternative recommendations). The PTP will issue you with their own terms and conditions letter, will be remunerated separately for their services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000 (**FSMA 2000**). The firm may receive commission from such an introduction, in which case you will be fully informed of the expected size and nature of such commission at the time of the introduction;

16.2.3 advising on the sale of a contractually based investment, other than disposing of any rights or interests which you may have as a member of a personal pension scheme;

16.2.4 advising and assisting you in transactions concerning shares or other securities not quoted on a recognised exchange;

16.2.5 managing investments or acting as trustee (or donee of a power of attorney) where decisions to invest are taken on the advice of an authorised person; and/or

16.2.6 assisting you in making arrangements for transactions in investments in certain circumstances.

16.3 For corporate clients, such members of the Sumer Group may also, on the understanding that the shares or other securities of the company are not publicly traded:

16.3.1 advise the company as well as existing or prospective shareholders in relation to exercising rights, taking benefits or share options, valuations and methods of such valuations;

16.3.2 arrange any agreements in connection with the issue, sale or transfer of the company's shares or other securities;

16.3.3 arrange for the issue of new shares; and/or

16.3.4 act as the addressee to receive confirmation of acceptance of offer documents.

16.4 The advice and services provided under this clause 16. shall be the “**Additional Services**”. We confirm in our Engagement Letter whether we will be providing Additional Services and we shall explain the basis upon which such Additional Services shall be provided.

16.5 In the unlikely event that a liability arises out of the provision of the Additional Services, and the relevant member of the Sumer Group is unable to meet its liabilities to you, you may be able to claim compensation under the Chartered Accountants' Compensation Scheme in respect of exempt regulated activities undertaken. This scheme is operated by ICAEW, ICAS and CAI. Further information about the scheme and the circumstances in which grants may be made is available on ICAEW's website: [www.icaew.com/cacs](http://www.icaew.com/cacs).

16.6 In relation to the conduct of insurance distribution activities, some members of the Sumer Group are ancillary insurance intermediaries (as classified by the Financial Conduct Authority). They are not authorised by the Financial Conduct Authority. However, they are included on the register maintained by the Financial Conduct Authority so that they can carry on insurance distribution activity, which is broadly the advising on, selling, and administration of insurance contracts. This part of their business, including arrangements for complaints or redress if something goes wrong, is regulated by ICAEW, ICAS, and/or CAI. The register can be accessed from the Financial Conduct Authority's website at [www.fca.org.uk/register](http://www.fca.org.uk/register).

## 17. LIEN

17.1 Insofar as we are permitted to so by law and our professional obligations, we may exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding our fees are paid in full.

## 18. LIMITATION OF THIRD PARTY RIGHTS; THIRD PARTY CLAIMS

18.1 Save as provided in clause 19.7 below, a party to this Agreement is the only person who has the right to enforce any of its terms, and no rights or benefits are conferred on any third party under the Contracts (Rights of Third Parties) Act 1999, the Contract (Third Party Rights) (Scotland) Act 2017 or otherwise.

18.2 If you breach any of your obligations under our Agreement and, as a result, there is a claim made or threatened against us by a third party, you hereby agree to indemnify us and our agents and compensate us and reimburse us for and protect us against any loss, damage, expense or liability reasonably incurred by us which results from or arises from any such breach and any such claim (including any claim for negligence).

## 19. LIMITATION OF LIABILITY

19.1 This clause 19. shall not apply in respect of our provision of Services under this Agreement to the extent that they concern “the audit of accounts” of a company and are therefore within the scope of s.532(1) of the Companies Act 2006.

19.2 For the purposes of this clause 19. , references to “you” and “client” include any “Addressee” as defined at clause 24.3 below.

19.3 You agree that our maximum aggregate liability to you under this Agreement, of any kind, howsoever and whenever arising, in any way connected with our provision of the Services, and including our liability to you in contract, trust, tort (including negligence) or for any other breach or fault on our part, and including any obligation, judgment or agreement on our part to pay damages, compensation, restitution, interest, or legal costs, shall be limited to the sum of £100,000 (the **Liability Cap**).

19.4 To the extent that we act for more than one client under this Agreement, our total maximum aggregate liability to all such clients shall be the Liability Cap, and it will be a matter for you how the Liability Cap is apportioned between you.

19.5 The Liability Cap shall apply to the provision of Services to you as set out in the Engagement Letter, or otherwise in writing, or in the absence of a written description of the Services, it shall apply to the entirety of the Services provided to you under this Agreement.

19.6 We confirm that the Liability Cap will not apply to any acts, omissions or representations that are in any way criminal, dishonest or fraudulent or any other liabilities that cannot be lawfully limited or excluded.

19.7 You agree that this Agreement is between the entity providing you with the Services (as set out in the Engagement Letter or elsewhere), and you may not bring any claim personally against any of our current or former staff, including any principals, directors, members or employees on a personal basis. You accept that all Services provided to you during the course of any engagement in accordance with this Agreement are provided to you by us and that your sole recourse is against the member of the Sumer Group set out in the Engagement Letter (or otherwise expressly agreed in writing). For the purpose of this clause 19.7 only, you agree that any third party (including but not limited to firms, partners, members, companies, directors, shareholders or employee and/or employees or consultants of this particular firm) will be entitled to exercise their rights to enforce the terms of this provision under the Contracts (Rights of Third Parties) Act 1999, Contract (Third Party Rights) (Scotland) Act 2017 or otherwise.

19.8 Under no circumstances will we be liable to you in contract, tort or otherwise for loss of profit, loss of revenue or opportunity, corruption or loss of data, anticipated savings, damage to goodwill, wasted management or staff time, or any punitive or exemplary damages, whether or not the likelihood of such could have been reasonably contemplated.

19.9 If we are liable to you for loss under this Agreement (or in respect of the Services), and you, an Addressee and/or a third party has contributed to the same loss, we shall only be liable for such proportion of the loss as may reasonably be attributed to us as a just and equitable amount taking into account the contribution to the loss for which you, the Addressee and any third party are responsible. In assessing the apportionment of loss for this purpose, no account will be taken of any contractual or other limitation on any third party's liability or of the fact that it may not be possible to recover loss from the third party (whether due to insolvency, limitation, the effluxion of time, or otherwise). Where our proportionate liability has not been determined by a court, an expert shall determine the extent of the responsibility of any third party for the loss and the corresponding reduction in our liability, and the expert's determination shall be final. Any judgment in favour of you or an Addressee shall be deemed to be fully and finally satisfied when paid, after making any reduction in our liability as determined by the expert together with any costs awarded in your or the Addressees' favour by the expert. Our Liability Cap shall apply after the operation of this clause.

19.10 You agree to hold harmless and indemnify us, our principals, subcontractors and staff, to the fullest extent permitted by law for any loss suffered by us arising from any misrepresentation (intentional or unintentional) supplied to us orally or in writing in connection with this Agreement or arising from your non-compliance with data protection legislation, non-compliance with clause 11. of this Agreement or the Annex (Data Processing Terms) to this Agreement .

19.11 Any action (including any proceeding in a court of law) in connection with this Agreement or the Services must be brought within 2 years from the earlier of the date on which you became aware, and the date on which you ought to have become aware, of the facts giving rise to the action and, in any event, within 4 years of the date of the act or omission that is alleged to have given rise to the action. If you are a consumer, your statutory rights will not be affected.

## 20. FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) AND COMMON REPORTING STANDARDS

20.1 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 (the **FATCA Regulations**), 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.

20.2 However, if requested to do so, we may be able to provide advice to you on the completion of the forms supplied by Financial Institutions under the FATCA Regulations, or under Common Reporting Standards, and used by them to determine the status of an entity. We may also be able to 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. Any agreement to provide advice under this clause 20.2 shall be in writing.

## 21. PERIOD OF OUR ENGAGEMENT AND TERMINATION

21.1 Unless otherwise agreed in writing, our work will begin when we receive implicit or explicit acceptance to the terms set out in our Engagement Letter, or in the absence of an Engagement Letter, to the terms set out by us in writing. We will treat such acceptance as your instructions to start work at once.

21.2 Unless ended earlier under this clause 21., our Agreement comes to an end when we finish our provision of Services in relation to our engagement.

21.3 Under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013, If you are a “consumer” (as defined in those Regulations, namely “an individual acting for purposes which are wholly or mainly outside that individual’s trade, business, craft or profession”), then you have a statutory right to cancel our Agreement within fifteen days from the date of its acceptance. You can do so by informing us in writing and, if you have told us to start work at once (as to which see clause 21.1 above), then you will be liable for our fees incurred up to the date of cancellation. This statutory right is in addition to your other contractual entitlements to terminate set out in this document.

21.4 Each of us may terminate this Agreement by giving not less than 21 days’ notice in writing to the other party.

21.5 We may terminate this Agreement with immediate effect in the following circumstances:

21.5.1 If you fail to cooperate with us or we have reason to believe that you have provided us or HMRC with misleading information.

21.5.2 In the event of (a) your insolvency, bankruptcy or other arrangement being reached with creditors; (b) an independence issue or change in the law or regulations which means we can no longer act for you; (c) failure to pay our fees by the due dates; or (d) either party being in breach of their obligations if this is not corrected within 30 days of being asked to do so.

21.5.3 If we reasonably believe that providing the Services, dealing with you or receiving payment from you would be in breach of any applicable trade or economic sanctions, export control, embargo or similar laws, regulations, rules, measures, restrictions, restricted or designated party lists, licences, orders, or requirements, in force from time to time, including without limit those of the European Union, the United Kingdom, the United States and the United Nations (**Sanctions Rules**), you fail to satisfy due diligence requests made by us in connection with compliance with Sanctions Rules or other relevant laws or regulations or you do anything which is in breach of, or would cause us to be in breach of, Sanctions Rules.

21.5.4 If we are entitled or required to under any applicable regulatory provisions.

21.5.5 If there is an irreconcilable conflict as set out in clauses 10.1 and/or 10.3 above.

21.6 In the event of termination of this Agreement, we will endeavour to agree with you the arrangements for the completion of work in progress at that time, unless we are required for legal or regulatory reasons to cease work immediately. In that event, we will not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

21.7 In the absence of either of us terminating the Agreement, the Agreement shall come to an end when we have finished providing the Services and you no longer instruct us. Should we continue to advise you formally or informally after the termination or end of this Agreement, these Terms of Business shall continue to apply.

21.8 You shall remain liable to pay our fees incurred up to the date of termination. If our Services are being provided under a fixed fee, we may charge you for part or all of the fixed fee commensurate with the proportion of work that has been done up to the date of termination, or we may charge you for the time we have spent on the matter.

21.9 Termination under this clause 21. will be without prejudice to any rights that may have accrued to either of us under this Agreement before termination.

21.10 If this Agreement comes to an end, we will normally issue you with a disengagement letter, in accordance with our professional obligations, to ensure that our respective responsibilities are clear. The absence of a disengagement letter is not determinative, and the Agreement may come to an end without a disengagement letter being issued.

## **22. PROFESSIONAL RULES AND STATUTORY OBLIGATIONS**

22.1 As set out above (for example at clause 21.6), we may be obliged to act or omit to act by reason of our need to comply with our regulatory and legal obligations. In such circumstances, we will not be liable for any loss, damage, cost or other adverse consequence arising from our compliance with our statutory or regulatory obligations, including (where applicable) those of the ICAEW, ACCA, ICAS and CAI.

22.2 Sumer Auditco Limited and Sumer Auditco NI Limited are statutory auditors eligible to conduct audits under the Companies Act 2006. When conducting audit work, they are required to comply with the Ethical and Auditing Standards issued by the FRC, which can be accessed online at [www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors.aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors.aspx).

## **23. QUALITY CONTROL**

23.1 As part of our ongoing commitment to provide a quality service, our files are periodically reviewed by an independent regulatory or quality control body. These reviewers are highly experienced professionals and are bound by the same rules of confidentiality as our principals and staff.

23.2 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, visit <https://www.gov.uk/government/publications/hmrc-charter>. To the best of our abilities, we will ensure that HMRC meet their side of the Charter in their dealings with you.

## **24. THE PROVISION OF OUR SERVICES**

24.1 Unless agreed otherwise in the Engagement Letter, our Services are for your sole use, we only act for you, and we do not act for any of your affiliates or for any other person.



24.2 We accept no responsibility to any third party for the provision of our Services or their content.

24.3 You shall not provide our Services to any third party unless we have expressly agreed to this in our Engagement Letter or we have otherwise agreed in writing. For the purposes of this clause 24.3, “**provide**” includes communicating our work-product in part, or as a copy, or in summary, or the gist thereof. If we expressly agree that you can provide our Services to a third party (an **Addressee**), then you shall procure from that Addressee its agreement (with us) and acknowledgment that our Services have been provided subject to the terms of this Agreement and you shall bring to that Addressee’s attention the contents of these Terms of Business.

24.4 Where our Services consist of advice to you, then we will use reasonable efforts to record such advice to you in writing. If we provide advice to you orally then it is not intended to be relied upon by you unless it is confirmed by us in writing. If, therefore, we provide oral advice (for example, during the course of a meeting or a telephone conversation) and you wish to be able to rely on that advice, you must ask for the advice to be confirmed by us in writing.

24.5 Where our Services consist of the provision to you of documents described as **draft** or **interim** then you shall place no reliance on such documents until we have provided them in final form or told you in writing that they can be treated as final.

24.6 Unless expressly agreed in writing with you, we are not responsible for, and we shall not review, any work undertaken by our predecessors before we were instructed.

24.7 Our Services reflect the Circumstances that we consider to be applicable at the date of our provision of those Services. Once provided in final form, we are under no duty to update our Services so as to reflect any change in Circumstances nor are we obliged to revisit our Services after their provision. We will not accept any responsibility if you act on our Services after the date of their provision without first obtaining from us confirmation that the Services are still valid in light of any change in Circumstances. We will not accept liability for losses arising from changes in the law, or the interpretation thereof, that occur after the date on which our Services are provided. For the purposes of this clause 24.7, “**Circumstances**” means the information and documents that you have provided us during our Agreement, as well the rules, orthodoxies, methodologies, guidance, regulations and laws existing, at the date of provision of our Services.

## 25. RETENTION OF RECORDS

25.1 You agree that for the duration of this Agreement, you shall retain the originals or copies of any documents and information (physical and electronic) which are relevant to the provision of our Services. You have a legal responsibility to retain documents and records relevant to your financial affairs.

25.2 During the course of our work, we may collect information from you and others, including information and documentation relevant to your tax and financial affairs. We may keep only copies of your documents and information and destroy the originals, unless otherwise agreed with you in writing at the time the documents and/or information are provided to us. If you would like us to return any original documents to you, please inform us at the time that the documents are provided to us. Please note that you are required by law to retain documents and records relevant to your tax affairs as follows:

25.2.1 Individuals, trustees and partnerships: (a) with trading or rental income: five years and 10 months after the end of the tax year; (b) otherwise: 22 months after the end of the tax year.

25.2.2 Companies, Limited Liability Partnerships, and other corporate entities: six years from the end of the accounting period.

25.3 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. You must tell us if you wish us to keep any document for any longer period, and we may make a reasonable charge for doing so. We may also charge you for making copies of documents.

25.4 We may retain shared personal data if required or permitted pursuant to clause 11. of this Agreement.

25.5 We may not be able to completely erase any electronic information that you provide to us, but it shall remain subject to our obligations of confidentiality under this Agreement.

## **26. THE PROVISION OF SERVICES REGULATIONS 2009**

26.1 As required by the Provision of Services Regulations 2009 (SI 2009/2999), details of our professional registrations, including audit registration of the members of the Sumer Group providing audit services, can be found at [www.sumer.co.uk](http://www.sumer.co.uk).

26.2 In accordance with the disclosure requirements of the Provision of Services Regulations 2009, and as set out at clause 1.13 above, details of our professional indemnity insurer are provided on our website.

## **27. TIMING OF OUR SERVICES**

27.1 If you provide us with all information and explanations on a timely basis in accordance with our requirements, we will plan to undertake the work within a reasonable period of time to meet any regulatory deadlines. However, failure to complete our Services before any such regulatory deadline would not, of itself, mean that we are liable for any loss, penalty or additional costs arising.

## **28. NON-SOLICITATION OF OUR STAFF**

28.1 By instructing us to act for you, you agree that at all times while you are using our Services and for 12 months after you cease to use our Services, you will not, directly or indirectly, solicit, employ, retain (including as a consultant) or encourage to leave the employment or engagement of the Sumer Group any employee or contractor, or any former employee or contractor of the Sumer Group. This restriction, however, only applies to employees and contractors who you have dealt with in the course of their employment or engagement with us in the previous 12 months, or, where we have ceased to provide Services to you, in the 12 months' immediately prior to such cessation. You agree and acknowledge that your non-solicitation obligations hereunder are essential to the protection of our business.

28.2 In the event you choose to seek our consent to action which is prohibited under this clause, Sumer may choose to impose a fee for such consent, to be determined at our sole discretion.

## **29. ADVANCED TAX PLANNING**

29.1 We may from time to time introduce you to advanced tax planning consultants who will undertake bespoke tax planning assignments on your behalf. In such circumstances we are acting solely as introducer and will not be responsible for advice on the use of such strategies. For the avoidance of doubt, any tax strategies falling within the DOTAS (Disclosure of Tax Avoidance Schemes) rules are covered by this clause.

## **30. HEALTH AND SAFETY AT WORK ACT 1974 AND TREATMENT OF EMPLOYEES**

30.1 When our staff are working on your premises you will assume day-to-day responsibility for their health and safety and make them aware of any control measures introduced for the protection of your employees. Please ensure that your Public Liability insurance covers our staff. You will indemnify us from any claim arising from your failure to adhere to this requirement.

30.2 You and we agree to: (a) foster an appropriate working environment and treat our respective employees with respect and honesty; and (b) refrain from any discriminatory or harassing behaviour with regards to age, disability, race, sex, sexual orientation, or other protected characteristic as defined in the Equality Act 2010.

### 31. OTHER MATTERS

31.1 If you or we are unable to perform a contractual obligation under this Agreement as a result of a cause that is beyond that person's reasonable control and that arises without fault on that person's part, then that one must promptly notify the other of this, giving full reasons, and for the duration of that inability the performance of that contractual obligation is suspended.

31.2 Neither you nor we shall be entitled to assign any rights, obligations or claims relating to this Agreement, save that we may novate this Agreement to any successor to our business or any other member of the Sumer Group, and you agree that you will facilitate the transfer of the Agreement to any such successor or member.

31.3 In addition to the Services referred to in the Engagement Letter, we may agree to provide you with advice and assistance on other accounting, financial and business matters of interest or concern to you. In all such cases, except where the advice or assistance is incidental to the services covered in the Engagement Letter, we will agree these with you in separate terms of engagement and set these out in a separate letter with accompanying standard terms of business.

31.4 Where we manage subscriptions of software containing your information, we will be responsible for adding and removing access for staff to these records to enable us to provide our services in an effective manner as engaged. Where you hold the subscription it will be your responsibility to provide copies of information in a suitable way, or provide access for our staff to your systems, for us to complete our work. Where this is not provided we will not be held accountable for lack of delivery of our services. Where you hold the subscriptions you will also be responsible for removing members of our team that you add, as and when a specific task is completed and they no longer require access. We will not be held accountable if you do not remove individuals from your systems who go on to access your records.

31.5 Members of the Sumer Group are members of global associations of independent accounting firms (**Global Associations**). No Global Association member firm is an agent or partner of the Association or of any other member firm. No Global Association member has the authority to enter into any legal obligations on behalf of the Association or any other Global Association member firm. If we or another member of the Sumer Group introduce you to another Global Association member firm, we and the other members of the Sumer Group are not responsible for and have no liability for any work performed by that Global Association member firm. You should make your own contractual arrangements with that firm for any work that they perform. The fact that you may have been introduced to us by another Global Association member firm does not make that firm, its partners or its employees responsible for any of our acts or omissions. We and the other members of the Sumer Group are not the agent or partner of any Global Associations or any other Global Association member firm, and do not have the authority to enter into legal obligations on behalf of either the association or any other member firm thereof. You agree that we have the sole liability for any work performed under this Agreement and you undertake not to make any claim or bring any proceedings against any Global Association or any other Global Association member firm in relation to work covered by this Agreement.

31.6 With the exception of the provision of probate services by Sumer Probate Ltd, we are not qualified or authorised to provide any kind of legal services, and we do not owe you any kind of duty to provide legal services. For the purposes of this clause 31.6, **legal services** means "legal activity" as defined in section 12(3) of the Legal Services Act 2007 as well as any other legal services customarily provided by persons who are regulated by an "approved

regulator” under that Act and do so in a professional capacity. These Terms of Business do not apply to any engagement with Sumer Law Limited.

### **32. USING OUR REGISTERED OFFICE SERVICE**

32.1 Where you use our office address as your registered office, to meet related statutory requirements, and / or our registered email service, we agree to forward correspondence at an agreed fixed annual fee. Emails from Companies House will be monitored and acted on appropriately in accordance with any agreed company secretarial services engaged.

32.2 Should the amount of correspondence you receive be significantly more than official government documents or extraneous to your activities, we may charge an extra fee to cover additional administration and postage. Please note we will not be able to receive parcels or deliveries where a business address should be used rather than the registered office.

# ANNEX – Data Processing Terms

## 1. DATA PROTECTION (DATA PROCESSOR)

### 1.1 In this Annex:

1.1.1 **‘client personal data’** means any personal data provided to us by you, or on your behalf, for the purpose of providing the following Services to you, pursuant to our Engagement Letter with you: (a) payroll services; (b) IT services; (c) HR services; and (d) any other Services where we will process personal data on your behalf from time to time;

1.1.2 **‘data protection legislation’** means all applicable privacy and data protection legislation and regulations including PECR, the UK GDPR and any other applicable national laws, regulations and secondary legislation in the UK relating to the processing of personal data and the privacy of electronic communications, as amended, replaced or updated from time to time and the EU GDPR (Regulation (EU) 2016/679) as appropriate;

1.1.3 **‘controller’**, **‘data subject’**, **‘personal data’**, **‘personal data breach’**, **‘processor’**, **‘process’** and **‘supervisory authority’** shall have the meanings given to them in the data protection legislation;

1.1.4 **‘UK GDPR’** means EU GDPR as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018; and

1.1.5 **‘PECR’** means the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003) as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2020.

1.2 We shall both comply with all applicable requirements of the data protection legislation. This clause is in addition to, and does not relieve, remove or replace, our obligations under the data protection legislation.

1.3 We both acknowledge that for the purposes of the data protection legislation, you are the controller and we are the processor. The Schedule below sets out the scope, nature and purpose of processing by us, the duration of the processing and the types of personal data and categories of data subject.

### 1.4 In respect of the client personal data, we shall:

1.4.1 process the client personal data only in accordance with your lawful documented instructions, unless otherwise required by applicable laws in which case we will inform you of such a requirement unless prohibited by applicable law;

1.4.2 maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of any client personal data and against accidental loss or destruction of, or damage to, such client personal data;

1.4.3 at your choice return or delete all the client personal data upon the termination of the engagement with you pursuant to which we agreed to provide the Services;

1.4.4 ensure that only those personnel who need to have access to the client personal data are granted access to it and that all of the personnel authorised to process the client personal data are bound by a duty of confidentiality;

1.4.5 where we transfer the client personal data to a country or territory outside the UK, to do so in accordance with data protection legislation;

1.4.6 notify you promptly if: (a) we receive a request, from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or a complaint or any adverse correspondence in respect of the processing of their client personal data; or (b) we are served with an information or assessment notice or receive any other material communication in respect of our processing of the client personal data from the Information Commissioner's Office or any other supervisory authority.

1.4.7 notify you, in the event that we reasonably believe that there has been a personal data breach in respect of the client personal data without undue delay, and in any event no later than 48 hours from the date of us becoming aware of the personal data breach;

1.4.8 at your cost and upon receipt of your prior written notice allow you, on an annual basis and/or in the event that we notify you of personal data breach in respect of the client personal data, reasonable access to the relevant records, files, computer or other communication systems, for the purposes of reviewing our compliance with the data protection legislation and to assist with demonstrating your compliance with data protection legislation;

1.4.9 provide reasonable assistance to enable you to fulfil your obligations to respond and comply with requests for exercising data subject's rights pursuant to data protection legislation, including making any notifications to the Information Commissioner's Office or other supervisory authority; and

1.4.10 provide such assistance and information as you reasonably require in order to demonstrate compliance with data protection legislation including (without limitation) your obligations relating to data security, conducting and the implementation of data protection impact assessments and with any consultation with the Information Commissioner's Office or supervisory authority..

1.5 Without prejudice to the generality of clause 1.2 above, you will ensure that you have all necessary appropriate consents and notices in place to enable the lawful transfer of the client personal data to us.

## 2. SCHEDULE

2.1 This Schedule includes certain details of the processing of client personal data as required by Article 28(3) of the UK GDPR.

### Subject matter and duration of the processing of client personal data

2.2 The subject matter and duration of the processing of the client personal data are set out in the Engagement Letter between us.

### The nature and purpose of the processing of client personal data

2.3 We may, on occasion, process personal data when instructed by yourselves as an independent controller. This processing is not carried out on an automated or bulk basis, but as and when appropriate, in accordance with your instructions or our legal obligations. In these situations, both parties will comply with clause 11. of this Agreement.

2.4 We may use personal data to establish identity, communicate with HMRC & Companies House, verify information for audit purposes, process payroll, prepare tax and accounting information.

### The types of client personal data to be processed

2.5 Payroll services:



2.5.1 Personal data which may be processed includes:

2.5.2 Full name, Date of Birth, Address Details, Gender Information, National Insurance Number, Email Address, Salary and Tax information.

2.5.3 Special category personal data: Health status and disability information.

2.6 IT services:

2.6.1 Personal data which may be processed includes:

2.6.2 Full name, Address Details, Contact Information including Email Address and Telephone contact number and Purchase History.

2.7 HR services:

2.7.1 Personal data which may be processed includes:

2.7.2 Full name, Date of Birth, Address Details, Gender Information, National Insurance Number, Email Address, Salary, Role and responsibilities, Hours worked, and Tax information.

2.7.3 Special category personal data: Health status and disability information.

### Special Category Personal Data

2.8 Save as set out above, in the normal course of our activities we would not expect to process any special categories of personal data whilst carrying out this engagement. Should we have a requirement to process this category of personal data, we would inform you in advance and explain the basis on which this data is being collected/processed and seek consent where appropriate.

### The categories of data subject to whom the client personal data relates

2.9 Payroll services:

2.9.1 Your employees and contractors

2.10 IT services:

2.10.1 Your employees and contractors

2.11 HR services:

2.11.1 Your employees and contractors, candidates for employment and third parties providing references.

### Your obligations and rights

2.12 Your obligations and rights are set out in the Engagement Letter between us.