

## CORPORATE FINANCE

### STANDARD TERMS OF BUSINESS

The following standard terms of business apply to all engagements accepted by Armstrong Watson LLP, Armstrong Watson Audit Limited and Armstrong Watson Trustees Limited. All work carried out is subject to these terms except where changes are expressly agreed in writing.

Armstrong Watson LLP is a limited liability partnership in England & Wales, Company No. OC415608. The Registered Office is at 15 Victoria Place, Carlisle, CA1 1EW.

Armstrong Watson Audit Limited is a limited company registered in England & Wales, Company No. 8800970. Registered Office is at 15 Victoria Place, Carlisle, CA1 1EW. The company VAT number is 181567684.

Armstrong Watson Audit Limited is registered by the Institute of Chartered Accountants in England and Wales (ICAEW) to carry out audit work in the UK and Ireland.

Details of our audit registration can be viewed at [www.auditregister.org.uk](http://www.auditregister.org.uk) under reference number C003784010.

Armstrong Watson Trustees Limited is a limited company, registered in England & Wales, Company No. 8449656. The Registered Office is at 15 Victoria Place, Carlisle, CA1 1EW.

The Services will be provided by a limited liability partnership, incorporated in England & Wales or a limited liability company. Armstrong Watson LLP has decided to retain the title partner to describe an individual who is authorised to commit Armstrong Watson LLP.

#### DEFINITIONS

**‘Client Party’ or ‘you’** or derivatives: The addressee(s) of the Engagement Letter.

**‘Deliverables’**: The letters, reports, information, advice or opinions given by us in connection with the Services.

**‘Engagement Letter’** The letter that incorporates these Terms and Conditions of Business together with these Terms and Conditions of Business or as may be varied from time to time in accordance with Clauses 2.3 and/or 3.1.

**‘Engagement/Transaction’**: as defined in the Engagement Letter.

**‘Information’**: All documents, information and assistance, IT systems and infrastructure that we may require to undertake the Services.

**‘Armstrong Watson’ or ‘We’** or derivatives: The English body corporate which is a party to the Engagement Letter and delivering the Services under its terms.

**‘Services’**: The services delivered to the Client Party by Armstrong Watson and which are detailed in and are subject to the terms of the Engagement Letter.

**‘Virtual Storage Facilities’**: Means any internet or other electronic facility (whether cloud based or not) designed to store information which relates to Services.

#### 1. Professional obligations

- 1.1. We will observe the Bye-laws, regulations and ethical guidelines of the ICAEW and accept instructions to act for you on the basis that we will act in accordance with those guidelines.
- 1.2. 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 pronouncements applicable to this engagement.

- 1.3. 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 1.2 above. 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.

- 1.4. If a conflict of interest should arise, either between two or more of our clients, or in the provision of multiple services to a single client, we will take such steps as are necessary to deal with the conflict. In resolving the conflict, we would be guided by the code of ethics of ICAEW which can be viewed as part of the Regulations and Guidance at [www.icaew.com/regulations](http://www.icaew.com/regulations).

#### 2. Engagement terms

- 2.1. All Services provided by Armstrong Watson for the Client Party will be in accordance with the Engagement Letter subject to any subsequent written variation, agreed by an authorised representative of Armstrong Watson and the Client Party. If for whatever reason that does not happen we will treat the fact that you have instructed us to commence the Services as deemed agreement.

- 2.2. The Engagement Letter replaces and supersedes any previous proposal, discussion, correspondence, representation or agreement between us in relation to the Services and forms the whole agreement between us in relation to the same. This clause shall have the effect of excluding the liability of any party to the Engagement Letter for any misrepresentation (other than a fraudulent misrepresentation) made prior to the date of the Engagement Letter.

- 2.3. Amendment to these Terms and Conditions of Business may be made only by specific reference to the relevant clause in these Terms and Conditions of Business. In the event of a conflict between these Terms and Conditions of Business and the letter incorporating these Terms and Conditions of Business, the letter will prevail only to the extent of such conflict.

- 2.4. The obligations of each addressee of the Engagement Letter under these Terms and Conditions of Business are several such that no one addressee has any liability or responsibility for the actions or defaults of another.

- 2.5. You or we may terminate the engagement pursuant to the Engagement Letter by written notice, at any time, without penalty, though if this occurs whether at your behest or ours, before the Services have been completed, Armstrong Watson shall be entitled to its fees, expenses, disbursements and VAT, to the date of termination.

- 2.6. The terms of the Engagement Letter will apply to any Services whether such Services were performed or provided before or after the signing of the Engagement Letter.

#### 3. Changes in scope

- 3.1. Should you require any services in addition to the Services from time to time, we will be pleased to discuss any request with you. However, prior to accepting or imposing any contractual terms that would commit you to obtaining or providing any Deliverables from us, please discuss the matter with us first. Following such discussions, we will advise you

whether or not we are willing to undertake any services in addition to the Services and, if so, the terms on which such services would be undertaken.

- 3.2 Any agreement to provide additional services will include the payment of reasonable additional fees and a reasonable additional period within which to provide such services.

#### 4. Investment services

4.1 We are not authorised by the Financial Conduct Authority (FCA) and as such cannot give advice on investments. However, Armstrong Watson is included on the register maintained by the Financial Conduct Authority (FCA) so that we can carry on insurance mediation activity, which is broadly the advising on, selling and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by The Institute of Chartered Accountants in England and Wales. The register can be accessed via the Financial Conduct Authority website at [www.fca.org.uk/register](http://www.fca.org.uk/register). As Armstrong Watson is licenced by the ICAEW, we may be able to provide certain investment services that are complementary to, or arise out of, the professional services we are providing to you.

4.2 Such advice may include:

- advise you on investments generally, but not recommend a particular investment or type of investment;
- advise you in connection with the disposal of an investment, other than your rights in a pension policy or scheme;
- advise and assist you in transactions concerning shares or other securities not quoted on a recognised exchange;
- assist you in making arrangements for transactions in investments in certain circumstances; and
- manage investments or act as trustee (or donee of a power of attorney) where decisions to invest are taken on the advice of an authorised person.

4.3 For corporate clients Armstrong Watson may also, on the understanding that the shares or other securities of the company are not publicly traded:

- advise the company, existing or prospective shareholders in relation to exercising rights, taking benefits or share options, valuations and methods of such valuations;
- arrange any agreements in connection with the issue, sale or transfer of the company's shares or other securities;
- arrange for the issue of new shares; and
- act as the addressee to receive confirmation of acceptance of offer documents etc.

4.4 In the unlikely event that we cannot meet our liabilities to you, you may be able to claim compensation under the Chartered Accountants' Compensation Scheme in respect of exempt regulated activities undertaken.

4.5 Should you require investment advice that we are currently unable to give we will introduce you to Armstrong Watson Financial Planning Limited (AWFP), a firm authorised by the FCA. AWFP is an associated business to this practice and one in which we have a financial interest.

4.6 AWFP will issue its own terms and conditions letter.

#### 5. Client monies

5.1 Armstrong Watson 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 the ICAEW.

5.2 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 The Royal Bank of Scotland Plc for small deposits subject to the minimum period of notice for withdrawals. Subject to any tax legislation, interest will be paid gross.

5.3 If the total sum of money held on your behalf is likely to give rise to a significant amount of interest 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.

#### 6. Fees

6.1 All fee estimates are calculated on the assumption that the Client's representatives will make themselves readily available to attend meetings and will promptly produce all information required by AW. Unless otherwise stated in the Letter of Engagement a fee estimate does not constitute a fixed quote.

6.2 Should information come to light during the course of the Transaction/Engagement which had not been disclosed to AW prior to the commencement of the Transaction/Engagement, but which may have had an influence on AW's fee estimate had it been disclosed, AW reserves the right to withdraw from the exercise and in which case the Client shall pay to AW a fee equivalent to the time costs incurred up to that point. If at any time the Client becomes dissatisfied with the costs charged by AW or the level of service being received, then the Client is advised to inform AW in writing as soon as possible.

6.3 In the case of limited company clients: 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.

6.4 In relation to contingent fees "Consideration" means the aggregate of all consideration sums received or receivable, and includes:

- any payment made or to be made in the discharge or undertaking of indebtedness, to include interest receivable;
- deferred consideration;
- contingent consideration;
- any dividends or distributions received or receivable;
- any equity retention or issue of equity in the corporate vehicle which completes the Transaction, in which case the shares retained or issued to the Client would be treated as consideration and valued at market value. In the case of loan notes issued by an acquirer, this would be assumed to be the redemption value of the loan notes issued; and any special inducements/emoluments/payments in kind made or to be made in connection with the Transaction, whether at closing or immediately prior to or at any time following closing."

#### 7. Retention of and access to records

7.1 In order to carry out the Transaction/Engagement, AW will be given full access to all Directors, officers, staff and agents of the Client associated with the Transaction/Engagement and to the other advisers to the Client (the "Client Transaction/Engagement Team"). AW will also be given full

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access to such other data and information as AW may require. AW shall be entitled to rely upon the accuracy and completeness of all information provided to it by the Client Transaction/Engagement Team.

- 7.2 Unless otherwise agreed, documents and computer files, which form the basis of any sale document, business plan, financing proposal document or document relating to the substance of the Transaction /Engagement, will remain the property of AW.
- 7.3 Whilst certain documents may legally belong to you, we intend to destroy correspondence and other papers that we store which are more than nine years old, other than documents which we consider to be of continuing significance. If you require retention of any document you must notify us of that fact in writing.
- 7.4 Documents and records prepared by you or your staff will remain your property unless there is an express or implied agreement to the contrary. Letters or other communications from you to ourselves will remain our property.
- Documents and records produced by us in the course of our work in dealing with your affairs will remain our property unless there is an agreement to the contrary.
- 8. Quality control**
- 8.1 As part of our ongoing commitment to providing a quality service, our files are periodically subject to an independent regulatory or quality review. Our reviewers are highly experienced and professional people and are, of course, bound by the same requirements of confidentiality as our principals and staff.
- 8.2 When dealing with HM Revenue & Customs 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 HM Revenue & Customs, see [www.hmrc.gov.uk/charter/index.htm](http://www.hmrc.gov.uk/charter/index.htm). To the best of our abilities, we will ensure that HM Revenue & Customs meet their side of the Charter in their dealings with you.
- 9. Help us to give you the right service**
- 9.1 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 writing to our Chief Executive, Mr P Dickson, 15 Victoria Place, Carlisle, CA1 1EW.
- 9.2 We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If you feel that we have given you a less than satisfactory service, we undertake to do everything reasonable to address your concerns. If you are still not satisfied, you may of course take up matters with the ICAEW.
- 9.3 In accordance with the disclosure requirements of the Provision of Services Regulations 2009, our professional indemnity insurer is A G Dore Syndicate 2526 and others c/o Bluefin Insurance Services Ltd, Howard House, Dovenby, Cockermouth, Cumbria CA13 0PN. The territorial coverage is worldwide.
- 9.4 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.

9.5 In addition this agreement may be terminated for any reason if 90 days notice is given.

#### **10. Discovery of fraud**

10.1 We will not be responsible for detecting fraud or misrepresentation (whether by the Client Party, its management, employees or third parties). We will, subject to our legal obligations, without accepting any liability for doing so, inform the Client Party if we become aware of fraud.

10.2 We will not be responsible for the consequences of any deficiency in information provided in the course of our provision of Services.

#### **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.

11.3 In appropriate cases the Law of Scotland will apply and Section 8.1 will be amended accordingly. In any case of doubt or dispute we shall have the right to decide which jurisdiction is appropriate.

#### **12. Changes in the law**

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 or your circumstances.

12.2 We will accept no liability for losses arising from changes in the law or the interpretation thereof that occur after the date on which the advice is given.

#### **13. Internet communication**

13.1 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 e-mail 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 e-mail is not an acceptable means of communication.

- 13.2 It is the responsibility of the recipient to carry out a virus check on any attachments received.
- 14. Data Protection**
- 14.1 In this clause [14], the following definitions shall apply: ‘client personal data’ means any personal data provided to us by you, or on your behalf, for the purpose of providing our services to you, pursuant to our engagement letter with you; ‘data protection legislation’ means all applicable privacy and data protection legislation and regulations including PECR, the GDPR and any 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; ‘controller’, ‘data subject’, ‘personal data’, and ‘process’ shall have the meanings given to them in the data protection legislation; ‘GDPR’ means the General Data Protection Regulation ((EU) 2016/679); and ‘PECR’ means the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003).
- 14.2 We shall each be considered an independent data controller in relation to the client personal data. Each of us will comply with all requirements and obligations applicable to us under the data protection legislation in respect of the client personal data.
- 14.3 You shall only disclose client personal data to us where: (i) 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://www.armstrongwatson.co.uk/privacy-policy>); (ii) 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 (iii) you have complied with the necessary requirements under the data protection legislation to enable you to do so.
- 14.4 Should you require any further details regarding our treatment of personal data, please contact our head of privacy, the contact detail of which can be found in our Privacy Notice on our website.
- 14.5 We shall only process the client personal data: (i) in order to provide our services to you and perform any other obligations in accordance with our engagement with you; (ii) in order to comply with our legal or regulatory obligations; and (iii) 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://www.armstrongwatson.co.uk/privacy-policy>) contains further details as to how we may process client personal data.
- 14.6 For the purpose of providing our services to you, pursuant to our engagement letter, we may disclose the client personal data to 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, in rare circumstances, be located outside of the European Economic Area (EEA). We will only disclose client personal data to a third party (including a third party outside of the EEA) provided that the transfer is undertaken in compliance with the data protection legislation.
- 14.7 We shall maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of the client personal data and against accidental loss or destruction of, or damage to, the client personal data. Further details of our security measures are available on our website at <https://www.armstrongwatson.co.uk/our-gdpr>
- 14.8 In respect of the client personal data, provided that we are legally permitted to do so, we shall promptly notify you in the event that:
- (a) we receive a request, complaint or any adverse correspondence from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or in respect of our processing of their personal data;
- (b) 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 client personal data from a supervisory authority as defined in the data protection legislation (for example in the UK, the Information Commissioner’s Officer); or
- (c) 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 client personal data.
- 14.9 Upon the reasonable request of the other, we shall each cooperate 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 services provided to you in accordance with our engagement letter with you in relation to those services.
- 15. Contracts (Rights of Third Parties) Act 1999**
- 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 that we give to you is for your sole use and does not constitute advice to any third party to whom you may communicate it. We accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.
- 16. The Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007**
- 16.1 In common with all accountancy and legal practices the firm is required by the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 to:
- Maintain identification procedures for clients and beneficial owners of clients;
  - Maintain records of identification evidence and the work undertaken for the client; and
  - Report in accordance with the relevant legislation and regulations.
- 16.2 As part of our regulatory duties, we are obliged to verify as a minimum the identity, place of residence, source of funds and of wealth of our clients. As part of this process we will make searches about you using an electronic reference agency that will supply us with information including that from the Electoral Register. This process may also require sight of certain documentation. We are unable to act on your behalf until our verification requirements have been met.
- The agencies will record details of these searches, but this does NOT affect your credit rating or credit score.
- 16.3 We have a duty under section 330 of the Proceeds of Crime Act 2002 to report to the National Crime Agency (NCA) if we know, or have reasonable cause to suspect, that another person is involved in money laundering. Failure on our part to make a report where we have knowledge or reasonable grounds for suspicion would constitute a criminal offence.
- 16.4 The offence of money laundering is defined by section 340(11) of the Proceeds of Crime Act and includes concealing, converting, using or possessing the benefits of any activity that constitutes a criminal offence in the UK. It

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also includes involvement in any arrangement that facilitates the acquisition, retention, use or control of such a benefit.

This definition is very wide and would include such crimes as:

- deliberate tax evasion;
- deliberate failure to inform the tax authorities of known underpayments or excessive repayments;
- fraudulent claiming of benefits or grants; or
- obtaining a contract through bribery.

Clearly this list is by no means exhaustive.

- 16.5 We are obliged by law to report any instances of money laundering to SOCA without your knowledge or consent. In consequence, neither the firms' principals nor staff may enter into any correspondence or discussions with you regarding such matters.
- 16.6 We are not required to undertake work for the sole purpose of identifying suspicions of money laundering. We shall fulfil our obligations under the Proceeds of Crime Act 2002 in accordance with the guidance published by the Consultative Committee of Accountancy Bodies.

#### 17. Limitation of liability

- 17.1 The following clauses limit Armstrong Watson's liability to the Client Party by Armstrong Watson in respect of any negligence, default, or breach of duty, or breach of trust, occurring in the course of the provision of Services pursuant to the Engagement Letter.
- 17.2 For the Purposes of this clause 5, 'Person' means any corporate body, individual or other person, including:
- a) any director or employee of the Client Party,
  - b) persons associated with the Client Party,
  - c) persons providing or who have provided finance or services to the Client Party including other professionals, and
  - d) any governmental or regulatory authority or body where such governmental or regulatory authority or body is in breach of duty, whether statutory or otherwise, and irrespective of whether such authority or body has, in respect of the relevant loss or damage, any statutory immunity from liability for damages, but excluding the Client Party itself and Armstrong Watson.
- 17.3 Where any Person, whether or not that Person is or could be made a party to or a witness in any relevant proceedings, is also liable to the Client Party for, or has otherwise caused or contributed to, all or part of the same loss or damage as Armstrong Watson (a 'Responsible Person'), and/or where the Client Party itself has contributed to such loss or damage, Armstrong Watson's liability shall be limited to such amount as is just and equitable having regard to the extent to which each of Armstrong Watson, any such Responsible Person and the Client Party is liable for, or has otherwise caused or contributed to, such loss or damage. Any limitation, exclusion or restriction (however arising) on the liability of any Responsible Person and any other matter (whensoever arising), including inability to pay or insolvency, affecting the possibility of recovering compensation from any Responsible Person shall be ignored in determining whether and to what extent that Responsible Person is liable to the Client Party for, or has caused or contributed to, such loss or damage. Neither Armstrong Watson nor the Client Party shall unreasonably resist the joinder to the proceedings or the calling as a witness in the proceedings of any Responsible Person.

17.4 If the effect of clause 17.3 would be to limit Armstrong Watson's liability to less than such amount as is fair and reasonable, as determined in accordance with that clause, this clause shall have effect as if it limited Armstrong Watson's liability to such amount as is fair and reasonable, as so determined.

17.5 Armstrong Watson's aggregate liability in respect of all claims by you shall be limited to the amount specified in the Engagement Letter or, if no amount is specified there, twenty times the total fees received by AW from the Client Party.

17.6 It is further agreed that, in order to give effect to the agreed principle that we shall not be liable more than once in respect of any loss or damage a Client Party may suffer arising out of the Services the subject of the Engagement Letter, any amount otherwise payable to a Client Party by reason of a claim under the Engagement Letter in respect of any such loss or damage shall be reduced by any amount paid to that Client Party in respect of the same loss or damage by reason of a claim under any other letter of engagement entered into between ourselves (or other Armstrong Watson Entities) and that Client Party or otherwise.

17.7 For the avoidance of doubt where there is more than one Client Party, Armstrong Watson's aggregate liability to all Client parties shall not exceed the limit applicable pursuant to clause 17.5 above. In that event the limit of liability specified above will have to be allocated between the Client Parties. It is acknowledged that such allocation will be entirely a matter for the Client Parties, provided always that if (for whatever reason) no such allocation is agreed, no Client Party shall dispute the validity, enforceability or operation of the limit of liability on the ground that no such allocation was agreed.

17.8 Any claim must be formally commenced within two years after the party bringing the claim becomes aware (or ought reasonably to have become aware) of the facts which give rise to the action and in any event no later than four years after the cause of action arises. This provision expressly overrides any statutory provision that would otherwise apply.

17.9 Except as expressly provided herein, no person may enforce the Engagement Letter by virtue of the Contracts (Rights of Third Parties) Act 1999 (the 'Act').

17.10 These provisions do not apply in relation to:

- a) Death or personal injury;
- b) Loss and damage arising from fraud on our part; and
- c) Any other situations in which the limitation of our liability is prohibited by law.

17.11 For details of our professional indemnity insurance, as required by the provisions of the Provision of Services Regulations 2009, our professional indemnity insurer is AXIS Specialty Europe SE and others c/o Bluefin Insurance Services Ltd, Howard House, Dovenby, Cockermouth, Cumbria CA13 0PN. The territorial coverage is worldwide.

#### 18. Use of our name in statements or documents issued by you

18.1 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.

#### 19. Draft/interim work or oral advice

- 19.1 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.
- 20. Interpretation**
- 20.1 If any provision of our engagement letter or terms of business is held to be void, then that provision will be deemed not to form part of this contract. 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.
- 21. Authority**
- 21.1 AW shall be entitled in its dealings with the Client to rely upon the authority of any member of the Client Transaction/Engagement Team.
- 22. Formal documents and announcements**
- 22.1 AW may issue communications (including but not limited to documents and announcements) on behalf of the Client for the purposes of Section 21 of the Financial Services and Markets Act 2000 ("FSMA"). Where AW does so (or issues, approves or arranges for the issue of any communication whether or not it is a financial promotion) the Client undertake to provide AW with any information, assurance, confirmation or verification necessary or requested by AW for the purposes of ensuring that any such communication is true and compliant with all relevant laws, rules and regulations. The Client will remain fully responsible for any such communication.
- 22.2 AW retains the right to refuse to issue or arrange for the issue of, a particular communication and to require the Client to cease to distribute a communication which, in AW's opinion, has any connection with or potential effect on the Transaction/Engagement, if at any time AW becomes aware of information which, in its opinion, renders the communication untrue, incomplete or misleading in a material respect.
- 22.3 The Client undertakes that they will only issue or distribute such a communication to such recipients and in such a manner as AW may prescribe. The Client confirms that they understand that breach of any such restrictions may result in the Client breaching FSMA and agree that AW will not have any liability to it and the Client will indemnify AW in respect of any such breach.
- 22.4 The Client agrees that it will not publish, or arrange for the publication of, any document or announcement in relation to, or having any effect on, the Transaction/Engagement without the prior written consent of AW.
- 22.5 The client agrees that they will not use our name in any statement or document that they 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.
- 23. Indemnity**
- 23.1 The Client agrees to indemnify (on an after-tax basis) and hold harmless AW, for its own account and as trustee for its "connected persons", (each an "indemnified party"), from and against any losses, claims, demands, damages, costs, charges, expenses or liabilities (or actions, proceedings or investigations in respect thereof) which an indemnified party may suffer or incur or which may be made against the indemnified party relating to or arising directly or indirectly out of AW's provision of services in connection with the Transaction/Engagement; and the Client will additionally reimburse the indemnified parties for all costs and expenses (including professional and legal fees) which are incurred by the indemnified parties in connection with investigating, preparing or defending any such action or claim, whether or not in connection with pending or threatened litigation or arbitration, in which any indemnified party is a party or otherwise involved, and whether or not resulting in liability on the part of any indemnified party.
- 23.2 AW will, to the extent reasonable and practicable in the circumstances and subject to any requirement imposed by an insurer of any indemnified party, consult with the Client and keep the Client informed in relation to any action or claim of this kind. The Client will not, however, be responsible for any losses, claims demands, damages, costs, charges, expenses or liabilities incurred by an indemnified party to the extent that they are finally and judicially determined to result from actions taken or omitted to be taken by an indemnified party in bad faith or arising from the gross negligence of an indemnified party in performing the services specified in the Letter of Engagement. In this letter "connected persons" means AW and subsidiary and associated companies (the "Group") as well as the respective Partners, Directors, officers, employees and agents of each member of the Group.
- 24. Confidentiality**
- 24.1 Subject to the conditions set out below, all confidential information which AW receives from the Client and which is clearly identified as such will be held in confidence unless and until such time as the Client specifically consents to the disclosure of that confidential information or disclosure is required by law or the rules or regulations of any applicable regulatory governmental or administrative body or the information comes into the public domain other than through a breach by AW. All original share certificates and other documents of title held to the order of the Client and all other papers held by AW which were supplied to AW by the Client will be returned by AW to the Client after receipt of a request from the Client subject to AW being entitled to retain copies in order to comply with its regulatory or other record-keeping requirements.
- 24.2 Neither AW nor any connected person will have any duty to disclose to the Client, or use for the benefit of the Client, any information which comes to their notice (or the notice of any connected person) in the course of carrying on any other business or as a result of or in connection with the provision of services to other persons. The Client accepts that AW and its connected persons may be prohibited from disclosing, or it may be inappropriate for AW and its connected persons to disclose, information to the Client even if it relates to the Client or to the Transaction/Engagement.
- 25. Prohibition on assignment**
- 25.1 No party may assign any of its rights in relation to this agreement without the prior written consent of each of the other parties.
- 26. General**
- 26.1 If instructions are given by more than one person or Client, AW may choose to treat any one or more of those parties as its client; this includes situations where one person or Client instructs the firm on behalf of another party. If at any time the shares, business or assets of AW are transferred to another entity, all work on which AW has been instructed by the Client will be carried out by the transferee entity as if it was the original signatory to this Letter of Engagement in the place of AW and references to AW shall from the date of transfer be interpreted as references to the transferee entity.
- 26.2 In addition, if at any time the shares, business or assets of the Client are transferred to another entity, the Client will

## **CORPORATE FINANCE**

### **STANDARD TERMS OF BUSINESS**

procure that the transferee entity agrees to be bound by, and the transferee entity shall be deemed to have become bound by, the terms of the Letter of Engagement and these standard terms and conditions jointly and severally with the Client

- 26.3 The Client agrees that AW may telephone and/or visit the Client at any reasonable time in order to provide them with information about investments or services that AW believes may be of interest to Clients.
- 26.4 If any provision of our engagement letter or terms of business is held to be void, then that provision will be deemed not to form part of this contract. 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.