

GrowBe

TERMS OF BUSINESS

These Terms of Business (updated January 2020) set out the terms on which we are to act for you and should be read in conjunction with our current letter of engagement. All work is carried out under these terms for both GrowBe Ltd and GrowBe Accounts Ltd except where changes are expressly agreed in writing.

Our responsibility to you

We have set out the agreed scope and objectives of your instructions within the letter of engagement and schedule of services. Any subsequent changes will be discussed with you and where appropriate a new letter of engagement and/or schedule of services will be agreed. We shall proceed on the basis of the instructions we have received from you and will rely on you to tell us as soon as possible if anything occurs which renders any information previously given to us as incorrect or inaccurate. We shall not be responsible for any failure to advise or comment on any matter that falls outside the specific scope of your instructions. We cannot accept any responsibility for any event, loss or situation unless it is one against which it is the expressed purpose of these instructions to provide protection.

Your responsibility to us

The advice that we give can only be as good as the information on which it is based. In so far as that information is provided by you, or by third parties with your permission, your responsibility arises as soon as possible if any circumstances or facts alter, as any alteration may have a significant impact on the advice given. If the circumstances change therefore or your needs alter, advise us of the alteration as soon as possible in writing.

1. APPLICABLE LAW

1.1 The engagement letter, schedule of services and our terms of business are governed by, and should be construed in accordance with, the law and practice of English and Wales. Each party agrees that the Courts of English and Wales 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 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.

1.2 Changes in the law or public policy and practice

1.2.1 We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law or public policy and practice or your circumstances.

1.2.2 We will accept no liability for losses arising from changes in the law (or the interpretation thereof) or public policy and practice that are first published after the date on which the advice is given.

2. CONFLICTS OF INTEREST, INDEPENDENCE AND CONFIDENTIALITY

2.1 Conflicts of Interest

2.1.1 If there is a conflict of interest in our relationship with you or in our relationship with you and another client that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests, then we will adopt those safeguards.

2.1.2 Where conflicts are identified that cannot be managed in a way that protects your interests then we regret that we will be unable to provide further services. If this arises, we will inform you

promptly. We reserve the right to act for other clients whose interests are not the same as or are adverse to yours, subject, of course, to the obligations of confidentiality referred to above.

2.2 Confidentiality

2.2.1 Communication between us is confidential. We shall take all reasonable steps not to disclose your information except where we are required to and as set out in our privacy notice. Unless we are authorised by you to disclose information on your behalf this undertaking will apply during and after this engagement.

2.2.2 We may, on occasions, subcontract work on your affairs to other professionals. The subcontractors will be bound by our client confidentiality and security terms.

2.2.3 We reserve the right, for the purpose of promotional activity, training or for other business purposes, to mention that you, the business, are a client. As stated above we will not disclose any personal or confidential information.

2.2.4 You agree that it will be sufficient compliance with our duty of confidence for us to take such steps as we in good faith think fit to preserve confidential information both during and after the termination of this engagement.

2.2.5 You hereby explicitly acknowledge and consent that we may make use of cloud computing services to store Personal Information and other data relating to you. We will use commercially reasonable security technologies (such as encryption, password protection and firewall protection) to protect this Personal Information and other data from unauthorised disclosure. You, however, acknowledge and agree that it is impossible for us to guarantee the security of the Personal Information and other data with absolute certainty and that the use of cloud computing services may therefore entail certain risks. We shall only be responsible if it has finally judicially been determined that we did not take commercially reasonable measures to protect the Personal Information and other data from unauthorised disclosure.

2.3 Internal disputes

If we become aware of a dispute between the parties who own or are in some way involved in the ownership and management of the business, it should be noted that our client is the business and we would not provide information or services to one party without the express knowledge and permission of all parties. Unless otherwise agreed by all parties we will continue to supply information to the registered office/home address for the attention of the requesting director/shareholder. If conflicting advice, information or instructions are received from a different director/shareholder in the business we will refer the matter back to the board of directors and take no further action until the board of directors has agreed the action to be taken.

3. OUR SERVICES

3.1 Quality of Service

3.1.1 We wish to provide a high quality of service which is both efficient and effective at all times. If at any time you would like to discuss with us how our service to you could be improved or if you are concerned with the service which you are receiving please let us know by telephoning John Bickell.

3.1.2 We undertake to consider any comments carefully and promptly and to do all we can to explain the position to you. We undertake to do everything reasonable to resolve any problems and if you are still not satisfied you may, of course, take up matters with the relevant regulatory body.

3.2 Reliance on advice

We will endeavour to record all advice on important matters in writing. Advice given orally is not intended to be relied upon unless confirmed in writing. Therefore, if 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. However, bear in mind that advice is only valid at the date it is given.

3.3 Implementation

We will only assist with implementation of our advice if specifically instructed and agreed in writing.

3.4 Provision of Services Regulations 2009

In accordance with our professional body rules we are required to hold professional indemnity insurance. Details about the insurer and coverage can be found at our offices or supplied on request.

4. LIMITATION OF THIRD PARTY RIGHTS

4.1 Limitation of Third Party Rights

4.1.1 The advice and information we provide to you as part of our service is for your sole use and not for any third party to whom you may communicate it unless we have expressly agreed in the engagement letter that a specified third party may rely on our work. We accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, for any advice, information or material produced as part of our work for you which you make available to them. It may not be used or relied upon for any other purpose or by any other person other than you without our prior written consent. A party to this agreement is the only person who has the right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

4.1.2 If our advice is disclosed to any third party (with or without our consent), then we accept no responsibility or liability to that third party for any consequences that may arise to them, should they rely on the advice.

4.1.3 If it is proposed that any documents or statements which refer to our name are to be circulated to third parties, please consult us before they are issued.

5. LIMITATION OF LIABILITY

5.1 We will provide our professional services with reasonable care and skill. Our liability to you is limited to losses, damages, costs and expenses caused by our negligence, wilful default or breach of contract. However, to the fullest extent permitted by law, we will not be responsible for any losses, penalties, surcharges, interest or additional tax liabilities arising from the supply by you or others of incorrect or incomplete information, or yours or others' failure to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or any public sector body (such as HMRC).

5.2 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 you arising from any misrepresentation (intentional or unintentional) supplied to us orally or in writing in connection with this agreement. You have agreed that you will not bring any claim in connection with services we provide to you against any of our principals or staff personally.

5.3 We will endeavour to record all advice on important matters in writing. Advice given orally is not intended to be relied upon unless confirmed in writing. Therefore, if 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.

5.4 Our work is not, unless there is a legal or regulatory requirement, to be made available to third parties without our written permission and we will accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

5.5 Exclusion of liability in relation to circumstances beyond our control

We will not be liable to you for any delay or failure to perform our obligations under this engagement letter if the delay or failure is caused by circumstances outside our reasonable control.

5.6 Exclusion of liability relating to non-disclosure or misrepresentation

We will not be responsible or liable for any loss, damage or expense incurred or sustained if information material to the service we are providing is withheld or concealed from us or misrepresented to us. This exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures that we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry beyond that which it would have been reasonable for us to have carried out in the circumstances.

5.7 Indemnity for unauthorised disclosure

You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure by you or by any person for whom you are responsible of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including payment at our usual rates for the time that we spend in defending it.

5.8 Limitation of aggregate liability

The total liability of GrowBe Ltd and GrowBe Accounts Ltd together, for any claim in respect of services provided to you (whether in contract, negligence or otherwise) shall in no circumstances exceed £1,000,000 (One million) pounds.

This sum shall be the maximum aggregate liability of this company, its directors agents and employees to all persons to whom the engagement letter is addressed and also any other person that we have agreed with you may rely on our work. By signing the engagement letter you agree that you have given proper consideration to this limit and accept that it is reasonable in all the circumstances. If you do not wish to accept it you should contact us to discuss it before signing the engagement letter.

6. DATA PROTECTION

GrowBe Ltd and GrowBe Accounts Ltd have a separate data privacy notice, see letter of engagement for the link.

7. FEES AND COMMISSIONS

7.1 Fees and payment terms

7.1.1 Our fees may depend not only upon the time spent on your affairs but also on the level of skill and responsibility, and the importance and value of the advice that we provide, as well as the level of risk.

7.1.2 If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that that will be the case.

7.1.3 Where requested, we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto.

7.1.4 In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance may 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 that you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

7.1.5 We will bill at appropriate intervals and our invoices are due for payment upon presentation. Our fees are exclusive of VAT, which will be added where it is chargeable. 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 where appropriate.

7.1.6 Unless otherwise agreed to the contrary, our fees do not include the costs of any third party, counsel or other professional fees.

7.1.7 It is our normal practice to issue applications for payment when dealing with continuous or recurring work. The payment terms for applications for payment are the same as for invoiced fees. A VAT invoice will be issued to you upon receipt of your payment.

7.1.8 It is our normal practice to ask clients to pay by monthly direct debit or standing order and to periodically adjust the monthly payment by reference to actual billings.

7.1.9 You authorise us to settle our agreed fees from any money held on your behalf in the client account.

7.1.10 If you do not accept that an invoiced fee is fair and reasonable you must notify us within 31 days of receipt, failing which you will be deemed to have accepted that payment is due.

7.1.11 Invoices for accounts preparation and tax returns are payable in full before filing with the relevant authorities unless alternative arrangements have been agreed.

7.1.12 We reserve the right to charge interest on overdue accounts at the current rate under the late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to terminate our engagement and cease acting for you on giving written notice if payment of any fees billed is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.

7.1.13 If a client company, LLP, trust, or other entity is unable or unwilling to settle our fees we reserve the right to seek payment from the individual (or parent entity) giving us instructions on behalf of the client and we shall be entitled to enforce any sums due against the group, entity or individual nominated to act for you.

7.1.14 Insofar as we are permitted to do so by law or professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession, relating to all engagements for you until all outstanding fees and disbursements are paid in full.

7.1.15 If it becomes necessary for us to liaise with, or make a report to a regulator or public sector body, as a result of any statutory duty imposed upon us by legislation or other regulation, including after our engagement has ended, we reserve the right to charge for work undertaken in accordance with these reporting duties.

7.1.16 If, for any reason it becomes necessary for us to withdraw from the engagement, our fees for work performed up to that date will be payable by you.

7.1.17 On termination of the engagement you may appoint a new adviser. Where a new adviser requests professional clearance and handover information we reserve the right to charge you a reasonable fee for the provision of handover information.

7.2 Commissions and other benefits

7.2.1 In some circumstances we may receive commissions and/or other benefits for introductions to other professionals or in respect of transactions which we arrange for you. Where this happens, we will notify you in writing of the amount and terms of payment and receipt of any such commissions or benefits.

7.2.2 Commissions under £100 will not be accounted for.

8. ELECTRONIC AND OTHER COMMUNICATION

8.1 Electronic and other communication

8.1.1 Unless instructed otherwise, we will communicate with you and with any third parties you instruct us to as set out in our covering letter and privacy notice via email or by other electronic means. The recipient is responsible for virus-checking emails and any attachments.

8.1.2 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 through emails or electronic storage devices. However, electronic communication is not totally secure and we cannot be held responsible for damage or loss caused by viruses, nor for communications that are corrupted or altered after despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication, especially in relation to commercially sensitive material. These are risks you must accept in return for greater efficiency and lower costs. If you do not wish to accept these risks, please let us know and we will communicate by hard copy, other than where electronic submission is mandatory.

8.1.3 Any communication by us with you sent through the post or Delivered Exactly (DX) system is deemed to arrive at your postal address two working days after the day that the document was sent.

8.1.4 When accessing information held electronically by HMRC, we may have access to more information than we need and will only access records reasonably required to carry out the contract.

8.1.5 You are required to keep us up to date with accurate contact details at all times. This is important to ensure that communications and papers are not sent to the incorrect address.

9. STAFF

Our staff are assigned to you on the mutual understanding that neither party will offer employment to, nor employ, the staff of the other who have been involved during the assignment, or dealing with you, within 12 months unless written consent has been obtained from either party. If such consent is given either party reserves the right to bill an appropriate fee of 25% of annual salary on appointment plus VAT.

10. INTELLECTUAL PROPERTY RIGHTS

We will retain all copyright in any document prepared by us during the course of carrying out the engagement save where the law specifically provides otherwise.

11. TERMINATION OF AGREEMENT

11.1 Period of engagement and termination

11.1.1 Unless otherwise agreed in the engagement covering letter our work will begin when we receive your implicit or explicit acceptance of that letter. Except as stated in that letter we will not be responsible for periods before that date.

11.1.2 Each of us may terminate this agreement by giving not less than 31 days' notice in writing to the other party except where you fail to cooperate with us or we have reason to believe that you have provided us or HMRC with misleading information, in which case we may terminate this agreement immediately. Termination will be without prejudice to any rights that may have accrued to either of us prior to termination.

11.1.3 In the event of termination of this contract, 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 shall not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

11.1.4 If you engage us for a one-off piece of work (for example advice on a one-off transaction or preparation of a tax return for one year only) the engagement ceases as soon as that work is completed. The date of completion of the work is taken to be the termination date and we owe you no duties and we will not undertake further work beyond that date.

11.1.5 Where recurring work is provided (for example ongoing compliance work such as the completion of annual tax returns) the engagement ceases on the relevant date in relation to the termination as set out above. Unless immediate termination applies, in practice this means that the relevant termination date is:

- 31 days after the date of notice of termination; or
- a later agreed date

11.1.6 Termination may be by immediate written notice if the other is in material breach or if the other becomes insolvent

11.1.7 We owe you no duties beyond the date of termination and will not undertake any further work.

12. DISENGAGEMENT

12.1 Disengagement

12.1.1 Should we resign or be requested to resign we will normally issue a disengagement letter to ensure that our respective responsibilities are clear.

12.1.2 Should we have no contact with you for a period of 15 months or more, we may issue to your last known address a disengagement letter and thereafter cease to act.

12.1.3 We reserve the right following termination for any reason to destroy any of your documents that we have not been able to return to you after a period of six months unless other laws or regulations require otherwise.

13. INTERPRETATION

13.1 Interpretation

13.1.1 If any provision of this engagement letter, schedules of services or standard terms and conditions is held to be void, then that provision will be deemed not to form part of this contract and the remainder of this agreement shall be interpreted as if such provision had never been inserted.

13.1.2 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.

14. AGREEMENT

14.1 Appendices

14.1.1 For accounting and other finance services, please refer to the Terms and Appendices for Finance Services, link available within the Letter of Engagement.

14.2 Amendment

We may amend the terms of this Agreement at any time by reasonable notice (including without limitation by posting revised terms on its website at www.growbe.co.uk), and the amended terms will be binding on You.

14.2 Agreement of terms

These Terms of Business, together with the Letter of Engagement supersedes any previous engagement letter for the period covered. Once it has been agreed, these will remain effective until it is replaced. You or we may vary or terminate our authority to act on your behalf at any time without penalty.