

Standard terms of business

The following standard terms of business apply to all work we accept unless we agree to any changes in writing. The services you have asked us to provide will be set out in a separate letter (engagement letter). Our contract with you includes this letter and these standard terms of business. If you are not clear about any of these terms, speak to the person looking after your affairs.

1 Contracting parties

- 1.1 Your contract is with Kreston Reeves Corporate Finance LLP (we, us) which is a limited liability partnership registered in England and Wales under registration number OC306454 under the Limited Liability Partnerships Act 2000. Kreston Reeves Corporate Finance LLP is authorised and regulated by the Financial Conduct Authority. Our FCA number is 599252. Our permitted business includes advising on and arranging corporate finance transactions. You can check this on the Financial Services Register by visiting the FCA's website www.fca.org.uk or by contacting the FCA on 0845 606 1234. Please be aware that not all aspects of corporate finance work are regulated by the FCA.
- 1.2 A limited liability partnership has 'members'. However, it is more usual for senior professionals to be referred to as 'partners'. We have decided to keep the traditional title of 'partner'. However, there is no partnership between the members or between the members and the LLP. Whenever we refer to a person being a 'partner', we mean in their capacity as a member of the LLP.
- 1.3 There is no contract between you and any of our members, employees or consultants. Any advice we give (or other work done) is done by someone on our behalf and not in their individual capacity. This means that nobody will have any personal responsibility to you for the advice or other work they carry out for you.
- 1.4 Anyone who is not directly involved in this agreement will have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of it. This clause does not affect any right or remedy of any person which exists or is available other than under that Act.
- 1.5 Unless we tell you in writing that we intend to treat you as a Professional Client, in all our dealings you will be treated as a Retail Client.
- 1.6 The advice that we give you is for your use only and is not aimed at advising anyone else you may talk to about it, or show it to. We accept no responsibility to anyone else for any part of our professional services or work that is made available to them.
- 1.7 Normally, we ask clients to give instructions in writing. Unless you specify differently to us in writing we are entitled to act:
 - If you are an individual, on your instructions;
 - If you are a trust or charity, on the instructions of any of the trustees;
 - If you are a partnership, on the instructions of any of the partners;
 - If you are a company or unincorporated association, on the instructions of any director or officer;
 - If you are a limited liability partnership, on the instructions of any member;
 - If we have been instructed jointly by more than one person, on the instructions of any such persons.

2 Our professional responsibilities

- 2.1 We have a duty to provide services under the contract with reasonable care and skill.
- 2.2 We are subject to a number of laws, rules and regulations in relation to the contract including the FCA Handbook and other rules and guidance issued from time to time by the Financial Conduct Authority (FCA Rules). We accept instructions to act for you on the basis that we will act in line with the FCA Rules.
- 2.3 If you give us confidential information, we will keep it confidential unless, by law or due to regulatory, ethical or other professional pronouncements, we have to release it.
- 2.4 We undertake not to transact business which we are prohibited from entering into, or which involves misuse of confidential information, or which conflicts with our obligations towards our customers. We will not transact for you any business in which we, a partner, employee or consultant, or another customer has an interest, unless that interest has first been disclosed to you in writing and your consent has been obtained. A copy of our "Personal Dealings and Conflicts of Interest" policy is available on request.
- 2.5 You can find details of our current professional indemnity insurer on our website at www.krestonreeves.com

3 Your responsibilities

- 3.1 You are solely responsible for commercial assessments and decisions about entering into any transaction in connection with our work for you. We are entitled to rely on your commercial assessment of the benefits and risks arising out of the matters we are working on for you.
- 3.2 You agree to make available to us, as and when required, all information necessary for our work, regardless of whether you have given such information to us earlier in connection with another engagement. You will take steps to make yourselves aware of any relevant information and to confirm that we are aware of that information.
- 3.3 We will rely on the information you provide, or provided by others on your behalf, as being correct and complete in all material respects without having to verify it.
- 3.4 If any information you give us relates to any third party then you warrant you have their consent to disclose it to us and that we can use it for the particular work.
- 3.5 You agree to provide us with unrestricted access as we may reasonably require to persons in your organisation, your other advisers, potential investors or other finance providers, as appropriate.
- 3.6 You are responsible for obtaining advice in areas that are outside our corporate finance expertise. When you engage other advisers in connection with this work you will tell us who they are. We are entitled to rely on their advice without having to verify it.
- 3.7 You agree to keep us fully and promptly informed of all developments and discussions relevant to our work.
- 3.8 You agree not take any action in connection with our work without prior consultation with us.

- 3.9 Any circulars, announcements, documents or statements you make or publish shall:
- where practicable, only be made after prior consultation with us about content, manner and timing;
 - be true and accurate and not misleading; and
 - comply with all legal and regulatory requirements
- 3.10 We will provide advice about any regulatory permissions or consents you require if we have agreed to do so in the engagement letter. You remain responsible for obtaining and maintaining any other permissions and consents required in your day to day business.
- 3.11 You will comply with all applicable legal and regulatory requirements in all relevant jurisdictions, for instance:
- Financial Services and Markets Act 2000.
 - Companies Act 2006.
 - The FCA Rules.
 - UK Listing Authority and London Stock Exchange rules.
 - The City Code on Takeovers and Mergers.
 - Proceeds of Crime Act 2002.
 - Criminal Justice Act 1993.
- 3.12 You will ensure observance of these terms of business by any person under your control, including associated companies and any body corporate set up by you or in which you hold or acquire shares or securities in connection with our work for you.
- 3.13 If you have instructed us jointly with other persons, you are jointly and severally liable in respect of all obligations and liabilities under this contract.

4 Fees

- 4.1 We work out our fees using the basis we told you about at the start of our work for you, and amended by any later agreement we may have with you. This will reflect the time spent on your affairs by our partners, employees and consultants, on the levels of skill and responsibility involved, the degree of urgency and the importance and value of the advice that we provide, as well as the level of risk.
- 4.2 All fee proposals or other indications of our fees are given before VAT. We will add VAT, at the current rate, to our invoices for fees and disbursements (payments to others in dealing with your affairs, also travel, accommodation and similar charges) unless the services qualify for specific exemption.
- 4.3 If we need to carry out work outside the responsibilities outlined in our engagement letter it will involve extra fees. Because of this, it is in your interests to make sure that your records and so on, are completed to the agreed stage.
- 4.4 You will need to pay invoices for fees and disbursements in full within 30 days of receiving them, unless covered by agreed arrangements where appropriate. As well as paying fees by BACS or cheque, we will also accept payment by credit and debit cards.
- 4.5 Unless we agree otherwise, we will charge our fees separately for each of the main classes of work we perform for you and we will send you a bill each month or as the work is carried out.
- 4.6 The amount of time we spend on work for you will depend on how you respond to our requests for information. Giving us up-to-date information as soon as possible will help us to spend less time on your affairs.
- 4.7 Any special fee arrangement (such as fixed or capped fee) will not cover extra work which was not identified when the arrangement was agreed.

- 4.8 In some circumstances we may receive commission or other benefits for introductions to other professionals or for transactions which we arrange for you. If this happens, we will tell you in writing the amount and terms of payment and when we receive any commission or benefits. The same will apply if the payment is made to or the transactions are arranged by a person or business connected with ours. We will not reduce the fees you would otherwise pay by the amount of the commission or benefits.
- 4.9 If you and another person are acting together as a client of ours, you are each liable for paying the full amount of our invoices, regardless of any arrangement you have between yourselves. If a company, trust or other organisation cannot or will not pay our fees, the organisation's directors, parent company or authorised representatives giving us instructions on behalf of the organisation will be liable, together and separately, for paying our fees.
- 4.10 We can end or suspend further services until we receive your payment if an invoice is overdue. If we do this, we will let you know in writing. If we do end or suspend services, our contractual duty of care to you under general law will end.
- 4.11 If we stop acting for you, you must pay all reasonable costs of providing information to your new advisors. In particular you agree to meet these costs even if, by law, we have to provide information to a successor firm.

5 Our liability to you

- 5.1 You agree that if, as a matter of law, we have a duty of care to you, you will not make any claim against any of our partners, employees or consultants for any loss or damage that you or any person or company associated with you suffer, directly or indirectly, in connection in any way with any advice we give to you or for other work we have done for you.
- 5.2 Any claim that you want to make can only be made against us as an LLP and not against a partner, employee or consultant.
- 5.3 Nothing in these terms and the engagement letter will exclude or limit:
- any claim you may have against a partner, employee or consultant of the LLP arising out of any fraudulent or dishonest conduct on their part;
 - any liability or claim that cannot be excluded under English law; or
 - any liability or claim that cannot be excluded under any relevant professional rule or regulation.
 - any duty or liability which we have to you under FCA Rules, or require you to indemnify anyone if it would be contrary to FCA Rules.
- 5.4 Each of our partners, employees and consultants will be covered by these conditions under the Contracts (Rights of Third Parties) Act 1999, but we may amend our contract with you or end it without their agreement.
- 5.5 We will not be responsible for any increased liability we have as a result of any limit you may have agreed with any other adviser or which we may otherwise have due to the negligence of any other person against whom you do not claim back money for any reason. This is relevant in circumstances in which we and other people may be legally responsible for the same damage. In these circumstances, we will limit what we will pay to the amount we reasonably ought to pay taking account of our responsibility for the damage (within the meaning of section 2(1) of the Civil Liability Contribution Act 1978) and on the basis that any other person will have paid you any amounts they ought reasonably to have paid after taking account of:
- their own responsibility for it and ignoring any limit you may have agreed with them;
 - any subsequent extension of your claims against that person; or
 - the fact that they no longer operate.

If you agree to limit their liability, if the claim against them ends for any reason, you stop making a claim against them or any person fails to satisfy any judgment you have gained, we will not be legally responsible for more than the net amount we would have paid, after allowing for the amounts you would otherwise have been entitled to recover from those people.

- 5.6 Nothing in our contract with you will make any party liable for any consequential, indirect, special or speculative loss or damage however arising.

6 Help us to give you the right service

- 6.1 We are committed to “Treating Customers Fairly”. For more information on this go to www.fca.org.uk and search for TCF.
- 6.2 If at any time you would like to discuss how we could improve our service to you, or if you are not satisfied with the service you are receiving, please let us know by phoning the partner responsible for your affairs. If after these discussions you are still not satisfied, you may refer the matter to our managing partner. We will acknowledge receipt of the complaint and will send you a copy of our complaints handling procedure. The matter will be investigated in line with that procedure and our findings will be reported to you.
- 6.3 We will look into any complaint carefully and promptly and do all we can to explain the position to you. If you feel that we have given you a less than satisfactory service, we will do everything reasonable to deal with your concerns.
- 6.4 In addition to your right to complain to us, you may also have the right to complain directly to the UK Financial Ombudsman Service (FOS). This is an independent service set up by law to resolve disputes between consumers and financial institutions. You can get more information about this from us on request.
- 6.5 We are a member of the Financial Services Compensation Scheme (FSCS) set up by law. You may be entitled to compensation under the FSCS if we are unable to meet our liabilities to you. The protection provided under the FSCS depends on the type of business and the circumstances of the claim. You can get more information about this from us on request.
- 6.6 If you are a Professional Client or Eligible Counterparty as defined in the FCA Rules you may not necessarily have any rights under the FOS or FSCS. You can see the FCA Rules at www.fshandbook.info.

7 Owning information and keeping records and data

- 7.1 We own all information such as working papers, letters, emails, memos, file notes of meetings and phone calls and copies of other original documents which we create or which we receive either in our own right or as your agent.
- 7.2 During the course of our work for you we gather a variety of information. Certain documents may legally belong to you. We do not separate out documents by legal ownership. Usually we will return original documents to you after the end of an assignment. When this is not practical, we will store your information with our own for at least six years and then destroy it, unless we consider it to be of continuing significance. If you need us to keep or return any document, you must tell us in writing.
- 7.3 We can convert information records and data, no matter who owns it, into electronic format (for example, digital images) and then destroy the original documents. If you need us to return information to you, we may supply it either in electronic format or as a print of the image.

8 Working with other professional advisors

- 8.1 We may work with other professional advisors in providing services to you. If you do use the services of other professional advisors, you must make your own contractual arrangements with them. We will not be legally responsible for advice they provide or work which they carry out on your behalf.

9 Anti-money-laundering regulations

- 9.1 Like all accountancy and legal practices, by law, we have to keep to identification procedures for clients and beneficial owners (in other words, shareholders) of clients and also to keep records of evidence used as identification. We will not normally carry out any work for you until you have met our requirements for checking your identity and we take no responsibility for any delay in carrying out work because we are waiting to see evidence of your identity.
- 9.2 We have legal duties to report to the National Crime Agency (NCA) if we know or have a reasonable suspicion that you or anyone connected with your business is, or has been, involved in any activity that is a criminal offence in the UK. We have a legal obligation to report to NCA without your knowledge or agreement and because of this we cannot enter into any discussion with you about these matters.
- 9.3 We do not handle clients' money. We never accept a cheque made out to us (unless it is settlement of charges for which we have sent you a bill) nor handle cash.

10 Confidentiality and quality control

- 10.1 From time to time we have to let regulators and other organisations have access to clients' files and information. Wherever relevant we have confidentiality agreements in place with these organisations.
- 10.2 There may be times when we would like to make it known that we act or have acted for you in a particular market place. To avoid any doubt, we will not reveal any confidential information about you, your activities or a particular transaction.

11 Intellectual property rights

- 11.1 We keep all intellectual property rights (IPR) in everything we have developed before or during our work for you. We also keep all IPR in reports, written advice or other materials we have prepared.

12 Law which applies and serving legal proceedings, notices or other legal documents

- 12.1 Our work for you is governed by the laws of England and Wales. You agree the English courts will deal with any disputes in relation to any claim, dispute or difference concerning these terms, our engagement letter and any matter arising from them. You and we permanently give up any right to:
- object to any action being brought in those courts;
 - claim that the action has been brought in an inappropriate place; or
 - claim that those courts do not have the legal authority to act.
- 12.2 You and we cannot serve legal proceedings, notices or other legal documents by fax or email. You can use first-class post and a recognised document exchange system or hand them to us personally. We may also do the same.

13 Internet communication

- 13.1 Internet communications can be corrupted and so we do not accept any responsibility for changes made to these communications after they have been sent. As a result, it may not be appropriate to rely on advice in an email without also getting confirmation from us. We do not accept responsibility for any mistakes or problems that may arise through using internet communication and you are responsible for all risks connected with sending commercially sensitive information relating to your business. If you do not agree to accept this risk, you should let us know in writing that email is not an acceptable form of communication.
- 13.2 As long as you and we take reasonable care to make sure that all messages and attachments are free of malicious software (for example, viruses) then neither you nor we will be legally responsible to the other for losses caused by these viruses.

14 Data-protection law

- 14.1 We may gather, use, process and release personal and other information about you so that we can provide our services as agreed, and for other related purposes including updating and improving client records, analysis for management purposes and statutory returns, prevent crime and keep to the law and regulations. The processing of personal information is regulated in the UK by the data-protection legislation that applies and other laws which relate to privacy and electronic communications. In this clause, we refer to these laws as 'data-protection law'.
- 14.2 We act as an independent controller in providing all of our services. As a result, we are responsible for keeping to data-protection law for any personal information we process in providing our services to you. You are also an independent controller responsible for keeping to data-protection law for the personal information you process. As such, if you reveal personal information to us, you confirm that you are legally able to do this and it does not break any data-protection law. Our privacy notice, which you can see at www.krestonreeves.com, explains how we process personal information.
- 14.3 We may also transfer information about you to other countries including countries outside the European Economic Area which do not have the same level of data protection as the UK. We will only do this when appropriate, for example when we work with foreign professionals on your behalf.

15 Staff

- 15.1 Our partners and staff work for you on the understanding that:
- you will not offer employment to our partners and staff involved in the work unless we give you written permission, and
 - we will not offer employment to your staff involved in the work unless you give us written permission.

If written permission is given, either we or you can bill the other for an appropriate fee of 20% of the annual salary on appointment plus VAT.

16 Entire agreement

- 16.1 Our engagement letter and these terms of business form the whole agreement between us and replace all previous agreements and terms between us. In entering into this agreement, you have not relied on any statement, representation, assurance or warranty (whether made negligently or innocently) other than as set out in our engagement letter and these terms of business.

17 Changes to these standard terms of business

- 17.1 These standard terms of business may change. We will make changes by publishing them on our website www.krestonreeves.com. You can find the current version there.
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