



Standard Terms of Business

The following standard terms of business apply to all engagements accepted by VS Financial Limited, trading as Victorstone Finance ("the Firm"). All work carried out is subject to these terms except where changes are expressly agreed in writing.

1 Professional Obligations

- 1.1 We will observe the Bye-laws, regulations in England & Wales 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 to act during this engagement for other clients whose interests may be adverse to yours. We will notify you immediately should we become aware of any conflict of interest to which we are subject in relation to you.
- 1.5 We do not have the facilities to receive client money so any client money received by ourselves will be returned to the payer.

2 Investment Services

- 2.1 Although we are not authorised by the Financial Conduct Authority ("FCA") to conduct investment business, we have limited investment services where these are complementary to, or arise out of, the professional services we are providing to you.
- 2.2 In particular, we may:
 - advise you on investments generally, but not recommend a particular investment or type of investment;
 - refer you to a Permitted Third Party ("PTP") (an independent firm authorised by the FCA). The PTP will issue you with his own terms and conditions letter, will be remunerated separately for his services and will take full responsibility for compliance with the requirements of the Financial Services and Markets Act 2000. We are not able to review or comment on any advice given;
 - 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;
- 2.3 For corporate clients we 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 valuation and methods;
 - Arrange any agreements in connection with the issue, sale or transfer of the company's shares or other securities;
 - Arrange for the issue of the new shares; and
 - Act as the addressee to receive confirmation of acceptance of offer documents etc.
- 2.4 The firm may receive commission from any introduction to a PTP in connection with the above, in which case you will be fully informed of the expected size and nature of such commission at the time of the introduction or the exact amount when known. You consent to such commissions or other benefits being retained by us without being liable to account to you for any such amounts. Example of possible commissions: if you invest £10,000 in

an ISA, we might receive £100, £100,000 in a with profits bond, we might receive £500, £50,000 in an income bond, we might receive £500.

2.5 The Firm may pass any information held to any PTP that may relate to the functions of the other.

2.6 If you are dissatisfied in any way about our services described in this section, you should follow the procedures set out in the 'Help us to give you the right service' (section 7).

3 Fees

3.1 Dates of Payment - Payment by the Client for work done under the Fee Agreement shall be made by the due date for payment (unless varied by the Firm) as defined under the Fee Agreement.

3.2 Increases on Schedule 1 of the Fee Agreement - The fees set out in Schedule 1 of the Fee Agreement are calculated from the information available to the Firm at the date hereof. In the event that the Firm determines at any time prior to completion of the work detailed in this schedule that the payment which the Client has agreed to remit to the Firm will be insufficient to justify the amount of work involved, then the Firm will notify the Client of the relevant circumstances and of the increase in the fees which will form part of the Fee Agreement. If the Client does not choose to agree such increase in the fees the Firm may forthwith terminate this agreement.

3.3 Increases on Schedule 2 of the Fee Agreement - The monthly fees set out in Schedule 2 of the Fee Agreement for the amount of work which in the opinion of the Firm will be necessary under Schedule 2 of the Fee Agreement up to the end of the month preceding the due date for payment and which fairly and adequately recompenses the Firm for such work. The said fees do not represent payment for actual work done in the month preceding the due date for payment. In the event the actual work required to be done exceeds the estimated amount of work to be done, the Firm may charge for such additional work. The Firm will notify the Client of the relevant circumstances and of the increase in the fees which will form part of the Fee Agreement. Such additional fees shall be payable by the Client by the due date for payment under Schedule 2 of the Fee Agreement. An Invoice of the Firm for the amount of such additional work shall be conclusive and binding. If the Client does not choose to agree such increase in the fees the Firm may forthwith terminate this agreement.

3.4 Subsequent Increases on Schedule 2 of the Fee Agreement - In the event that the Firm determines at any time during the continuance of this agreement that the rate of payments due from the Client set out in Schedule 2 of the Fee Agreement must be increased, the Firm or its representative will notify the Client to such an increase which shall take effect as from the date of the Client's next payment and the increase will form part of the Fee Agreement. If the Client does not choose to agree such increased payment the Firm may forthwith terminate the agreement.

3.5 Fixed Prices Guarantee – the Fee Agreement remains fixed for a minimum period of six months from the date set in the agreement unless the fee increases in clauses 3.3 and 3.4 apply.

3.6 Fees for Schedule 3 of the Fee Agreement - The fees set out in Schedule 3 of the Fee Agreement are approximate charges and any further or other work done under this schedule will be charged to the Client. If the actual cost of undertaking the work required under schedule 3 shall exceed the approximate charges then the Firm will notify the Client of the relevant circumstances of the increase in the fees which will form part of the Fee Agreement. If the Client does not choose to agree such increase in the Firm's fees the Firm may forthwith terminate the agreement. Fees quoted for Year End Accounts Preparation apply to a specific year end date(s) and this fee will apply to future year end dates subject to increases under clause 3.7. Fees quoted for Self-Assessment tax return and Annual Return is the Firm's minimum fee. The actual fee invoiced will be based on the work involved and will form part of the Fee Agreement. An Invoice of the Firm for the amount of such work shall be conclusive and binding.

3.7 The Firm reserves the right to increase the fees under Schedule 2 and 3 annually. The Firm will notify the Client of the increase in the fees which will form part of the Fee Agreement. If the Client does not choose to agree such increase in the Firm's fees the Firm may forthwith terminate the agreement.

3.8 Disbursements incurred on behalf of the Client shall be paid to the Firm by the Client in addition to the charges detailed in Schedules 1, 2 and 3 of the Fee Agreement.

3.9 Our terms relating to payment of amounts invoiced (fees and disbursements) and not covered by direct debit, where appropriate, are strictly 7 days net.

3.10 If applicable, the directors' guarantee to pay personally any fees (including disbursements) for services provided to the company that the company is unable to pay. The clause shall also become effective in the event of a receiver or liquidator being appointed to the company or the company otherwise being wound-up.

4 Right of Lien

The Client authorises the Firm to retain any books or papers after completion of work in progress until such time as the Firm's Charges have been paid in Full.

5 Termination by Notice

The agreement may be terminated by either party hereto giving to the other one month's previous notice in writing of its intention to terminate but in the case of notice given by the Client the following provisos shall apply:

- Notice shall be deemed to have been given on the date of its receipt at the Address of the Firm shown from time to time on its official stationery.
- If cancellation of the agreement occurs before the completion of all work specified under Schedule 1, 2 and 3 of the Fee Agreement the Client shall pay to the Firm on demand the amount by which the sum total of his payments for the work detailed in Schedule 1, 2, and 3 of the Fee Agreement falls short of the amount which would have been payable had cancellation not occurred and the Firm reserves the right to charge for the un-invoiced services rendered to the date of termination.

6 Termination by the Firm

6.1 The agreement may in addition to the right of the termination contained in clause 5 be terminated by the Firm in the following circumstances:

- In the circumstances mentioned in the sections of clause 3.
- If the Firm is unable to fulfil its part of the agreement by reason only that the books papers or other necessary information is not produced or submitted by the Client as requested or required by the Firm.
- If the Client shall fail to pay charges or any other amount due to the Firm under this agreement within thirty days of the due date for payment.

6.2 In the event of the Firm terminating the agreement under clause 6.1 the Firm shall be entitled to charge and be paid for all the work done and not paid or not invoiced.

6.3 Additionally in the event of the Firm terminating the agreement under clause 6.1 the Firm shall also be entitled to charge and be paid for all the additional administrative expenses or other costs arising solely from the failure of the Client to supply the Firm with the books papers or other necessary information.

6.4 In the event of the Firm terminating this agreement under clause 6.1 the Firm shall be entitled to charge and be paid interest at the rate of three per cent per month above the Bank of England base rate on the amount of such outstanding account.

7 Commissions or other Benefits

In some circumstances, commissions or other benefits may become payable to us or to one of our associates in respect of transactions we or such associates arrange for you, in which case you will be notified in writing of the amount and terms of payment. The fees that would otherwise be payable by you as described above, will or will not be abated by such amounts. You consent to such commission or other benefits being retained by us or, as the case may be, by our associates, without our or their being liable to account to you for any such amounts.

8 Retention of and Access to Records

8.1 During the course of our work we will collect information from you and others acting on your behalf and will return any original documents to you following the preparation of your financial statements. You should retain these records for at least seven years from the end of the accounting year to which they relate.

8.2 Whilst certain documents may legally belong to you, we intend to destroy correspondence and other papers that we store which are more than seven years old, other than documents which we consider to be of continuing significance.

9 Quality Control

As part of our on-going 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.

10 Help us to give you the Right Service

- 10.1 If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please let us know, by contacting the firm's compliance officer Mr Matthew Stickels.
- 10.2 We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If you feel that we have given you a less than satisfactory service, we undertake to do everything reasonable to address your concerns.
- 10.3 In order for us to provide you with a high quality service on an on-going 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 letter or Fee Agreement. 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.
- 10.4 In addition this agreement may be terminated for any reason if 90 days' notice is given, subject to the provisions in Clauses 5 and 6.
- 10.5 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.

11 Applicable Law

- 11.1 This Agreement is governed by, and construed in accordance with English law. The Courts of England will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. Each party irrevocably waives any right it may have to object to any action being brought in those courts, to claim that the action has been brought in an inappropriate forum, or to claim that those courts do not have jurisdiction.
- 11.2 If any provision in this Standard Terms of Business or any associated engagement letter, or its application, are found to be invalid, illegal or otherwise unenforceable in any respect, the validity, legality or enforceability of any other provisions shall not in any way be affected or impaired.

12 Internet Communication

- 12.1 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.
- 12.2 It is the responsibility of the recipient to carry out a virus check on any attachments received.

13 Data Protection Act 1998

We may obtain, use, process and disclose personal data about you in order that we may discharge the services agreed under this engagement letter, and for other related purposes including updating and enhancing client records, analysis for management purposes and statutory returns, crime prevention and legal and regulatory compliance. You have a right of access, under data protection legislation, to the personal data that we hold about you. We confirm that when processing data on your behalf we will comply with the provisions of the Data Protection Act 1998. For the purposes of the Data Protection Act 1998, the Data Controller in relation to personal data supplied about you is Mr Muhim Meah.

14 Contracts (Rights of Third Parties) Act 1999

- 14.1 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.

14.2 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.

15 The Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007

15.1 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.

15.2 We have a duty under section 330 of the Proceeds of Crime Act 2002 to report to the Serious Organised Crime Agency ("SOCA") 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.

15.3 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 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.

15.4 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.

15.5 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.

16 Changes in Business and Address

16.1 The Client is responsible for informing the Firm of any change in his business affairs, capital expenditure or other material circumstances which may affect the work in progress being carried out on his behalf. Such notification will be given in writing and in default of such written notification the Firm shall not be liable for any subsequent loss arising as a direct or indirect result of such default.

16.2 If at any time during the continuance of this agreement or after determination thereof but before the charges due to the Firm have been paid the Client shall change his address and he will notify the Firm of change of address and in default will pay to the Firm such sum of money as represents the actual cost to the Firm of tracing the whereabouts of the Client.

17 Employment of Representatives and other Employees

The Firm incurs considerable expense in the management and training of its representatives and other employees and the Client hereby consents with the Firm that in the event of any representative or employee of the Firm entering into an agreement of service or services with the Client during a period of Twelve months from the date of termination of the employment between the Firm and such representatives or employee; there shall be payable to the Firm on demand a sum equivalent to 40 per cent of the gross annual earnings of the representative or employee calculated at twelve times the last full months earnings of the representative or employee with the Firm or alternatively a sum equivalent to the total amount of the second schedule payments for the time being in force over the period of six months immediately preceding such occurrence whichever amount shall be greater.

18 Limitation of Liability / Professional Indemnity

18.1 We will provide our professional services with reasonable care and skill. However, we will not be held responsible for any losses arising from the supply by you or others of incorrect or incomplete information, or your or others' failure to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or other relevant authorities.

18.2 You agree to hold harmless and indemnify us against any misrepresentation, whether 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 provided to you by the firm against any of our employees on a personal basis.

18.4 Our Professional Indemnity insurer is Hiscox Underwriting Ltd of 1 Great St. Helen's, London, EC3A 6HX. Policy number: PL-PSC10000722950/00.

20 Authority of Representatives

Except as herein provided the representatives of the Firm who may be instructed to visit the Client during the course of work in progress not authorised by the Firm to incur any liability give any guarantee or warranty make any representations or transact any Business other than to take instructions and repeat and explain the services and work offered by the Firm upon the terms of this and similar agreements issued by the Firm. The Client may be requested to hand over business documents or other papers to such representatives and in respect of which receipts will be given on request.

21 Update to Standard Terms of Business

The Firm will periodically amend the Standard Terms of Business which will supersede any previous version published.