

MICHAEL J. DODDEN & CO TERMS OF BUSINESS 23RD JANUARY 2023

The following terms of business apply to all engagements accepted by Michael J Dodden & Co. All work is carried out under these terms except where changes are expressly agreed in writing. These terms of business should be read alongside the privacy notice which can be found on our website at <https://www.mjdodden.co.uk/privacy-policy/>

1. APPLICABLE LAW

- 1.1. Our engagement letter, the schedules of services and our standard terms and conditions of business are governed by and should be construed in accordance with English Law. Each party agrees that 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 on any basis. 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. 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 in your circumstances. 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.

2. AUTHORISATION AND REGISTRATION

- 2.1. Michael J Dodden & Co are registered with the Association of Chartered Certified Accountants as chartered certified accountants and can be found on the register of members at <http://members.accaglobal.com/en/find-an-accountant>.

3. CLIENT IDENTIFICATION AND VERIFICATION

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

4. CLIENT MONEY

- 4.1. We may, from time to time, hold money on your behalf. The 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' Monies Rules of the Association of Chartered Certified Accountants. These rules can be found on the ACCA website at <http://www.accaglobal.com/en.html>.
- 4.2. All client monies will be held in a non-interest-bearing account.
- 4.3. We will return monies held on your behalf promptly, as soon as there is no longer any reason to retain those funds. If any funds remain in our client account that are unclaimed, and the client to which they relate has remained untraced for five years, or we as a firm cease to practise, we may pay those monies to a registered charity.

5. COMMISSIONS OR BOTH BENEFITS

- 5.1. In some circumstances we may receive commissions or other benefits for introductions to other professionals or in respect of transactions which we arrange for you. If this happens, we will notify you in writing the amount and terms of payment and receipt of any such commissions or benefits. You agree that we can retain

the commission or other benefits without being liable to account to you for any such amount unless there is express agreement between you and ourselves of arrangements to the contrary.

6. CONFIDENTIALITY

- 6.1. Unless we are authorised by you to disclose information on your behalf, we confirm that if you give us confidential information we will, at all times during and after this engagement, keep it confidential, except as required by law and as provided for in regulatory, ethical or other professional pronouncements applicable to us or our engagement.
- 6.2. You agree that, if we act for other clients who are or who become your competitors, to comply with our duty of confidentiality it will be sufficient for us to take such steps as we think appropriate to preserve the confidentiality of information given to us by you, both during and after this engagement. These may include taking the same or similar steps as we take in respect of the confidentiality of our own information.
- 6.3. In addition, if we act for other clients whose interests are or may be adverse to yours, we will manage the conflict by implementing additional safeguards to preserve confidentiality. Safeguards may include measures such as separate teams, physical separation of teams, and separate arrangements for storage of, and access to, information.
- 6.4. You agree that the effective implementation of such steps or safeguards as described above will provide adequate measures to avoid any real risk of confidentiality being impaired.
- 6.5. We may, on occasions, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality terms.
- 6.6. If we use external or cloud-based systems, we will ensure confidentiality of your information is maintained.
- 6.7. We reserve the right, for the purpose of promotional activity, training or for other business purposes, to mention that you are a client. As stated above, we will not disclose any confidential information.

7. CONFLICTS OF INTEREST

- 7.1. 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 in your circumstances. 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.
- 7.2. 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.
- 7.3. 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.

8. DATA PROTECTION

8.1 In this clause [8], the following definitions shall apply:

- 8.1.1. '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;

- 8.1.2. '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;
- 8.1.3. 'controller', 'data subject', 'personal data', and 'process' shall have the meanings given to them in the data protection legislation;
- 8.1.4. 'GDPR' means the General Data Protection Regulation ((EU) 2016/679); and
- 8.1.5. 'PECR' means the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2426/2003).

8.2. 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.

8.3. You shall only disclose client personal data to us where:

- 8.3.1. you have provided the necessary information to the relevant data subjects regarding its use (and you may use or refer to our privacy notice available at www.mjdodden.co.uk for this purpose);
- 8.3.2. you have a lawful basis upon which to do so, which, in the absence of any other lawful basis, shall be with the relevant data subject's consent; and
- 8.3.3. you have complied with the necessary requirements under the data protection legislation to enable you to do so.

8.4. Should you require any further details regarding our treatment of personal data, please contact our data protection manager.

8.5. We shall only process the client personal data:

- 8.5.1. in order to provide our services to you and perform any other obligations in accordance with our engagement with you;
- 8.5.2. in order to comply with our legal or regulatory obligations; and
- 8.5.3. where it is necessary for the purposes of our legitimate interests and those interests are not overridden by the data subjects' own privacy rights. Our privacy notice (available at www.mjdodden.co.uk) contains further details as to how we may process client personal data.

8.6. 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.

8.7. 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:

- 8.7.1. 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;
- 8.7.2. we are served with an information, enforcement or assessment notice (or any similar notices), or receive any other material communication in respect of our processing of the 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
- 8.7.3. we reasonably believe that there has been any incident which resulted in the accidental or unauthorised access to, or destruction, loss, unauthorised disclosure or alteration of, the client personal data.

8.8. Upon the reasonable request of the other, we shall each co-operate with the other and take such reasonable commercial steps or provide such information as is necessary to enable each of us to comply with the data

protection legislation in respect of the services provided to you in accordance with our engagement letter with you in relation to those services.

9. DISENGAGEMENT

- 9.1. If we resign or are asked to resign, we will normally issue a disengagement letter to ensure that our respective responsibilities are clear.

10. ELECTRONIC AND OTHER COMMUNICATION

- 10.1. Unless you instruct us otherwise, we may, if appropriate, communicate with you and with third parties by email or other electronic means. The recipient is responsible for virus checking emails and any attachments.
- 10.2. 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 in emails or by electronic storage devices. Nevertheless, electronic communication is not totally secure and we cannot be held responsible for damage or loss caused by viruses or for communications which 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 bear 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 paper mail, other than when electronic submission is mandatory.
- 10.3. Any communication by us with you sent through the postal system is deemed to arrive at your postal address two working days after the day the document was sent.

11. FEES AND PAYMENT TERMS

- 11.1. Our fees are based on the time taken to carry out the work and this in turn will depend on the complexity of the case and on the requirements and number of banks, building societies, company registrars, insurance companies and other businesses and institutions that are involved in us obtaining information from and with whom we communicate.
- 11.2. Estates that are liable to Inheritance Tax will take longer to administer than other estates due to
1. Significantly more complex forms for HM Revenue and Customs being required
 2. The time involved in computing the IHT payable and in assessing the availability and effect of any reliefs such as charitable relief.
 3. The organizing of funds for payment of IHT which must be settled when the probate application is made.
 4. The need to research estates of predeceased persons such as spouses whose estates may be relevant to any IHT liability for the estate being dealt with.
 5. The need to consider a possible revision to the IHT in the event of property or shares being sold for less than the original probate value.
- 11.3. During the administration of some estates, it may be necessary to finalize a deceased person's income tax affairs or an outstanding capital gains tax issue to the date of death particularly if the person regularly submitted Self-Assessment Income Tax Returns. During the administration of the estate income may arise or assets may be sold for more than their probate values and these events would need to be notified to HM Revenue and Customs, any tax due calculated and paid.
- 11.4. The stages of preparing for a probate application and administering the estate can broadly be divided into various sections and the time involved and therefore our charges will depend on the relevance and complexity for each of the following stages:

1. Review of all relevant documentation including will and death certificate.
2. Ascertain values for all assets and liabilities at the date of death including liaison with executors and immediate family. Review income tax and capital gains tax position and notify all relevant parties such as banks, pension providers, insurance companies, share registrars, building societies.
3. Prepare Application for probate and Inland Revenue forms including Inheritance Tax Returns if applicable. Apply to Probate Registry for the Grant of Representation, arrange availability of funds and settlement of inheritance tax, receive Grant and report to all relevant parties.
4. Place statutory notices in local newspaper and The Gazette if appropriate
5. Prepare and submit any self assessment tax returns due or agree with HMRC no returns due and tax file to date of death closed.
6. Notify all Beneficiaries if not already done.
7. Close Bank and Building Society accounts. Arrange sale of all assets including property, shares, National Savings products and any personal chattels. Reconsider IHT liability in the light of sale proceeds for property and shares and report relevant variations to HM Revenue and Customs. Apply for and collect any IHT refund. Obtain IHT clearance certificate.
8. Pay all known debts and liabilities of estate.
9. Review Income Tax and Capital Gains Tax position relating to the estate administration period. Report and settle amounts due. Obtain clearance certificate from HMRC.
10. Pay legacies and obtain receipts from beneficiaries.
11. Prepare estate administration accounts, obtain executors approval thereto and distribute the residuary estate in accordance with accounts and obtain receipts from beneficiaries.

11.5. Our standard charges are:

£25 per 10 minute unit (or any part of) for probate work authorized partners' time.

Copying and postage charges at cost

Reimbursement of costs incurred by us such as fees for placement of advertisements under The Trustee Act (if required) and Probate Court application charges (if paid by the firm).

case fee of £250 per case.

VAT at the standard rate (currently 20%) applicable at the time of invoicing on all items except the Probate Court Fees.

The above charges include any secretarial support for which no separate charge is levied.

- 11.6. An interim invoice for work carried out to date (including the case fee) will be rendered on grant of representation being issued and on approval of executors will be settled from funds held in the designated client account which is opened for each estate to handle the receipt and payment of all monies relating to the estate. The account will only be used to hold monies relating to the estate.
- 11.7. Further interim invoices will be issued periodically for work to date as agreed with the executors or administrators.

- 11.8. Although many firms set their prices according to the following criteria we do not do so.
- A) as a percentage of the value of the estate being administered or for which probate is being applied or
 - B) at a fixed price dependent on the level of service required.
- 11.9. Unless otherwise agreed to the contrary, our fees do not include the costs of any third party, counsel or other professional fees. If these costs are incurred to fulfil our engagement, such necessary additional charges may be payable by you.
- 11.10. We reserve the right to charge interest on late paid invoices at the rate of 5% above bank base rates under the late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to suspend our services or to cease to act for you, having given written notice, if payment of any fees is unduly delayed. We intend to exercise these rights only if it is fair and reasonable to do so.
- 11.11. If you do not accept that an invoiced fee is fair and reasonable, you must notify us within 21 days of receipt, failing which, you will be deemed to have accepted that payment is due.

12. INTELLECTUAL PROPERTY RIGHTS AND USE OF OUR NAME

- 12.1. We will retain all intellectual property rights in any document prepared by us during the course of carrying out the engagement except where the law specifically states otherwise.
- 12.2. You are not permitted to use our name in any statement or document you may issue unless our prior written consent has been obtained. The only exception to this restriction would be statements or documents that, in accordance with applicable law, are to be made public.

13. INTERPRETATION

- 13.1. If any provision of our engagement letter or terms of business is held to be void, 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 schedule will take precedence.

14. INVESTMENT ADVICE (INCLUDING INSURANCE MEDIATION SERVICES)

- 14.1. We are not authorised by the Financial Conduct Authority or the Prudential Regulation Authority. However, we are included on the Financial Services Register maintained by the Financial Conduct Authority 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 Association of Chartered Certified Accountants.

15. LIEN

- 15.1. In so far as we are permitted to do so by law or by 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.

16. LIMITATION OF THIRD-PARTY RIGHTS

- 16.1. 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. A party to this agreement is the only person who has the right to enforce any of its terms, and no rights or benefits are conferred on any third party under the Contracts (Right of Third Parties) Act 1999.

17. MONEY LAUNDERING REGULATIONS 2017

- 17.1. In accordance with the Proceeds of Crime Act, The Terrorism Act, Money Laundering Regulations 2017 and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 you agree to waive your right to confidentiality to the extent of any report made, document provided or information disclosed to the National Crime Agency (NCA).
- 17.2. You also acknowledge that we are required to report directly to the NCA without prior reference to you or your representatives if during the course of undertaking any assignment the person undertaking the role of Money Laundering Reporting Officer become suspicious of money laundering.
- 17.3. As with other professional services firms, we are required to have appropriate risk-based policies and procedures for assessing and managing money laundering risks: this applies at the start of any business relationship and through the lifetime of the relationship. This includes undertaking appropriate customer due diligence. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases. If we are not able to obtain satisfactory evidence of your identity, we will not be able to proceed with the engagement.
- 17.4. Copies of such records created as part of the client due diligence process, including any non-engagement documents relating to the client relationship and ongoing monitoring of it, will be retained by us for a period of five years after we cease to act for the business unless we are required to retain them under statutory obligation, or to retain them for legal proceedings, or you consented to the retention in which case the records will be retained for not more than 10 years.

18. PERIOD OF ENGAGEMENT AND TERMINATION

- 18.1. Unless otherwise agreed in our engagement letter, our work will begin when we receive implicit or explicit acceptance of that letter. Except as stated in that letter, we will not be responsible for periods before that date.
- 18.2. Each of us may terminate our agreement by giving not less than 21 days' notice in writing to the other party except if 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 before termination.
- 18.3. We reserve the right to terminate the engagement between us with immediate effect in the event of: your insolvency, bankruptcy or other arrangement being reached with creditors; an independence issue or change in the law which means we can no longer act; failure to pay our fees by the due dates; or either party being in breach of their obligations if this is not corrected within 30 days of being asked to do so.
- 18.4. In the event of termination of our 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 will not be required to carry further work and shall not be responsible or liable for any consequences arising from termination.

19. PROFESSIONAL RULES AND STATUTORY OBLIGATIONS

- 19.1. We will observe and act in accordance with the by-laws, regulations and ethical guidelines of the Association of Chartered Certified Accountants (ACCA) and will accept instructions to act for you on this basis.

- 19.2. You are responsible for bringing to our attention any errors, omissions or inaccuracies in your returns that you become aware of after the returns have been submitted in order that we may assist you to make a voluntary disclosure.
- 19.3. In particular, you give us the authority to correct errors made by HMRC where we become aware of them. In addition, we will not undertake tax planning which breaches professional conduct in relation to taxation. We will therefore comply with the general anti-abuse rule and the targeted anti-avoidance rule. We will not be liable for any loss, damage or cost arising from our compliance with statutory or regulatory obligations. You can see copies of these requirements at our offices. The requirements are also available online at www.accaglobal.com/en.html.
- 19.4. The implications of professional body membership as it relates to GDPR are set out in the privacy notice, which should be read alongside these standard terms and conditions of business.

20. QUALITY CONTROL

- 20.1. As part of our ongoing commitment to provide a quality service, our files are periodically reviewed by an independent regulatory or quality control body. These reviews are highly experienced professionals and are bound by the same rules of confidentiality as our principals and staff.
- 20.2. When dealing with HMRC on your behalf we are required to be honest and to take reasonable care to ensure that your returns are correct. To enable us to do this, you are required to be honest with us and to provide us with all necessary information in a timely manner. For more information about 'Your Charter' for dealings with HMRC, visit www.gov.uk/government/publications/your-charter. To the best of our abilities, we will ensure that HMRC meet their side of the Charter in their dealings with you.

21. RELIANCE ON ADVICE

- 21.1. 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.

22. RETENTION OF PAPERS

- 22.1. You have a legal responsibility to retain documents and records relevant to your financial affairs. During the course of our work we may collect information from you and others relevant to your tax and financial affairs. We will return any original documents to you if requested. Documents and records relevant to your tax affairs are required by law to be retained as follows: -

Individuals, trustees and partnerships:

1. with trading or rental income; five years and 10 months after the end of the tax year
2. otherwise: 22 months after the end of the tax year.

Companies, Limited Liability Partnerships, and other corporate entities:

1. six years from the end of the accounting period.

- 22.2. Although certain documents may legally belong to you, we may destroy correspondence and other papers that we store electronically or otherwise that are more than seven years old, except documents we think may be of continuing significance. You must tell us if you wish us to keep any documents for any longer period.

23. THE PROVISION OF SERVICES REGULATION 2009

- 23.1. We are licensed by ICAEW to carry out the reserved legal activity of non-contentious probate in England and Wales. Details about our probate registration can be viewed at icaew.com/probate, under the reference number C006540491.
- 23.2. Our professional indemnity insurer is Markel International Company Limited, 20 Fenchurch Street, London, EC3M 3AZ. The territorial coverage is worldwide, excluding professional business carried out from an office in the United States of America or Canada, and excludes any action for a claim brought in any court in the United States of Canada

24. TIMING OF OUR SERVICES

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

25. PROBATE COMPENSATION SCHEME

- 25.1. In the unlikely event that we cannot meet our liabilities to you, you may be able to seek a grant from ICAEW's Probate Compensation Scheme. Generally, applications for a grant must be made to ICAEW within 12 months of the time you became aware, or reasonably ought to have become aware, of the loss. Further information about the scheme and the circumstances in which grants may be made is available on ICAEW's website: icaew.com/probate

26. RIGHT TO COMPLAIN

- 26.1.1. If you would like to talk to us about how we could improve our service to you, or if you are unhappy with the service you are receiving, please let us know by contacting Michael Dodden. We will consider carefully any complaint you may make about our probate or estate administration work as soon as we receive it and do all we can to resolve it. We will acknowledge your letter within five business days of its receipt and endeavour to deal with it within eight weeks. If we do not deal with your complaint in this time, or if you are unhappy with our response, you may of course take up the matter with the Legal Ombudsman.
- 26.2. If you wish to contact the Legal Ombudsman their contact details are –
- Telephone - 0300 555 0333
 - Post - Legal Ombudsman, PO Box 6806, Wolverhampton WV1 9WJ
 - Email - enquiries@legalombudsman.org.uk
- 26.3. If you wish to make a complaint to the Legal Ombudsman the following time scales apply -
- the act or omission, or when the complainant should reasonably have known there was cause for complaint, must have been after 5 October 2010; and
 - the complainant must refer the complaint to the Legal Ombudsman no later than:
 - six years from the act/omission; or
 - three years from when the complainant should reasonably have known there was cause for complaint; and
 - the complainant must refer the complaint to the Legal Ombudsman within six months of the date of your firm's written response.