

Terms & Conditions

This document outlines the standard terms and conditions of business for Auckland Chartered Accountants (including its principals, employees and all its related entities). These terms apply to both current and future engagements, regardless of whether we provide you with another copy. We reserve the right to change these terms at any time, and any modifications will be posted on our website. You will be bound by these changes for any matters on which we accept instructions after the updated terms are published.

The terms outlined in this document, along with the Letter of Engagement, constitute the entire agreement between you and Auckland Chartered Accountants regarding the specified services (referred to as "the Contract"). In case of any conflicts between the terms and the Letter of Engagement, the terms will take precedence unless the Letter of Engagement specifically references and modifies a particular provision of the terms.

If the Letter of Engagement is addressed to multiple recipients, each recipient is considered a party to the Contract and is bound by its terms. By continuing to instruct us after receiving the Contract, you are deemed to have accepted its terms.

This engagement is governed by New Zealand law, and any disputes between us will be subject to the non-exclusive jurisdiction of the New Zealand courts.

If any provision in the engagement letter or these terms is deemed void, it will be removed, and the remaining provisions will still apply. In case of any conflicts between the engagement letter and these terms, these terms will prevail.

Based on the information and instructions you provide, we will prepare the necessary financial statements for you. This engagement will be conducted in accordance with Service Engagement Standard No. 2 Compilation of Financial Information (SES-2) issued by Chartered Accountants Australia + New Zealand. SES-2 specifies that upon completion of the engagement, we will issue a compilation report and an appropriate disclaimer, which will be included in the financial statements. An example of this can be found at the end of these terms and conditions.

The financial statements will be prepared as special purpose financial statements for management and taxation purposes. Please note that they may not be suitable for other purposes. They will be prepared in compliance with the Tax Administration (Financial Statements) Order 2014. Our procedures will not include verification or validation processes. We will not conduct any audit or review engagement, and as a result, no assurance will be provided.

It is acknowledged and agreed that:

- a. Each page of the financial statements will be clearly marked as unaudited.
- b. When distributing the financial statements to third parties, you will include our disclaimer.
- c. If you distribute the financial statements (or any other report) to anyone without attaching our liability disclaimer, you will indemnify us against any claims, actions, damages, liabilities, costs, and expenses (including reasonable legal fees and expenses) incurred by us in connection with any action, claim, or proceeding initiated by a third party regarding the services we provided to you.

Scope of Services

We do not assume any responsibility for the accuracy and completeness of the accounting records and other information you provide to us. Likewise, we do not take responsibility for the reliability, accuracy, and completeness of the financial information compiled based on those records and information. We also do not assume responsibility for maintaining adequate accounting records, an effective internal control structure, or the selection and application of suitable accounting policies within your organization. Furthermore, you are solely responsible to the users of the compiled financial information.

You will be required to review and approve the final returns and reports for reasonableness and accuracy. It is essential for you to understand the significance and risks associated with signing income tax returns and other statutory documents as accurate and complete records.

Where the Services include any taxation services, you are legally responsible for filing correct returns by the due date and for payment of tax on time.

The information you are to supply and any other information that we consider necessary to complete the engagement must be provided on a timely basis in order that the engagement can be completed on a timely basis.

Our engagement does not include the investigation or discovery of internal control weaknesses, errors, illegal acts or other irregularities, including without limitation, fraud, or non-compliance with laws and regulations. However, we will inform you of any such matters which come to our attention during our engagement.

If, for any reason, we are unable to complete the compilation of your financial information, or we consider the information to be misleading, we may refer to such matters within our compilation report or we may determine, at our sole discretion, not to issue a report.

Independence

If we are aware that we are not independent of you, this fact will be stated in our compilation report. However, we will not conduct a comprehensive review to determine whether we are, or are not, independent of you. Independence is not a requirement for a compilation engagement.

Conflicts of interest

We will inform you if we become aware if any conflict of interest in our relationship with you (including between the various persons this engagement letter covers) or in our relationship with you and another client. Where conflicts are identified which cannot be managed in a way that protects your interests or you do not consent to the way in which we propose to manage the conflict then we will be unable to provide further services to some or all the persons to whom this engagement letter applies. If this arises, we will inform you promptly.

We may act for other clients whose interests are not the same as or adverse to yours, subject to the obligations of conflicts of interest referred to above and the confidentiality referred to below.

Use and distribution of the financial information

We understand that any financial information we will compile is intended for your use and that of those financial institutions that you have specified. If this should change in any material respect, you will inform us immediately. We accept no responsibility to any third party, unless we have expressly agreed in the engagement letter that a specified third party may rely on our work.

We will not accept any responsibility to any person, other than you, for the contents of the financial statements. No person should rely on the financial statements without having an audit or review engagement conducted.

Disclosure permissions

In accepting this engagement, you provide us with your express consent to disclose your information to:

- our service providers or regulatory bodies to the extent required to perform our services in respect to this engagement.
- our professional advisors or insurers to the extent required to protect our interests in respect to this engagement.
- our external peer reviewer to the extent required to review this engagement.

We will take reasonable steps to ensure any such recipient (other than regulatory body) keeps such information confidential on the same basis we maintain in respect to your information as per our Professional obligation and confidentiality section below.

We may retain your information during and after our engagement to comply with our legal requirement or as part of our regular IT back-up and archiving practices and for professional reasons (e.g., to perform the work under this engagement or to comply with our professional and ethical obligations). We will continue to hold such information confidentially.

Privacy

We may collect, store, use and disclose your personal information for the purposes of providing the services described in the engagement letter to you and to comply with our obligations in relation to the Conflict-of-Interest clause above and in accordance with disclosure exceptions outlined in the section Professional obligations and confidentiality below. We will comply with the Privacy Act 2020 when collecting and sharing your personal information.

Anti-Money Laundering and Countering Financing of Terrorism Act 2009

Anti-Money Laundering and Countering Financing of Terrorism Act 2009 Starting from October 1, 2018, all New Zealand accounting practices became subject to the Anti-Money Laundering and Countering Financing of Terrorism Act 2009. Under this Act, we are obligated to perform customer due diligence before acting or continuing to act on behalf of our clients. Consequently, we may need to verify your identity in compliance with anti-money laundering laws. We may request information from you for this purpose and conduct searches on appropriate databases.

Professional obligations and confidentiality

We are required to comply with all applicable by-laws, rules, regulations, professional and ethical standards and guidelines of Chartered Accountants Australia and New Zealand and the New Zealand Institute of Chartered Accountants (NZICA).

These requirements include the NZICA Code of Ethics, which among other things contains confidentiality requirements. In accordance with these requirements, we will not disclose information we obtain in the course of this engagement to other parties, without your express consent, except as required by:

- laws and regulation (for example, disclosures required under the Anti Money Laundering and Counter Financing of Terrorism Act 2009 (including to a third-party auditor) and as required by the Common Reporting Standard)

Professional obligations including:

- the provisions of NZICA Code of Ethics that apply if we become aware of actual or potential 'non-compliance with laws and regulation' (NOCLAR). Where any such non-compliance poses substantial harm (such as adverse consequences to investors, creditors, employees, or the public), we may be required to disclose the matter to an appropriate level of management or those charged with governance and/or appropriate authority.
- the provisions of the NZICA Rules and Professional Standards that subject us to practice review, trust account audits, investigations, and disciplinary procedures. These rules require us to disclose to NZICA, its practice reviewers and/or its disciplinary bodies our files and workpapers including client information. In accepting this engagement, you acknowledge that, if requested, our files related to this engagement, may be made available to NZICA, its practice reviewers and or its disciplinary bodies. Employees and contractors of NZICA are also bound by confidentiality under contract and by the NZICA Code of Ethics.

Investment and financial advisory advice

We are prohibited from providing you with investment or financial advice regulated under the Financial Markets Conduct Act 2013, as amended by the Financial Services Legislation Amendment Act 2019.

Fees

Our fees are normally based on hours worked charged at rates appropriate to the work performed and the levels of expertise required. If at the commencement of each year we advised you of our estimated fee for the work to be completed, and then our costs seem likely to exceed this figure, we will discuss the matter with you within a reasonable timeframe. Any disbursements and expenses we incur in the course of performing our services will be added to our invoices where appropriate. If any discounts are received on paid costs incurred on your behalf, these will be retained by us and not passed on.

Unless otherwise agreed to the contrary, our fees do not include the costs of any counsel, or other professionals or third parties engaged with your approval. If you have any concerns about our costs

or services, please speak to the person responsible for this engagement, who is identified on our engagement letter. To resolve your concerns, we have policies and procedures in place to deal appropriately with complaints and will use best endeavours to resolve a complaint or dispute to the mutual satisfaction of parties involved. We may require you to detail your complaint in writing to allow us to fully investigate any concerns you raise. Any queries in relation to an invoice should be raised within fourteen (14) calendar days to enable prompt resolution of any issues. In the unfortunate circumstance that the matter cannot be resolved amicably by discussion (which is the preferred option) then we both agree to use the Fees Resolution Service of the New Zealand Institute of Chartered Accountants to resolve the matter.

If your account remains unpaid after the due date and there is no satisfactory explanation for non-payment, we may start proceedings to recover the amount owed, plus interest and any collection and other associated costs incurred. We may also do no further work for you, and not release your papers and files, until all accounts are paid. We may also cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.

Ownership of work papers and materials

Material that you provide to us remains yours and will be returned to you when the engagement is completed. Work papers that we create remain our property.

You should be aware that, like all other providers of services, we are entitled to retain possession of your records that have been used in relation to this engagement until outstanding fees are settled.

If your affairs at some time in the future are handled by another Chartered Accountant, we will make available, as required by the Code of Ethics, such information regarding your affairs that is essential to enable your new Chartered Accountant to perform the services we previously provided.

Our work may involve the collection of personal information relevant or incidental to the engagement. Any such information will be held at our offices and will be retained for as long as may be relevant to the engagement, and, except where otherwise noted in this letter, will only be used, or disclosed for purposes related to the engagement. Individuals concerned will be able to contact us to access information held concerning them and, if necessary, seek correction to that information. By signing the engagement letter, you confirm we have authority to communicate with and obtain information from any third party (including the Inland Revenue Department) if the information sought is relevant to our engagement. You give permission for us to link you and all associated entities to the Inland Revenue Department and to sign, on your behalf, Inland Revenue Department returns for you and your associated entities.

We own the copyright and all other intellectual property rights in everything we create in connection with this engagement. Unless we agree otherwise, anything we create in connection with this engagement may be used by you only for the purpose for which you have engaged us.

All working papers prepared by us (in any form whatsoever, including physical and electronic) remain our property. We will retain these papers in accordance with our normal record keeping practices in accordance with our professional and legal obligations. You agree that we can use your logos and

trademarks for the sole purpose of providing advice to you in connection with the engagement unless you tell us otherwise.

We will store tax records that we hold on your behalf for a period of seven years after the applicable balance date. At the end of that period, unless you ask us to send that information to you, the records will be destroyed using a secure document destruction service.

While this engagement is in place, we will hold on your behalf, all files we have completed that are of an enduring significance.

We look forward to full cooperation with you and your staff and we trust that any records, documentation, and other information requested in connection with our compilation, will be made available to us in a timely manner.

You agree that all claims against us, whether in contract, negligence or otherwise, must be formally commenced in two years after the party bringing the claim becomes aware (or ought reasonably to have become aware) of the facts which gave rise to the action and in any event no later than three years after any alleged breach of contract, negligence, or other cause of action arises.

Where this Agreement applies to more than one client, this limitation of liability must be allocated among these clients. Such allocation is a matter to be resolved by those clients.

Termination

Each of us may terminate this agreement by giving notice in writing to the other party. Terminations will not affect any accrued rights.

Communication

You must advise of any changes in your contact details. We may send any communications to the last contact details you have provided. Unless you instruct us otherwise, we may, where appropriate, communicate with you and with third parties via email or by other electronic means. The recipient is responsible for virus checking emails and any attachments. There is a risk of non-receipt, delayed receipt, inadvertent misdirection, or interception by third parties in any form of communication whether electronic, postal or otherwise. We are not responsible for matters beyond our control.

Generally

These Terms and Conditions will be effective for this and all future engagements unless we advise you of any change in our arrangements.