

1 January 2024

Standard Terms and Conditions of Engagement

1. WHO MAY INSTRUCT US

You confirm that you, and any other person you nominate in writing from time to time (provided we have acknowledged such nomination), are authorised to give us instructions and information on behalf of all persons we are acting for and to receive our advice and documents on their behalf.

If we are acting for a business, and we receive conflicting advice, information or instructions from different persons, we may refer the matter to the board of directors, partners or proprietors (as applicable) and act only as requested by them.

2. YOU AND YOUR SPOUSE/PARTNER

We will advise you and your spouse/partner on the basis that you are a family unit with shared interests. We may deal with either of you and may discuss with either of you the affairs of the other. If you wish to change these arrangements, please let us know.

3. CONFIRMATION OF IDENTITY

From 1 October 2018, all New Zealand accounting practices became subject to New Zealand's Anti-Money Laundering and Countering Financing of Terrorism Act 2009. Where we are required to conduct customer due diligence, this Act does not allow us to act, or continue to act, for our clients unless we have conducted that due diligence. Accordingly, we may be required to verify your identity for the purposes of the anti-money laundering laws. We may request from you such information as we require for these purposes and make searches of appropriate databases.

4. YOUR RESPONSIBILITIES

You must provide us with all information necessary for dealing with your affairs including information which we reasonably request, in sufficient time to enable our services to be completed before any applicable deadline. We will rely on such information being true, correct and complete and will not audit the information (except to the extent we are specifically engaged to provide audit-related services).

You are therefore responsible for the reliability, accuracy and completeness of the financial statements compiled from those records and information. You have responsibility for the maintenance of adequate records, an adequate internal control structure and the selection and application of appropriate accounting policies within your business. In addition, you are solely responsible to the users of the financial statements we compile. These matters are not our responsibility.

You will be required to review and approve your financial statements and Income Tax returns for reasonableness and correctness, and you will need to understand the importance and risks of signing the income tax returns as being true and correct.

You authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs. You must keep us informed on a timely basis of changes in your circumstances that may affect our services.

5. QUALIFICATIONS ON OUR SERVICES

To the extent our services involve the performance of services established by law, nothing in the engagement letter or these terms reduce our obligations under such law.

You must not act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid.

Our services are limited exclusively to those you have engaged us to perform. Unless otherwise specified in the engagement letter, our services cannot be relied upon to disclose irregularities and errors, including fraud and other illegal acts, in your affairs. Neither an audit nor a review will be conducted and, accordingly, no assurance will be expressed.

Where our engagement is recurring, we may amend our engagement letter and these terms where we consider it is necessary or appropriate to do so. If you do not accept such amendments, you must notify us promptly in which case you may terminate our engagement in accordance with section 18 below and those amendments will not apply prior to such termination.

6. RELIANCE ON ADVICE

We will endeavour to record all advice on important matters in writing. Advice given verbally is not intended to be relied upon unless confirmed in writing. If we provide verbal advice (for example during a meeting or telephone conversation) that you wish to rely on, you must ask us to confirm the advice in writing.



7. 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.

8. 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 regulations (for example, disclosures required under the Anti-Money Laundering and Countering 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 the NZICA Code of Ethics that apply if we become aware of actual or potential 'non-compliance with laws and regulations' (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 an 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.

9. CONFLICTS OF INTEREST

We will inform you if we become aware of 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 of the persons to whom this engagement applies. If this arises, we will inform you promptly.

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

10. FEES AND PAYMENT

Unless we agree otherwise with you, our fees will be based on hours worked and charged at rates appropriate to the work performed and the levels the level of skill, responsibility, importance and value of the advice, as well as the level of risk.

If we have provided you with an estimate of our fees for any specific work, this is an estimate only and our actual fees may vary.

We may provide a fixed fee for the provision of specific services. If it becomes apparent to us, due to unforeseen circumstances, that a fixed fee is inadequate, we may notify you of a revised figure and seek your agreement to it.

We will invoice you once the work has been completed. We may also make an interim billing where finalisation of financial statements is delayed for whatever reason. Payment of our account will be due 14 days after the date the invoice has been issued. Our fees set out in our engagement letter are exclusive of GST which will be added to our invoice where it is chargeable. Any disbursements and expenses we incur in the course of performing our services will be added to our invoices where appropriate.

If you fail to pay on time, then we may refuse to undertake any more work until full payment has been received. If you are not able to pay in full by the due date, then please contact us, as we are usually happy to arrange payment in instalments. Unpaid accounts where no payment arrangement exists may be charged a non-payment fee of \$20 for each month the account remains unpaid. If you do not pay us by the due date and we engage a debt collection firm or incur legal fees in recovering payment from you, then any costs associated with the recovery action will be payable by you.

11. LIEN

If permitted by law and not prohibited by professional standards or guidelines, we may exercise a lien over all materials or records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.

12. CLIENT MONEY

We maintain a trust account for dealing with client monies on their behalf. We can only accept money into our trust account on your behalf if you have provided us with a written trust account authority letter that details the authority given to us in relation to that trust money.

We may need to undertake further client due diligence to comply with our obligations under the AML Act. We may not be able to process a transaction if the required information is not provided.



13. DISCLOSURE PERMISSIONS

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

- our service providers (see clause 23) 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; and
- our external debt management firm to the extent required to assist with the collection of our firm's fees.

We will take reasonable steps to ensure any such recipient (other than a regulatory body) keeps such information confidential on the same basis we maintain with respect to your information (see clause 8).

We may retain your information during and after our engagement to comply with our legal requirements or as part of our regular IT back-up and archiving practices and also 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.

We may mention that you are a client for promotional purposes.

14. 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 section 9 above and in accordance with the disclosure exceptions outlined in section 8 above. We will comply with the *Privacy Act 2020* when collecting, storing, using and sharing your personal information. Our Privacy Policy provides further details of our privacy practices and our obligations to you.

15. OWNERSHIP OF MATERIALS

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 agreement may be used by you only for the purpose for which you have engaged us. The material that you provide to us remains yours and will be returned to you when the engagement is completed.

All work 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 and in accordance with our professional and legal obligations.

You agree 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.

16. LIMITATION OF LIABILITY

To the maximum extent permitted by law, our maximum aggregate liability (including of all our directors) under or in connection with your engagement of us, is limited to \$1 million. You agree not to bring any claim against any of our directors or employees in their personal capacity.

To the maximum extent permitted by law, we are not liable to you for:

- indirect, special or consequential losses or damages of any kind; or
- liability arising due to the acts or omissions of any other person or circumstances outside our reasonable control, or your breach of these terms.

17. LIMITATION OF THIRD-PARTY RIGHTS

Our advice and information is for your sole use, and 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.

18. TERMINATION

Each of us may terminate this agreement by giving not less than 21 days' notice in writing to the other party except where a conflict of interest has arisen, you fail to cooperate with us or we have reason to believe that you have provided us or any other person with misleading or factually inaccurate information, in which case we may terminate this agreement immediately. Termination will not affect any accrued rights.

19. COMMUNICATION

You must advise of any changes to 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 any such matters beyond our control.

20. APPLICABLE LAW

Our engagement is governed by New Zealand law. The New Zealand courts have non-exclusive jurisdiction in relation to any dispute between us.



21. INTERPRETATION

If any provision of the engagement letter or these terms is void, that provision will be severed, and the remainder will continue to apply. If there is any conflict between the engagement letter and these terms, these terms prevail.

22. DISPUTES AND COMPLAINTS

If you have any concerns about our costs or services, please speak to the person responsible for this engagement, who is identified in our engagement letter. We place a high level of importance on client satisfaction and will promptly work with you to attempt to resolve any issue brought to our attention. We may require you to detail your complaint in writing to allow us to fully investigate any concerns that you raise. In the unfortunate circumstance that we are not able to resolve the matter amicably then we may terminate our engagement, return your records to you and refund any prepaid fees.

23. OUTSOURCING

We may utilise third-party services, including those detailed below and other third parties from time to time and as separately notified to you, to perform the services. In utilising these third-party services, we provide these third parties with access to your data to the extent this is required to perform the services.

This requires information to be sent to our service providers in accordance with our Privacy Policy.

We use sophisticated computer software for the preparation of client financial statements and tax returns and to manage our accounting practice. Your confidential information may be stored in software provided by the following service providers:

Wolters Kluwer	Practice management and tax return preparation	Cloud servers based in NZ and Australia
MYOB	Accounting Software	Cloud servers based in NZ and Australia
Xero	Accounting Software	Cloud servers based in NZ and Australia
Microsoft	Email Service and Data Backup	Cloud servers based in NZ and Australia

These terms will be effective for this and all future engagements unless we advise you of any change.

Yours faithfully

KOLLER & HASSALL LIMITED



(A.J. Hassall)
Director



(K.M. Hansell)
Director