

## General Terms of Engagement

These Terms of Engagement are the standard terms on which More CA Limited ("we") provide accounting, taxation and related services to our clients. Our client on any particular matter will be the person or entity identified as such in a separate Letter of Engagement which we will send on the matter ("you"). Subject to any different or other terms agreed in writing these Terms will apply whenever you ask us to act for you on a matter.

### 1. The Services

We will use all reasonable commercial efforts to provide the Services in an efficient and timely manner. We will allocate appropriate staff to perform the Services and may replace any personnel named in the Letter of Engagement with personnel of similar skill.

You are responsible for determining that the scope of the Services is sufficient to meet your needs.

Unless otherwise specified in writing, any timetables set for the provision of the Services will be for planning purposes only and will not be binding upon us.

### 2. Limitations of Scope

We are not qualified to give:

- a) Investment advice – you should get that advice from a qualified financial advisor;
- b) Insurance advice – you should get that from your insurance broker; or
- c) Advice about foreign laws or foreign tax regimes.

### 3. Your Responsibilities

To enable us to carry out our work you agree:

- a) To provide us promptly with such accurate and complete information as is reasonably required for the proper performance of the Services, including access to appropriate members of your staff, records, information technology systems and premises. We will not perform a review or audit of the information that you provide to us, or that others provide to us on your behalf, and we will rely on the information and documents that you/others on your behalf provide to us being true, correct and complete.
- b) To provide us with information in sufficient time for the engagement to be completed within any statutory time limits.
- c) That you accept responsibility for any failure to supply us with all relevant records and information.
- d) That we can approach such third parties as may be appropriate for information that we consider necessary.
- e) To keep us informed of any major, unusual or sensitive transactions, including proposed transactions.
- f) If anything occurs after information is provided to us by you/others on your behalf, that renders such information untrue, unfair or misleading, you will promptly notify us and, if required by us, take all necessary steps to correct any communication or document issued which contains, refers to, or is based upon such information.
- g) That, where we have relied on external information or public records, we will not be liable for any direct

or indirect damage or loss caused by errors or omissions in such external information or records.

- h) That, where the Services include the compilation of financial statements, the responsibility for the accuracy and completeness of the assertions in the financial statements and the responsibility to users of the financial information compiled by us remains with you. Your responsibilities also include the maintenance of adequate accounting records and internal controls and the selection and application of appropriate accounting policies.
- i) That, where the Services include filing returns of income, all returns of income are to be filed on the basis of full disclosure of all sources of income, expenditure, allowances and capital transactions.
- j) That, where the Services include any taxation services, to forward to us on receipt copies of letters and other communications received from the Inland Revenue (where relevant to the Services) to enable us to deal with them as may be necessary within the statutory time limits.
- k) That, 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. Failure to meet the deadlines may result in automatic penalties and/or the charging of use of money interest.
- l) That, where the Services include provision of access to software, you do not allow access to this to any other person without prior written consent.

### 4. Fees

You agree to pay for the Services. Unless otherwise agreed, fees for our services are based on the actual time expended on the engagement at the standard hourly rates for the work being performed by the individuals assigned to provide the Services. The other factors we will take into account in determining the fees which we will charge are:

- a) the time and labour expended;
- b) the skill, specialised knowledge and responsibility required to properly perform the Services;
- c) the importance of the work to you, and the results achieved;
- d) the urgency and circumstances in which the work is undertaken and any imposed time limitations, including those imposed by you;
- e) the complexity and/or novelty of the work;
- f) the experience, reputation and ability of personnel carrying out the work;
- g) the reasonable costs of running the firm;
- h) the fee customarily charged in the market and locality for similar accounting services.

Any estimate of fees provided in the Letter of Engagement is indicative only and will not be binding upon us. The accuracy of any estimate will depend on the accuracy, completeness, relevance and reliability of records and information provided by you. In addition to our professional fees, we may charge a fee for disbursements (to cover the cost of items such as communications, printing and photocopying, access to research material and local travel). We will also charge for any out of pocket expenses incurred during the provision of the Services. Where large expenses are to be incurred on your behalf, we may require prior payment by you.

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Our fees exclude GST. You agree to pay GST imposed on us, now or in the future, in relation to the fees charged under this Contract.

### 5. Payment Terms

Unless otherwise specified in the Letter of Engagement, our invoices are rendered either on completion of the work or on a monthly basis and must be paid within seven (7) days.

Any queries in relation to an invoice should be raised within ten (10) working days to enable prompt resolution of any issues.

### 6. Default Penalties

We may charge interest on overdue amounts at the rate of 18% per annum. If your account remains unpaid 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 are entitled to exercise a general lien over all the books, records, related documents and other such chattels that may come into our possession for the purpose of performing professional services for you, until all costs and charges whatsoever for our professional services of any nature have been fully paid.

Without affecting our rights to recover payment of outstanding amounts we reserve the right to suspend or terminate this engagement and the Services we provide under it in the event any invoices we render in accordance with the Contract are not paid by the due date.

### 7. Limitation of Liability

To the maximum extent permitted by law, you agree that our liability for any and all loss or damage suffered by you in connection with the Services will be limited to the amount of professional fees paid to us for the Services and you agree to release us from all claims arising in connection with the Services to the extent that our liability in respect of such claims would exceed this amount. If the Services were provided in respect of more than one financial year, the fee on which the liability amount is based will be the fee paid in respect of the financial year in which the act or omission first occurred.

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.

To the maximum extent permitted by law, we will have no liability for any statements, representations, guarantees, conditions or warranties (collectively referred to as "representations") arising from communications (oral or written) which are not expressly contained in the Contract and

all representations to exercise reasonable care or render our Services with due care and skill which may otherwise be implied by statute, common law or custom are expressly excluded.

### 8. Indemnities

To the maximum extent permitted by law, except in the case of fraud or dishonesty on our part, you agree to indemnify us and hold us harmless against any and all losses, claims, costs, expenses, actions, demands, damages, liabilities or any other proceedings, incurred by us in respect of any claim by a third party (whether in contract, tort, or otherwise) arising from any breach by you of your obligations under the Contract.

To the maximum extent permitted by law, we will not be liable for any losses, claims, expenses, actions, demands, damages, liabilities or any other proceedings arising out of reliance on any information provided by you or any of your representatives which is false, misleading or incomplete. You agree to indemnify us and hold us harmless from any such liabilities we may have to you or any third party as a result of reliance by us on any information provided by you, or any of your representatives, which is false, misleading or inappropriate.

The indemnities in this clause will include all costs incurred by us in regard to such liability or claim, including legal costs, and the costs of any expert engaged by us to advise us or assist us in dealing with the claim or liability in any way.

### 9. Electronic Communication

Email may be used to enable us to communicate with you. As with other means of delivery this carries with it the risk of inadvertent misdirection or non-delivery. It is the responsibility of the recipient to carry out a virus check on any attachments received.

As internet communications are capable of data corruption we do not accept responsibility for changes made to such communications after their dispatch. For this reason, it may be inappropriate to rely on advice contained in an email without obtaining written confirmation of it.

All risks connected with sending commercially sensitive information are borne by you and are not our responsibility. If you do not accept this risk, you should notify us in writing that email is not an acceptable means of communication.

We may, from time to time, communicate with you via electronic messages, including sending you Commercial Electronic Messages (as defined in the Unsolicited Electronic Messages Act 2007). Unless you advise us otherwise, you consent to us sending such Electronic Messages to you.

### 10. IT Security

We take best practice precautions with security in respect of software products used including cloud software solutions. The service provider is responsible for security of the files and we accept no responsibility for breaches of security and loss of data.

In the instance of a suspected breach we shall follow our policies to secure the system, investigate and remedy as quickly as practicable. We require full cooperation from you

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in determining any causes for, and resolving, IT security issues.

### 11. Conflict of Interest

Except as disclosed in the Letter of Engagement, More CA is not presently aware of any conflict of interest which would affect our ability to provide services to you. We will advise you if we became aware of any potential conflict of interest, and we will work with you to find a suitable solution.

### 12. Retention of Records

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. You should retain them for at least seven (7) years after the end of the income year to which they relate. The Inland Revenue may extend this period for a further period not exceeding three (3) years.

At the end of this engagement we will keep your file and documents for the minimum period stipulated by any relevant legislation. At the end of this period we may destroy your file and documents. All files and documents will be destroyed in a confidential manner.

Whilst certain documents may legally belong to you, we intend to destroy correspondence and other papers that we store which are more than seven (7) years old, other than documents which we consider to be of continuing significance. You must tell us if you require retention of a particular document. You authorize us (without further reference to you) to destroy all files and documents for this engagement (other than any documents that we hold in safe custody for you) seven (7) years after the engagement ends, or earlier if we have converted those files and documents to electronic format.

If we are provided with custody of any documents by you or on your behalf, including share registers or constitution documents, those documents will be retained during the course of our appointment (unless their earlier return is requested). At the end of our appointment they will be returned to you, unless separate arrangements have been made. We will be entitled to retain copies.

We reserve the right, in appropriate circumstances, to exercise a lien over any documents and files belonging to you which may be in our possession until all work has been performed and all fees rendered have been paid.

### 13. Our Work Papers

You acknowledge that the work papers we produce in the course of our work for you, which are not an integral part of the end product of that work, are our property, remain confidential to us and will not be provided to you.

Where reasonably possible More CA will:

- a) inform you if any other person seeks access to any work papers developed when providing the Services; and
- b) seek your comment before granting access to any person unless we are compelled to do otherwise at law.

### 14. Ownership

We retain ownership of the copyright and all other intellectual property rights relating to the provision of the Services and of our working papers.

We may from time to time provide you with software, spreadsheets and other intellectual property for use with, or to assist with the provision of, our Services. Any software, spreadsheets and other intellectual property provided by us to you is provided for your own use and must not be copied, distributed or used for any other purpose. We do not provide any warranties in relation to your use of the software, spreadsheets and other intellectual property provided and will not be liable for any damage or loss incurred by you as a result of your use of any software, spreadsheet and other intellectual property as contemplated by this clause.

### 15. Reliance on Advice / Limited Audience

During the supply of the Services, we may supply oral, draft or interim advice. These do not represent our final conclusions and no reliance may be placed by you on them.

We will not be under any obligation in any circumstances to update our advice, opinion or report for any events occurring after the advice, opinion or report was issued in final form.

The Services are provided to you, as our client, for the purpose stated in the Letter of Engagement. We accept no liability whatsoever to any third party and you will indemnify us against any such third party claim. Any documents issued by us (with the exception of financial statements, tax returns and audit reports) should not be provided to third parties without our prior written consent in each specific instance.

Where the Services include the compilation of financial statements, you must ensure that, when providing copies of the financial statements to any other party, each page has our reference stating: "These financial statements have been prepared without conducting an audit or review engagement and should be read in conjunction with the attached Compilation Report". You must also ensure that our Compilation Report is attached to the financial statements.

You must make any third party user of the financial statements and tax return aware of the limited scope of our engagement and that, if they wish to rely on the financial statements, they should complete an audit or review engagement.

### 16. Authority to Obtain Information

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 this engagement letter, you confirm that we (More CA Limited, our staff and persons contracted to More CA Limited) 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.

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You authorise us to act on behalf of yourself and other taxpayers identified as associated with this engagement.

### 17. Verifying your Identity, Source of Funds and Credit Checks

We may be required by law to verify your identity and, in some circumstances, the source of funds for a transaction. We may also wish to carry out reasonable credit checks on you from time to time.

You authorise us to collect information about you (including customer due diligence information and credit reports), to obtain, exchange, hold, and use such information, and to make other enquiries we think appropriate to:

- a) Confirm information provided to us about you is true;
- b) Undertake initial and ongoing customer due diligence and monitoring in accordance with the Anti-Money Laundering and Countering Financing of Terrorism Act (AML/CFT Act);
- c) Enforce debt and legal obligations (including recovery of money owed to us); and
- d) Comply with other legal obligations we may have.

You authorise any person (including credit reporters) to disclose information (including credit information) to us in response to such enquiries.

You accept that we may use customer due diligence services (including electronic based services from a third party) to verify your identity and conduct other customer due diligence or monitoring required under the AML/CFT Act, and that we may use credit reporting services to credit check you, and that when we use such services:

- a) The other third party or credit reporter (each a service provider) will exchange information about you for that purpose and the service provider may hold information on its system and use it to provide their customer due diligence service or credit reporting service (as the case may be) to their other customers;
- b) We may use the service provider's services in the future for any authorized purpose (including in relation to ongoing customer due diligence or the provision of credit). This may include using the service provider's monitoring services to receive updates if information held about you changes; and
- c) If you default in your payment obligations to us, information about that default may be given to credit reporters and given by credit reporter to their customers.

### 18. Confidentiality of Information

Both parties acknowledge that they may, in the course of the engagement, acquire information that is proprietary or confidential to the other party. Both parties agree to hold such information in strict confidence, and not to divulge such information, except:

- as required by law or professional regulation;
- as is already, or becomes, public knowledge, otherwise than as a result of a breach of any provision of the Contract by the party disclosing or using that confidential information;
- as authorised in writing by the other party;

- to the extent reasonably required by the Contract (and, without limiting the effect of this clause, a party may disclose confidential information to those of its officers, employees, contractors or professional advisers, on a need to know basis, as is reasonably required for the implementation of the Contract).

We are subject to review the Practice Review Board of the Institute. The work we perform for you may be selected by the examiners for their review and, if it is, we are required to produce any document or other material in our possession and co-operate in the review process. By allowing us to undertake any engagement (whether or not a Letter of Engagement is signed by you), you acknowledge that, if requested, our files relating to any engagement will be made available by the examiners for their review.

### 19. Outsourcing

We may utilise the services of third parties from time to time as required in the performance of our engagement. We provide these third parties with access to your data to the extent that this is required to perform the services. This may require information being sent to overseas providers.

### 20. Software

We may provide you with access to software, such as Xero, for the purposes of our engagement. You accept that, where we are the subscriber, the software belongs to us.

You accept that you must not share your login credentials or allow access by any other means to our software or the data it contains without prior written permission from us.

You accept that we invest our valuable intellectual property in these software systems when we establish and maintain them which belongs to us. Should you wish to transfer the subscriptions then we may charge a fee reflective of our investment.

Software providers may offer discounts or commissions for the use of their products. You accept that these discounts or commissions belong to us.

### 21. Disputes

We undertake to look into any complaint carefully and promptly and to do all we can to explain our position to you. This engagement is governed by New Zealand law, and any dispute arising out of any advice or material is subject to the exclusive jurisdiction of New Zealand courts.

### 22. Termination

Our engagement with you can be terminated by either party giving formal notice. Upon receipt or provision of such notice we will work in a timely manner to complete work and hand over records to ensure minimal disruption.

In situations 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 incorrect information we may terminate this agreement immediately.