

Terms & Conditions

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. Family Relationships

Please note that should there be a spousal or family unit relationship, then we will advise you and your spouse/partner/family member 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. Customer Due Diligence

From October 2018, all New Zealand accounting practices became subject to New Zealand's *Anti-money Laundering and Countering Financing of Terrorism Act 2009* (AML). 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, including making searches of appropriate databases and requests to third parties. Should this be necessary we will bill our time accordingly and also disburse costs (if any) to you.

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 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.

We do not accept any responsibility for the accuracy and completeness of the accounting records and other information you supply to us or for the reliability, accuracy and completeness of the financial information compiled on the basis of those records and information. We do not accept responsibility for the maintenance of adequate accounting records, an adequate internal control structure and the selection and application of appropriate accounting policies within your organisation. In addition, you are solely responsible to users of the financial information we compile. Clients remain responsible for meeting all statutory deadlines (tax filings, payments).

The firm accepts no liability if deadlines are missed due to late/incorrect information supplied.

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 earlier occasion without first confirming with us that the advice is still valid.

Our services are limited exclusively to those that you have engaged us to perform. Unless otherwise specified in the engagement letter, our services cannot be relied on to disclose irregularities and/or 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 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 19 below and those amendments will not apply prior 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 work papers 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 & Independence

9.1 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.

9.2 Independence

Please note that for compilation work (which is the nature of most of our services) independence is not a requirement. If it is brought to our attention at any time that we are not independent, we will communicate this to you. Note however, we will not conduct a comprehensive review to determine any conflicts of interest or our independence.

10. Fees and payment

10.1 Fee Basis

Our fees will be charged on the basis set out in the engagement letter and have been set based on 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 the quoted fee is inadequate, we may notify you of a revised figure and seek your agreement to it.

Graham Brown & Co Limited base fees on the time spent on your business matters. In preparing a fee, we also take into account:

- The skill, specialised knowledge and responsibility required
- The importance of the matter to you and the result achieved
- The urgency of the circumstances in which the business is transacted

Our fees set out in our engagement letter are exclusive of GST which will be added to our invoice where it is chargeable.

10.2 Disbursements

Disbursements are payments made by us on your behalf. These costs are passed on to you as part of our normal monthly billing. Any disbursements and expenses we incur in the course of performing our services will be added to our invoices where appropriate.

Unless otherwise agreed to the contrary, our fees do not include the costs of any counsel, or other professionals or third parties, including contractors engaged with your approval. Such costs will be disbursed to you as per above.

10.3 Software subscriptions paid on your behalf

Should you choose to pay your software subscription through us (for example, but not limited to, XERO, MYOB) we will pass on any available discounts. We will however charge you a set monthly handling fee to cover the cost of administering the subscription. This handling fee will be reviewed annually and will help cover the costs of holding, funding and billing your subscription to you. These costs are passed on to you as part of our normal monthly billing.

Please note that if your subscription invoices are not paid as they fall due, we reserve the right to transfer the subscription back to your business/to you to pay directly (without the discount), or equally repeated failure to pay may result in cancellation of the subscription without notice.

10.4 Fee Payment

Payment is due on the 20th of the month following the date of the invoice. Payment details are noted on your invoice and/or statement.

If the payment of any account is not received by the due date:

- a) We may decline to continue further work until the account is paid, or arrangements have been made for payment
- b) In accordance with normal commercial practice we may charge a late payment penalty on the balance outstanding after the due date at the rate of 1.5% per calendar month or part thereof compounded from the due date to date of actual payment

We reserve the right to place any outstanding account in the hands of our solicitors or a debt collection agency for collection by legal action if necessary. In those circumstances the client and each of the undersigned consent to Graham Brown & Co Limited providing its solicitors or debt collection agency with such details relating to the client and the undersigned as may be necessary to collect the outstanding account. In the event that the account is placed with our solicitors or debt collection agency all fees and/or

Court costs incurred in recovery action will be added to the amount owing and will be recoverable from the client and/or the undersigned.

10.5 Fee Disputes

If there are any issues concerning the amount of our fee, it is agreed that these issues must be communicated to us in writing **within 30 days** of the invoice; otherwise, it is agreed that the amount is due and payable. We agree that responses to your concerns will be communicated within a reasonable timeframe.

Should you require further information or clarification around your fee at any time, please contact the Director/Manager at Graham Brown & Co Limited who is responsible for your business matters or our Credit Manager directly.

In the unfortunate circumstance a disagreement arises between us over our fees, and it fails to be resolved by general discussion, then we both agree to use the Fees resolution service of the Chartered Accountants Australia and New Zealand (CAANZ). Clients may also contact CAANZ directly if dissatisfied with your handling of a complaint <https://www.charteredaccountantsanz.com>

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 which details the authority given to us in relation to that trust money.

We may also need to undertake further client due diligence (CDD) as per section 3, to comply with our obligations under the AML Act. If CDD is required, we may be unable to process transactions until it has been completed and the required information provided.

13. 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; and
- Any external contractor or third party provider we engage to support our provision of services to you

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 in 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.

Our work is monitored by the Chartered Accountants of Australia and New Zealand, and we are subject to and bound by their disciplinary rules and procedures. As such we are required to disclose to the Institute, its reviewers and its disciplinary bodies our files and work-papers including client information. By engaging our services (whether or not you sign this letter) you acknowledge that if requested, our files relating to this engagement will be made available to the Institute.

The Institute and reviewers are bound by the same rules of confidentiality and ethical standards that apply to its members.

15. Outsourcing

We may from time to time utilise the services of External Contractors domestically and overseas (including India and or the Philippines) and other third parties to assist with the completion and support of Accounting, IT and/or administration tasks. This may include but is not limited to Annual Accounts compilation and GST processing work, and software support services. These third parties will be given access to your data to the extent this is required to perform the services, within our system. These contractors will be held to the same strict standards of confidentiality and professionalism as our in-house team. We will retain full responsibility for overseeing and managing any third-party involvement to ensure the services provided align with CAANZ requirements.

16. Use of Artificial Intelligence (AI) and Digital Tools

We may use artificial intelligence (AI), automation tools and other digital technologies in the performance of our services. These tools are used to assist with efficiency and quality but do not replace the professional judgement and review of our qualified staff.

Where AI tools are used:

- All outputs are reviewed, checked and approved by our professional team before being relied on in your deliverables
- We take reasonable steps to ensure that client information provided to such tools is handled in accordance with our confidentiality obligations, our Privacy Policy and applicable laws

We will not use AI tools that involve disclosing your confidential information to external platforms without taking appropriate steps to protect your data.

You acknowledge that AI-assisted work may be used in providing our services and agree that our liability in respect of such use remains limited as set out in section 18 (Limitation of liability).

17. Ownership of Books, Records and Other Documents

It is agreed that ownership of all documents supplied by you to assist in the performance of professional services on your behalf shall remain your property. It is also agreed that all documents produced by Graham Brown & Co Limited in the performance of these professional services shall remain our property. For avoidance of doubt, it is agreed that we shall retain ownership of all work papers and drafts created and used by Graham Brown & Co Limited in the course of performing professional services for you.

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.

We will store records for tax purposes 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 advise us in writing to send that information to you, the records will be destroyed using a secure document destruction service.

Should you transfer to another accountant or advisor, and this transfer requires us to spend time in assisting you or the incoming accountant, this time will be billed accordingly and all costs incurred disbursed to you, the client for payment. This may include but is not limited to, answering queries, passing on information, transferring files, data, and software subscriptions and/or providing any other information in order to assist with the set up the recipient firms or your files.

It is agreed that Graham Brown & Co Limited shall be 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 of professional services for you until all our costs and charges whatsoever for professional services of any nature to you have been fully paid.

18. Limitation of liability

To the maximum extent permitted by law, our maximum aggregate liability (including of all our directors or employees) under or in connection with this engagement letter or its subject matter is limited to \$10,000. 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

19. 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.

20. 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. Upon termination, you will be liable for fees and disbursements incurred up to the date of termination, and for any work necessary to transfer your affairs.

21. 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 will 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.

22. Electronic Communications & Cybersecurity

You acknowledge the risks of using email to communicate (through interception, corruption, or viruses). We take measures practicable to minimise these risks, however risks are always present when using email/electronic communication. We use reasonable security practices but cannot guarantee absolute safety.

23. 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.

24. 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.

25. Disputes and complaints

If you have any concerns about our costs or services, please contact the Director and or Manager at Graham Brown & Co Limited who is responsible for your business matters as set out in 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 the parties involved.

We may require you to detail your complaint in writing to allow us to fully investigate any concerns that you raise.

26. Who is bound by the Terms and Conditions?

Where the client comprises more than one person carrying on business in partnership, or the client is a limited liability company or other corporation, or is a trust, each and every individual partner, each of the directors, or each of the trustees (as the case may be) thereof will be jointly and severally liable to Graham Brown & Co Limited in respect of all or any indebtedness or liability arising out of these Terms and Conditions whether or not such person has signed these Terms and Conditions.

For the avoidance of doubt, the individuals signing on behalf of the client shall, on execution of this document, bind themselves (and their co-partners, directors or trustees as the case may be) as sureties and co-principal debtors with the client, jointly and severally, for the payment of all monies and performance of all obligations due by the client arising out of these Terms and Conditions as a separate and further obligation, do each fully and continuously indemnify Graham Brown & Co Limited for any loss of profit, loss of bargain, loss of business opportunity or exemplary damages or losses suffered by Graham Brown & Co Limited arising out of or flowing from any default by the client.