

Appendix 1 General 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 parties we are acting for under this agreement and receive our advice and documents on their behalf. If we are acting for a business and we are receiving conflicting advice, information or instructions from different people we may refer the matter to directors, partners or proprietors (as applicable) and act only as requested by them.

2. Shared interests

We will provide advice and work for the parties to this engagement agreement on the basis that they are related parties with shared interests. We may deal with either party and may discuss interests of any party the affairs of the other. If you wish to change these arrangements please let us know.

3. Client Due Diligence – know your customer

Peak Chartered Accountants Limited MUST comply with the Anti-Money Laundering and Counter Financing of Terrorism Act 2009 (AML/CFT Act). Our work for you may be captured under the Act in certain activities. If you request us to perform any captured activity we will only perform such work after we have conducted customer due diligence required under the AML/CFT Act and satisfied ourselves that we can proceed with the work.

As well as our obligations to undertake due diligence, the AML/CFT Act requires us to report suspicious activity or prescribed transactions to the relevant authority. Under such circumstances, we must not disclose information to you about suspicious activity reports or prescribed transactions, in accordance with FIU Suspicious Activity Reporting Guidelines.

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.

You authorise us to approach such third parties (including bankers, solicitors, finance companies, government agencies) 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 agreement 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 agreement, or 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 agreement 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.

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 (CA ANZ) 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 (e.g. disclosures required under the Anti-Money Laundering and Counter Financing 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 or 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, 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. Employees and contractors of NZICA are also bound by confidentiality under contract 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 agreement 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

Our fees will be charged on the basis set out in the engagement agreement and have been set based on the level of skills, 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.

Any disbursement and expenses we incur in the course of performing our services will be added to our invoice(s) where appropriate. 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.

Please see Appendix 2 Credit Policy and Terms of Payment for further details on our terms of trade.

11. Client Money – trust account

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

12. Disclosure permissions

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

- Our service providers (see clause 22) or regulatory bodies to the extent required to provide our services to you;
- Our professional advisors or insurer to the extent required to protect our interest regarding this engagement; and
- Our external peer review for quality management purposes.

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.

If, at any time, we want to mention that you are a client for promotional purposes, we will seek your permission to do so.

13. Privacy

We may collect, store, use and disclose your personal information for the purposes of providing the services described in the engagement agreement 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 and is available on request.

14. 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 only be used by you only for the purpose for which you have engaged us.

All working papers prepared by us (in any for 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.

If your affairs (at some time in the future) are handled by you or another accountant, we will make available such information regarding your affairs (via email as a PDF) that is essential to enable your new accountant to perform the services we previously provided. This will include any subscriptions held on your behalf (not including Xero Ledger or Figured Farm Reporter).

Any costs incurred transferring of the records are at your cost, including any time taken by us.

Please refer to Appendix 2 “Credit Policy and Terms of Trade” regarding a lien over records. Where software subscriptions are unpaid, they remain our property and we have the right to cancel the subscription.

15. Limitation of liability

To the maximum extent permitted by law, our maximum aggregate liability (including all our directors, members and employees) under or in connection with this engagement agreement or its subject matter is limited to 10 times the annual accounting fee. You agree not to bring a claim against any of our directors, member 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. This includes where the information we need to carry out our tasks properly is withheld, concealed or erroneously supplied to us or where there are transactions that we are unaware of that exist outside the financial records or information provided to us; or
- Claims made and notified to us within one year of the date we complete the work set out in this agreement.

16. 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 writing that a specified third party may rely on our work.

17. Termination

Either party may terminate this agreement in writing with immediate effect for any reason. We may bill for time or costs relating to attendances required as a result of the termination of the relationship (e.g. transfer of records, subscriptions, banking mandates, providing information).

18. Communications

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 matters beyond our control.

You may opt out of general communications (newsletters, invitations to events etc) but you must be aware that this can compromise the service we offer you.

19. 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.

20. Interpretation

If any provision of the engagement agreement 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 agreement and these terms, these terms prevail.

21. Disputes and Complaints

If you have any concerns about our costs or services, please speak to the person responsible for this engagement (identified on the cover letter) or the responsible director (who signed this agreement). If still not satisfied, please contact another director of the practice. We 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 raised.

22. Outsourcing and third-party providers

In providing our services to you, we access and utilise selected services and products from third parties that facilitate our ability to provide our services. Specific examples of this are cloud-based software providers Xero, FYI (practice management platform), BGL / CAS360 (company information and "know your customer" ID verification), and Microsoft (email and collaboration). We also use a third-party IT provider (Cloudland), a tax pooling intermediary (Tax Management New Zealand Limited) and our nominated tax audit insurance provider.

All these services are provided to us to enable us to better service you. In utilising these services your personal information is provided into these platforms or given to the service providers solely to enable us to undertake our services to you. Your personal information is not to be used by any of these providers for any other purpose than to facilitate our work/services we provide to you.

If you have any concern about our use of third party and cloud-based services, please speak to us.

Certain third-party providers will require a direct authority in order for your information to be provided to us for use in completing the engagement. If we require a direct authority from you, we will advise you and provide you with express instructions on completing.

Many of our third parties store information "in the cloud" so we do not know its physical location but use industry recognised providers who have appropriate protections in place to maintain your privacy.

23. Third-party payments

We receive a discount on some Xero business subscriptions and retain 40% of any discount on these subscriptions.

We offer insurance against tax audits, where the insurer will cover our costs where Inland Revenue queries a return, undertakes a review or undertakes an audit. We receive a commission on the premium paid.