

### STANDARD TERMS & CONDITIONS

This document outlines the standard terms and conditions of business for CooperAitken Limited. These Terms apply to any current engagement and to any future engagements, whether or not we send you another copy of them. We may change these Terms at any time and will publish the changed Terms on our website. The change will bind you in respect of any matters on which we accept instructions after publication of the change.

The Terms and Letter of Engagement form the entire agreement between you and CooperAitken Limited for services specified ("the Contract"). In the event of conflict between the Terms and the Letter of Engagement, the Terms will prevail, unless the Letter of Engagement refers to and modifies a specific provision of the Terms.

Where the Letter of Engagement is addressed to more than one addressee, each addressee is a party to, and is bound by, the terms of the Contract. We will treat you as having accepted this Contract if you continue to instruct us after you receive it.

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

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.

Based on information and instructions you provide; we will compile any required financial statements for you. This engagement will be performed 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 on completion of the engagement we will issue a compilation report and an appropriate disclaimer which will form part of the financial statements. For your reference an example of this is found at the end of these terms and conditions.

They will be prepared as special purpose financial statements for management and taxation purposes. You understand that they may not be suitable for other purposes. They will be prepared in accordance with the Tax Administration (Financial Statements) Order 2014.

Our procedures will not include verification or validation procedures. No audit or review engagement will be performed and accordingly no assurance will be expressed.

It is understood and agreed that:

- a. each page of the financial statements will be conspicuously marked as being unaudited.
- b. you will attach our disclaimer when distributing the financial statements to third-parties.
- c. if you distribute the financial statements (or other report) to any person without attaching to them (that report) our statement disclaiming liability, then you will indemnify us against all claims, actions, damages, liabilities, costs and expenses (including but not limited to reasonable legal costs and expenses) incurred by us and arising out of or in connection with any action, claim or proceeding brought by any third party in connection with the services provided by us to you.

### 1. Anti-Money Laundering and Countering Financing of Terrorism Act 2009

From 1 October 2018, all New Zealand accounting practices became subject to *New Zealand's Anti-Money Laundering and Counter 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 any-money laundering laws. We may request from you such information as we require for these purposes and make searches of appropriate databases.

### 2. Extent of 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 based on those records and information. We also do not accept any 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.

You will be required to review and approve the final returns and reports for reasonableness and correctness, and you will need to understand the importance and risks of signing income tax returns and other statutory documents as being true and correct statutory 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.

### 3. 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.

### 4. 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

### STANDARD TERMS & CONDITIONS

of interest referred to above and the confidentiality referred to below in Clause 8.

#### 5. 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.

#### 6. 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.

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

#### 7. 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.

#### 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 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.

### 9. 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*.

### 10. 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.

Under standard business arrangements, fees are to be paid by the 20<sup>th</sup> of the month following the date of invoice. We will charge interest on overdue amounts at the rate of 18% per annum. Suspension of interest charges is solely at our discretion. 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 may

### STANDARD TERMS & CONDITIONS

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.

You authorise us to check your credit status with any relevant third party (which may include, but is not limited to, credit reference agencies).

#### **11. 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.

However, 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 this 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, including minute books, company statutory records and 'permanent' files.

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

### STANDARD TERMS & CONDITIONS

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.

#### 12. 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 can terminate this agreement immediately. Terminations will not affect any accrued rights.

#### 13. 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.

#### 14. Outsourcing

We may involve third party contractors our outsourced service providers in providing various aspects of your accounting work.

Where we decide to contract work out, you authorise us to disclose your affairs to third parties involved in the provision of outsourced services to you, providing that we shall bind such contractor to a duty of confidentiality and supervise such contractors for ensuring it meets the standards required of a Chartered Accountant under the code of ethics of their ruling body.

Acceptance of our Services in conjunction with this engagement document indicates your acceptance of the use of outsourced services.

#### 15. Generally

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

***This is an example of how the compilation report is currently expected to read:***

**Reporting Scope**

On the basis of information, you provided we have compiled, in accordance with the New Zealand Institute of Chartered Accountants Service Engagement Standard No. 2: Compilation of Financial Information, the special purpose financial statements of [name of entity] for the period ended .....as set out in the attached statements. The statements are special purpose financial statements prepared for management and taxation purposes only. Accordingly, they should not be relied upon for any other purposes. They have been prepared in accordance with the Taxation Administration (Financial Statements) Order 2014.

**Responsibilities**

You are solely responsible for the information contained in the special purpose financial statements and have determined that the basis of accounting used is appropriate to meet your needs and for the purposes the special purpose financial statements were prepared. The financial statements were prepared exclusively for your benefit.

**Disclaimer of Liability**

As mentioned above, we have compiled the financial information based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we nor any of our employees accept responsibility for the liability, accuracy or completeness of the compiled financial information, nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.

**No audit or review engagement undertaken**

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. A compilation is limited primarily to the collection, classification, and summarisation of financial information. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

**Independence (if required)**

We are not independent of [name of entity] because.....(reason why not independent, for example, we are a Shareholder/Director)