

Appendix One Terms of Engagement

These Terms of Engagement are the standard terms on which McCulloch + Partners (“we”) provide accounting and related services to our clients. Our client on any 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 partners and 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. 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 Service, 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 your/others on your behalf provide to us being true, correct and complete.
- b) To provide us with documentation required to enable us to comply with the requirements of the AML/CFT Act. We may be required to provide information about you, persons acting on your behalf and other relevant persons as described above to Government agencies. We may not be permitted to tell you or such persons if we do provide such information. We may also be required to provide such information to banks with which we place your funds through our Trust Account and information provided to banks may be in turn be passed on by them to tax and other regulatory authorities in New Zealand and offshore. Please ensure that any of the persons described above in respect of whom we collect information are aware of and consent to this. Please also ensure that all information provided to us is accurate. We are not responsible to you, or anyone else for anything done or not done by us (including any provision of information by us to any third party or any withholding made) in order to comply with our legal obligations.
- c) To provide us with information in sufficient time for the engagement to be completed within any statutory time limits.
- d) That you accept responsibility for any failure to supply us with all relevant records and information.
- e) That we can approach such third parties as may be appropriate for information that we consider necessary.
- f) To keep us informed of any major, unusual or sensitive transactions, including proposed transactions.
- g) 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, or omissions in such external information or records.
- h) 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.
- i) 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.
- j) That, where the Services include filing returns of income, all returns of income are to be filed based on full disclosure of all sources of income, expenditure, allowances, and capital transactions.

- k) 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.
- l) 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.
- m) Where returns of income (and associated financial data) have been electronically filed with the Inland Revenue Department you accept that such returns are deemed to have been signed by you. Should we sign returns on your behalf, this does not represent acceptance of responsibility for the relevant taxes.

3. General Authority

You agree that we will have a general authority to deposit funds belonging to you (including income tax and Goods and Services Tax ("GST") refunds) to our trust account. Funds in our trust account will be handled according to the rules of Chartered Accountants Australia and New Zealand ("CA ANZ") and the AML/CFT Act ("the Act"). To the extent permitted by those rules and the provisions of the Act, we may apply funds held in trust satisfy amounts owing to us by you from any cause.

4. Fees

You agree to pay for the Services. Unless otherwise specified in the Letter of Engagement, fees for our services are based on the actual time expended on the engagement at the standard hourly rates of the work being performed by the individuals assigned to provide the services. The other factors we will consider 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.

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

Our invoices are rendered either on completion of the work or on a monthly basis, and must be paid within 14 days following the date of the invoice.

Any queries in relation to an invoice should be raised within seven (7) working days of the date of the invoice 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 your possession for the purpose of performing professional services for you, until all costs and charges whatsoever for your 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.

You authorise us to check your credit status with any relevant third party (which may include, but is not limited to, credit reference agencies) and to pass on credit information about you to any credit reference/collection agency at any time.

7. Limitation of Liability

We will not be responsible or liable if information relevant to our task is withheld or concealed from us or wrongly represented to us. It is a condition and precedent to any liability that any claim against us must be made and notified to us within one year of the date we complete the performance of the work specified in this agreement. In addition, McCulloch + Partners liability to you will be limited to ten times the amount invoiced in respect of any assignment undertaken (exclusive of GST and disbursements) or the sum of NZ \$200,000 whichever is smaller.

McCulloch + Partners acknowledge that we currently hold a policy of professional indemnity insurance for greater than the amount of \$200,000, or ten (10) times the value of the fees (exclusive of GST and disbursements).

McCulloch + Partners shall only be liable to you, either in contract or in tort, for direct loss of damages suffered by you as a result of a breach by McCulloch + Partners or our implication under this agreement.

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 on a solicitor-client basis, 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.

You agree to look only to the specific legal entity named in the Letter of Engagement or the insurance maintained by that entity to satisfy our obligations or liabilities to you under the Contract or otherwise. No other McCulloch + Partners firm, or our officers, partners or employees, or the officers, partners or employees of any other McCulloch + Partners firm, or the officers, partners or employees of any other McCulloch + Partners International, will be liable for our obligations to you. You will not commence any action or proceeding against any such persons or firms for the purposes of enforcing your rights under the Contract. This clause is intended to be for the benefit of, and enforceable by, those persons described in this clause for the purposes of the Contracts (privity) Act 1982.

9. Electronic Communication

Electronic communication such as email and virtual workspaces 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 or downloaded.

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

In relation to virtual workspaces, technical factors such as bandwidth and network configurations may prohibit access from time to time and we cannot guarantee that access will be available at all times. Virtual workspaces may also contain links to third party websites over which we have no control.

All risks connected with sending or making available 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 electronic communications are 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 and Privacy.

We take best practice precautions with security in respect of software products used including by way of example Cloud software solutions. You authorise us to share your information with such service providers for the purpose of our providing services to you. You further acknowledge that the service provider is responsible for breaches of security and loss of data.

We will comply with all applicable laws (including the Privacy Act 2020) when we collect, use, and disclose personal information about you, and will adhere to the provisions of our Privacy Policy.

You consent to us collecting, using and processing personal information in accordance with our Privacy Policy.

We use and have access to select services that facilitate and complement our accounting services we have available to provide to you. Unless you advise us to the contrary, you authorise us to disclose to the providers of those services your details solely to enable us to facilitate those services to you without obligation. You are free to opt out of this authority at any future time.

On occasion, we may use your personal information, such as your address or contact details, to provide you with industry information or to introduce you to additional services that we offer. In this regard, we may, for example, send you written or electronic communications, electronic newsletters and/or invitations to events. If at any time

you do not wish to receive information such as this, we invite you to contact us and we will not send you any additional information.

11. Conflict of Interest

Except as disclosed in the Letter of Engagement, McCulloch + Partners 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 (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 may 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 authorise 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 McCulloch + Partners 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 statements should be read in conjunction with the Notes to the financial Statements and are subject to the Accountant’s 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. Confidentiality of Information and Professional Obligations

Both parties acknowledge that they may, in the course of the engagement, acquire information that is proprietary or confidential to the other part. Both parties agree to hold such information in strict confidence, and not to divulge such information. 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 include
 - the provisions of the NZICA Code of Ethics that apply if we become aware of actual or potential ‘noncompliance 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, 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.
- + as is already, or to become, public knowledge,
- + 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 or professional advisers, on a need to know basis, as is reasonably required of the implementation of the Contract).

We are subject to review by the Practice Review Board of the Institute and the Financial Markets Authority (or a party appointed by them) 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.

17. Our Staff

You agree that during the provision of the Services, and for the period of six months after, you will not make any offer to employment to any of our partners, directors or employees involved in the provision of the Services, without our prior written consent.

You agree that should you employ any of our partners, directors or employees involved in the provision of the Services during the provision of the Services, and for a period of six months after, you will pay us a fee equal to 20% of the remuneration package offered to the person concerned.

18. Health and Safety

Both parties agree to comply with their obligations under the Health and Safety at Work Act 2015 and any applicable regulations.

The parties agree to consult, coordinate, and cooperate with each other whenever they share a health and safety duty in relation to the same person or subject matter.

Each party will adopt and implement a health and safety policy, which shall take priority at its workplace.

You will provide McCulloch + Partners staff with an appropriate health and safety briefing whenever McCulloch + Partners staff are required to visit your workplace.

19. Disputes

We undertake to investigate 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.

20. 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.