

Terms & Conditions

1.0 Introduction

Stretton & Co Limited (Strettons) which includes its Partners, Consultants and Employees and has set out in this document our terms and conditions of business. These terms together with our Engagement Letter establish our agreement with you with respect to all the work undertaken for you.

If there is any inconsistency between these Terms and Conditions and our Engagement Letter then the Engagement Letter shall take precedence.

The terms of trade set out below govern all of the Services received from Strettons to you ("the client"). They will replace all earlier Strettons terms of trade and any conditions contained in any document used by you and purporting to have contractual effect. Your acceptance of any Services from Strettons indicates your acceptance of these terms of trade.

2.0 Services

2.1 Strettons will provide services as set out within the Engagement Letter (the "Services") and will use all reasonable commercial efforts to provide the Services in an efficient and timely manner, using the necessary expertise to the appropriate professional standard.

2.2 Your acceptance of the Services from Strettons indicates your acceptance of these Terms and shall constitute a binding contract between us and you. These Terms also expressly apply to any Services supplied to you by Strettons in the future.

2.3 Strettons may engage reputable contractors in order to assist Strettons in undertaking part or all of the Services without obtaining your prior consent. You may not subcontract or assign any of your rights or obligations under these Terms without our prior written consent.

3.0 Conflict of Interest

It is Strettons' policy that employees and others acting on Strettons behalf must be free from conflicts of interest that could adversely influence their judgment, objectivity or loyalty to the company in conducting Strettons business activities and Engagement. We do recognise that employees may take part in legitimate financial, business, charitable and other activities outside their Stretton role, but it is our policy that any potential conflict of interest raised by those activities must be disclosed promptly to management.

4.0 Your Obligations

4.1 You agree to pay for the services in accordance with this agreement and / or the signed Engagement Letter.

4.2 You supply as agreed in a timely manner any information that Strettons consider necessary to complete the engagement.

4.3 Strettons will be relying on the accuracy of the documentation provided by you or provided by others on your behalf, without independently having to verify it.

4.4 You undertake that any additional information with relevance to the engagement pertaining to the services provided by Strettons must be communicated promptly to Strettons; this includes any information that may be rendered untrue, unfair or misleading.

4.5 You must give Strettons (addressed to the Directors) not less than 7 days' prior written notice of any proposed change in the Client's name and/or any other change in the Client's details (including, but not limited to, changes in the Client's address, email address, trading name or business practice).

5.0 Confidentiality

5.1 Strettons will hold in confidence all information provided by you and will not disclose this information to any third party except for the purposes of undertaking the Services or as required to enforce these Terms or as required by law. You authorise Strettons to disclose information to any person for these purposes and where the Client is a natural person this authority is a consent for the purposes of the Privacy Act 2020.

5.2 During the course of the engagement, you may acquire information that is proprietary to Strettons. You undertake to hold such

information in strict confidence and not divulge this information except as required by law or judicial purposes.

5.3 You accept that in certain circumstances the Inland Revenue Department or the New Zealand Institute of Chartered Accountants may request access to information and workpapers and we will be entitled to comply with such request.

6.0 Anti-Money Laundering

From 1 October 2018, all New Zealand accounting practices became subject to New Zealand's Anti Money Laundering and Countering 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.

7.0 Engagement

The nature of the assignment will be agreed upon between Strettons and you, the client, before work can be commenced.

7.1 You, the client, acknowledge that the engagement cannot be relied upon to disclose internal control weaknesses, errors, illegal acts or other irregularities (e.g. fraud or non-compliance with laws and regulations applicable to the entity) and as such a compilation is limited primarily to the collection, classification and summarisation of financial information supplied by you the client. A compilation does not involve the verification of that information. Strettons will not carry out an audit or a review assignment on the compilation material and therefore neither Strettons nor its employees cannot accept any responsibility for the accuracy of the materials from which the financial statements have been prepared.

7.2 Strettons will ensure the engagement team is clear on the scope of engagement and the appropriate level of management associated with the engagement.

7.3 The Services will be performed under our Quality Management systems which conform to the standards as published by the New Zealand Institute of Chartered Accountants (NZICA), being NZICA Rules and NZICA Code of Ethics, PS 1 Quality Control, PS-2 Client Monies, SES-2 Compilation of Financial Information and TG -1 Tax Guideline 1.

7.4 Strettons will comply with all legislation, codes and standards specified and are under no liability for a failure to meet any other legislation, codes or standards. If, after the assignment date, there are any changes in legislation, codes or standards with which Strettons must comply, then you the client agrees to reimburse or pay to Strettons an amount equal to any additional costs incurred by Strettons relating to such compliance.

7.5 Should the engagement require Strettons to seek advice from outside organisations due to the nature of the work Strettons will, after notice to and agreement from you, disburse the cost to you the client.

7.6 Strettons 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.

8.0 Outsourcing

We may utilise the services of The Outsourced Accountant, Philippines and other third parties from time to time. To perform the services, we provide these third parties with access to your data to the extent this is required to perform the services.

This does not require information being sent in accordance with our Privacy Policy.

9.0 Variations to the Engagement

Any requested variation made by you the client to the engagement or work being undertaken must be notified in writing and agreed to by Strettons, as a matter of course this may change the price of the engagement and this will be communicated to you and agreed. Should any work be requested under urgency, this will require a review of the price and this will be communicated to you and agreed.

- 9.1 Strettons reserves the right to reflect any extra cost associated with completing the engagement because of a request by you the client and / or any action or inaction on the part of the client.
- 9.2 Strettons confirms that the independence of Strettons from you the client or the appointing party is not a requirement for an engagement to compile financial information.
- 9.3 If we are to provide custody of any documents by you or on your behalf, i.e. share registers, those documents will be retained during the course of the engagement (unless you request an earlier return) at the end of which they will be returned to you unless separate arrangements have been made and agreed to by both parties.
- 9.4 Strettons will inform the appropriate level of your management or those charged with governance of the entity, as appropriate of any matters that come to Strettons attention in the course of performing any compilation engagement which may cause us to believe or suspect that errors or misstatements, illegal acts or other irregularities exist, either in relation to the entity or the financial information that is the subject of the engagement.
- 10.0 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 may, where appropriate, communicate with you and with third parties via email or by 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.
- 11.0 Problem resolution**
If at any time you would like to discuss how our services may be improved or you have an issue with them, you are encouraged to write or phone the Business Manager or a Director of Strettons, who will investigate any complaint promptly to resolve the issue. If a dispute arises out of the engagement, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation before resorting to arbitration, litigation, or some other dispute resolution procedure.
- 11.1 In the event of a dispute, or where fees remain unpaid beyond the due date, Strettons reserve the right to suspend provision of the services until such time the dispute is resolved. Suspension of the services will not affect your obligation to pay us for the services rendered to the date of the suspension.
- 12.0 Fees, expenses and payment terms**
Unless expressly provided otherwise in the proposal, payment in full will be due by the 20th of the month following the invoice date.
- 12.1 In all circumstances Strettons retains ownership of the work until complete payment is made. Strettons retains ownership of all other information and documentation on your file until payment is made in full.
- 12.2 If you default on payment Strettons may charge a default penalty 1.5 times the bank overdraft rate, calculated on a daily basis on the unpaid portion of the price from due date until payment in full.
- 12.3 If a credit or debt collection agency is required to obtain payment any costs charged by the agency in the course of collection of outstanding monies owed by you, including commissions, will be on charged to you.
- 13.0 Termination of Engagement**
In the event that either party believes that the other materially has breached any obligations under these terms and condition the parties shall so notify the breaching party in writing. The breaching party shall have 14 days from the receipt of notice to cure the alleged breach and to notify the non-breaching party in writing that cure has been effected. If the breach is not cured within the 14 days the non-breaching party shall have the right to terminate the Agreement without further notice.
Or if the other party has become insolvent or the services have been suspended under clause 9.1 of this agreement.
- 13.1 Termination under this clause shall be without prejudice to any rights that may have accrued under this agreement
- 14.0 Limitation of Liability**
- 14.1 **Trustee Liability** - If the client is a trust, the assignment will bind each trustee of that trust and each trustee personally. Strettons' rights against each trustee will only be limited if the trustee is an independent trustee (not being a trustee who has a right to or interest in any of the assets of the trust). However, this shall not affect the liability of an independent trustee who has guaranteed, in his or her personal capacity, the Client's obligations under the contract.
- 14.2 **Loss Liability** – Strettons shall be under no liability to the client for any indirect loss and/or expense (including loss of profit) suffered by the client arising out of a breach by Strettons of these terms and conditions. Any claim against Strettons shall be limited to the invoice value of the assignment and as such you the client shall agree to release Strettons from all claims arising in connection with services to the extent of Strettons liability in respect to such claims that would exceed this amount.
- 14.3 To the maximum extent permitted by law, you agree that any loss or damage suffered by you which is directly or indirectly attributable to negligence, fault or lack of care on your part or on the part of any other person (including advisors to you), Strettons is not liable in contract or otherwise for the loss or damages payable by Strettons.
- 14.4 **Indemnities** – To the maximum allowed by law you agree to indemnify and hold harmless Strettons against any and all losses, claims, costs, expenses, actions, demands and damages, liabilities as outlined above or any other proceedings, whatsoever incurred by Strettons in respect of any claim by a third party arising from or connected to any breach by you of your obligations under this agreement.
This indemnity for Strettons will also include reliance on any information provided by you or any of your representatives which is false, misleading or incomplete.
- 15.0 Entire Agreement**
These terms and the Engagement Letter are the only communications that govern our relationship.
If any further representations are important to you, you should ensure they are expressly set out within the Engagement Letter.
- 15.1 These Terms shall be governed by and interpreted in accordance with the laws of New Zealand