

Winstone France Limited (WFL)

Terms and Conditions of Business

1. Introduction

WFL (WFL includes its Directors, employees, and related entities) has set out in this document our basic terms and conditions of business (the "Terms"), which, together with our Engagement Letter (together called "this Agreement"), will apply to all work WFL undertakes for you with respect to this engagement.

If there is any conflict between these Terms and our Engagement Letter, then the Terms shall prevail. If any provision of the engagement letter or these terms is void, that provision will be severed, and the remainder will continue to apply.

2. Our Services

WFL will provide the services set out in our Engagement Letter (the "Services") and will use all reasonable commercial efforts to provide the Services in an efficient and timely manner, using the necessary skill and expertise to an appropriate professional standard. Either party may request changes to the Services set out in the Engagement Letter. Both parties agree to work together to enable both parties to access the impact of any requested changes on the cost, timing and any other aspect of the services. In the course of providing Services, we may provide preliminary advice in the form of oral comments or draft reports, presentations, letters, schedules and other documents. No reliance shall be placed on such oral comments or draft documents, conclusions or advice as they may be subject to further work, revision, and other factors. The final results of our work will be set out in our final report or advice.

3. Customer Due Diligence – Know your Customer

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. Captured activities include acting as a formation agent, acting as a nominee shareholder, managing client funds, engaging in transactions for buying or selling land or a business or other legal entity/arrangement. 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 and make searches of appropriate databases.

Accordingly, you agree we may be required to verify your identity for the purposes of anti-money laundering laws. We may request from you such information as we require for these purposes and make searches of appropriate databases. Information required may include passports, address verification by way of recent bill, bank statement, Government agency letter, Certificates of Incorporation or Registration, Trust Deeds or Partnership Agreements, proof of authority of personal acting for you and proof of source of funds.

You consent to your information being passed to and checked with the document issuer, official record holder and authorised third parties for the purpose of verifying your identity and address.

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 may not disclose information to you about suspicious activity reports or prescribed transactions, in accordance with FIU Suspicious Activity Reporting Guidelines.

4. Your Responsibilities

You agree to pay for the Services in accordance with this Agreement.

You will provide WFL promptly with information reasonably required for the proper performance of the Services, including access to appropriate members of your staff, records, information technology, and systems.

WFL shall be entitled to rely upon the accuracy of all information provided by you, or by others on your behalf, without independently verifying it.

You shall be responsible for the use of, or reliance on, advice or recommendations supplied by us in the delivery of our Services.

You undertake that if anything occurs after information is provided by you to WFL, to render such information untrue, unfair, or misleading, you will promptly notify WFL, and, if required by WFL, take all necessary steps to correct any communication or document issued which contains, refers to or is based upon such information.

You must keep us informed on a timely basis of changes in your circumstances that may affect our services.

If WFL are acting for a business, and receive conflicting advice, information or instruction 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.

You undertake to attach our disclaimer, compilation reports and accountants' statements when distributing the financial statements and budgets/cashflow forecasts (or parts thereof) to third parties.

We will advise you and your [spouse/partner] on the basis that you are a family unit with shared interests. We may deal with either of you or may discuss with either of you the affairs of the other. If you wish to change these arrangements, please let us know.

You must not act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid.

The preparation of GST returns, FBT returns, PAYE returns, income tax returns or any Inland Revenue return (including estimations of provisional tax) by WFL on your behalf does not remove you from the onus of responsibility.

5. Reliance on Advice

Unless otherwise specifically stated in the Engagement Letter, any advice or opinion relating to the Services is provided solely for your benefit and may not be disclosed in any way, including any publication on any electronic media, to any other party and is not to be relied upon by any other party.

WFL shall not be under any obligation in any circumstance to update any advice or report, oral or written, for events occurring after the advice or report has been issued in final form.

6. 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.

7. Professional Obligations, Confidentiality & Disclosure Permissions

The conduct of this engagement is in accordance with the rules, regulation and professional and ethical requirements of the Chartered Accountants Australia and New Zealand (CAANZ) and the New Zealand Institute of Chartered Accountants (NZICA). Information we obtain during this engagement is subject to confidentiality requirements, in addition to our obligations under the Privacy Act 2020. Both parties acknowledge that they may, during the engagement, acquire information that is proprietary or confidential to the other party.

Both parties agree to hold such information in strict confidence, and not to divulge such information except as required by law or judicial process, or to any persons or bodies responsible for regulating their businesses or internal policies.

The requirements above 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 during 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 (including section 360) 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 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.

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; and
- our external peer reviewer to the extent required to review this engagement;

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.

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 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.

8. Conflict Of Interest

Except as disclosed in the Engagement Letter, WFL is not aware of any conflict of interest, which would affect our ability to provide the Services to you. We will inform you if we become aware of any conflict of interest in our relationship with you (including between the various people 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 applies. If this arises, we will inform you promptly. If you become aware of a conflict of interest, you must inform us 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.

Independence of WFL from the entity that Services are being provided to is not a requirement for an engagement to compile financial information. If WFL is not independent from the entity, this will be disclosed in the engagement letter and in the entities report.

9. Fees and Payment

Our invoices will contain a description of the work that has been performed and the period to which it relates. Unless otherwise agreed in writing we will invoice you monthly and/or on the completion of an assignment and our invoices are payable by the due date stated on the invoice. Some services may require an upfront payment. These Services typically come with a separate proposal. Typically, fees will be payable within 14 Days following the

invoice date, however, this may vary depending on the Services provided. If an estimate of fees is provided in the Letter of Engagement this is indicative only and will not be binding upon us. These fees are exclusive of GST which will be added to our invoice where it is chargeable. The accuracy of any estimate will depend on the accuracy, completeness, relevance and reliability of records and information provided by you. 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. In addition to our professional fees, we may charge a fee for disbursements for out of pocket costs such as accounting software subscriptions, companies office charges and travel. Interest may be charged on fees remaining unpaid 30 days after the billing date unless prior arrangement has been made. Interest will be charged at a rate of 18% per annum on the GST inclusive value of unpaid fees. Interest will be calculated and compounded monthly. Unless prior arrangement is made, where fees remain unpaid after 30 days, we may start proceedings to recover the amount owed, plus interest and any collection and other associated costs incurred.

If we elect to terminate our services for non-payment, or for any other reason, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended, and to reimburse us for all out-of-pocket costs, through to the date of termination. If we are required (pursuant to court order or other legal process) to produce documents or attend court in relation to the Services for judicial or administrative proceedings to which we are not a party, you shall reimburse us at standard billing rates for our professional time and expenses, including reasonable legal fees, incurred in responding to such requests. 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. We may also suspend our services or cease to act for you by 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.

10. 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 need to undertake further client due diligence to comply with our obligations under the AML Act. We may not be able to process a transaction if the required information is not provided. We prefer not to act as signatory on client bank accounts as a general rule, however from time to time where you specifically request that we do, this will be agreed in writing and our preference is always to be only one of two signatories required to release funds.

11. Privacy

WFL will comply with the Privacy Act 2020 when collecting, holding, or disclosing personal and sensitive information concerning your shareholders, members, customers, employees, and other individuals with whom you have dealings ("stakeholders"). Our Privacy Policy provides further details of our privacy practices and our obligations to you.

If your stakeholders have not been made aware of the possible collection, holding, use or disclosure of their personal and sensitive information by WFL as part of this engagement, you agree to inform WFL so that, should this be necessary, WFL may take action to raise the awareness of your stakeholders.

12. Ownership

We shall retain ownership of the copyright and all other intellectual property rights in the product of the Services, whether oral or tangible, and ownership of our workpapers. You shall acquire ownership of any end product of the Services on payment of our charges. For the purposes of delivering Services to you or other clients, WFL shall be entitled to use, develop, or share with each other knowledge, experience and skills of general application gained through performing the Services.

13. Our workpapers and client documents

The workpapers we produce for this engagement, including electronic documents and files, which are not an integral part of the end product of that work, are the property of WFL. All original documents received from you arising from the engagement shall remain your property. However, we reserve the right to a reasonable number of copies of the original documents for our records. We will return all original documents to you and maintain electronic copies only.

Where reasonably possible we will:

- inform you if any other person seeks access to our workpapers; and
- seek your comment before granting access to any person unless we are compelled to do otherwise by law.

In certain circumstances the Inland Revenue Department may require access to information and workpapers and we may not be legally able to prevent such access.

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 our appointment (unless their earlier return is requested), at the end of which they will be returned to you unless separate arrangements have been made. We shall be entitled to retain copies.

If permitted by law and not prohibited by professional standards or guidelines we may exercise a lien in respect of any unpaid fees and disbursements over any documents and files belonging to you, which may be in our possession, until all outstanding fees and disbursements are paid in full.

14. Limitation of Third-Party Rights

WFL will prepare the financial information at your request and exclusively for your benefit. We will not accept any liability of any kind whatsoever, including liability by reason of negligence, to any other person for losses incurred as a result of placing reliance on the compiled financial information. Unless we have expressly agreed in the engagement letter that a specified third party may rely on our work.

15. Limitation Of Liability

To the maximum extent permitted by law, our maximum aggregate liability (including of all our directors and employees) under or in connection with this engagement letter or its subject matter is limited to the value of the fees you have paid to Winstone France over the last 12 months. 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.

16. Termination

Our relationship with you involves continuing trust, confidence, and co-operation. If the relationship has broken down either of us may terminate the professional relationship by notice in writing to the other (not less than 14 days' notice), except where a conflict of interest has arisen, you fail to cooperate with us or if 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. If such notice is given you will be required to pay our professional fees and disbursements for work carried out to the date of termination, by the due dates required.

17. Communication

Unless otherwise agreed with you, we may correspond by means of the Internet or other electronic media to provide information to you in electronic form. Because of the inherent risks associated with the electronic transmission of information on the Internet or otherwise, we cannot guarantee the security and integrity of any electronic communications or information sent or received in relation to this engagement. While it is our policy to check our e-mail correspondence and other electronic information with anti-virus software, we cannot guarantee that transmissions or other electronic information will be free from infection. You acknowledge that if we are working on your premises, we may need to connect to the internet through your internal network to access our systems.

You must advise us 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 other electronic means. The recipient is responsible for virus checking emails and any attachments. There is a risk of non-receipt, delayed receipt or inadvertent misdirection or interception by third parties in any form of communication, whether electronic, postal, or otherwise. We are not responsible for such matters beyond our control.

18. Governing Law and Jurisdiction

This Agreement and all aspects of our engagement and our performance of the Services are governed by, and construed in accordance with, the laws applicable in New Zealand. Both parties agree to irrevocably submit any disputes arising under this Agreement to exclusive jurisdiction of the Courts of New Zealand. The New Zealand courts have non-exclusive jurisdiction in relation to any dispute between us.

Where a WFL Director (or employee) acts as a Trustee, either via a Professional Trustee Company or in their personal capacity, WFL will not maintain all statutory records required under section 45 of the Trusts Act 2019 unless otherwise agreed. A separate Trustee fee will apply at an hourly rate or part thereof based on the time necessarily spent on your affairs and include reimbursement for disbursements.

19. Dispute Resolution

If at any time you would like to discuss with us how the Services can be improved or if you have a complaint about them, you are invited to telephone the director, identified in the Engagement Letter. We may require you to detail your complaint in writing to allow us to fully investigate any concerns that you raise. We will investigate any complaint promptly to resolve the difficulties. We will use our best endeavours to resolve a complaint or dispute to the mutual satisfaction of the parties involved. If the problem cannot be resolved, the parties agree to enter mediation, or some other form of alternative dispute resolution, before commencing legal proceedings. In the event of a dispute, or where fees remain unpaid beyond the due date, we reserve the right to suspend provision of the Services until such time as the dispute is resolved, or the fees are paid. Suspension of the Services will not affect your obligation to pay us for Services rendered to the date of suspension.

20. Contractors & Suppliers

Winstone France Limited may from time to time outsource work to a third-party contractor to support capacity requirements. All contractors are required to uphold the same level of service and are subject to the same Winstone France Limited policies and procedures as employees. If you would like further details on when this may occur, please let us know. This requires electronic information to be shared with our chosen service providers in accordance with our Privacy Policy. Our service providers may be New Zealand based or internationally based and subject to local privacy regulations. Any work outsourced is for processing efficiencies and to ensure our clients receive the best service at the most efficient rate possible. All work is reviewed by a New Zealand based Director or Manager before completion. Currently WFL has an individual who is an internationally based direct contractor who has been provided with a laptop for WFL use only and utilises the same software and systems as our New Zealand based employees. WFL does not currently contract to local or internationally based subcontractors via intermediary organisations.

21. Commissions

As a Xero Platinum Partner we invest time in Xero training content for clients, as well as ongoing training for our staff to ensure they are up to date with the latest Xero offerings. Where we maintain your subscription for Xero, we receive 30 percentage commission of your Xero fees from Xero for business edition plans only. At our discretion we may choose to pass some of this discount onto you. With Audit Shield, a insurance policy product for cover of accounting fees during an IRD review or audit, we receive a small commission to cover our administrative cost of administrating the cover.

We may also engage with other software providers (payroll providers or app solutions) who offer a percentage commission as the referring party. We will advise you of the commission we receive (if any) and will update our terms and conditions on our website accordingly.

22. Health and Safety

We are required to comply with the provisions of the Health and Safety in Employment Act 1992 (the "Act") by taking all practical steps to ensure the health of safety of our people. WFL expects its people to take responsibility to ensure their own safety and that no harm is caused to others in the workplace. However, the Act places responsibility for their safety on you when they are visitors to your site. It may be appropriate for your Health and Safety representatives to hold a safety briefing at the beginning of the assignment for those involved, regarding the hazards, provision of any appropriate equipment, awareness of accident reporting procedures and emergency procedures.

23. Employees

You agree that during the provision of the Services, and for a period of six months thereafter, you will not make any offer of employment to any WFL Director, or employee involved in the provision of the Services, without our prior written consent.

You agree that should you employ any WFL Director, or employee involved in the provision of the Services during the provision of the Services and for a period of six months thereafter, you will pay WFL a fee equal to 30% of the remuneration package offered to the person concerned if the person accepts the offer.

24. Circumstances Beyond Your or Our Control

Neither of us shall be in breach of our contractual obligations nor shall either of us incur any liability to the other if we or you are unable to comply with the Agreement as a result of any cause beyond our or your reasonable control. In the event of any such occurrence affecting one of us, that one shall be obliged as soon as reasonably practicable to notify the other, who shall have the option of suspending or terminating the operation of the Agreement on notice, taking effect immediately on delivery.

25. Variation

These terms and conditions may be updated from time to time on the Winstone France Website. If you continue to engage Winstone France, and have not terminated the agreement, this will be deemed to be acceptance of the new terms and conditions. We will notify clients of changes to terms and conditions via our periodic newsletter. Should you wish to agree modified terms and conditions, no variation will be valid unless confirmed in writing by authorised signatories of both parties on or after the date of signature of the Engagement Letter in question.

26. Statutory Terms

Nothing in these Terms excludes, restricts, or modifies the application of the provisions of any statute where to do so would contravene that statute or cause any part of these Terms to be void.

27. Entire Agreement

This Engagement Letter and the Term & Conditions, as may be amended from time to time, are the only communications governing our relationship. To the maximum extent permitted by law, WFL will have no liability for any statements, representations, guarantees, conditions or warranties (collectively referred to as "representations") arising from communications (oral or written) which are not expressly contained in this Agreement and Terms & Conditions and all representations to exercise reasonable care or render our Services with due care and skill which may otherwise be implied by statute, common law or custom are expressly excluded. If any representations are important to you, you should ensure that they are expressly set out in the Engagement Letter before signature.

28. Insurance

It is your responsibility to ensure that the adequacy and extent of your insurance covers are appropriate for your needs and are regularly reviewed by brokers/insurance companies. We are not responsible, nor liable, for this function.

29. No Audit Undertaken

Our procedures will not include verification or validation procedures. No audit or review engagement will be performed and accordingly no assurance will be expressed as to the accuracy of information.

30. Detection of Fraud

Our engagement does not include the investigation or discovery of internal control weaknesses, error, 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.

31. Indemnity

You agree to indemnify WFL, its directors, employees and agents against all liabilities, claims, costs, and expenses incurred, which arise out of, or are in any way associated with, the services provided under this contract. However, the indemnity does not apply to any loss to the extent it results from WFL's negligent, wrongful, or unlawful acts or omissions.

32. Retention of Records

WFL retains your records for the statutory period of seven years. After this period records are destroyed. If you require retention of your records for longer than the statutory period, please advise us in writing.

33. Administration Charges

Standard administration charges may be added to your fees at a fixed rate as a contribution towards printing, scanning, and other internal overhead costs associated with completing your financial statements and tax returns. Accounting Software charges we manage and on charge on your behalf are subject to change at the supplier's notification, details will be updated through our newsletter. We also receive a contribution towards the administration costs of managing your accounting or other financial system administration subscriptions by way of a percentage commission.

34. Cloud Computing

In providing our Services to you, we may utilise workpaper and other software using cloud computing hosted by an external IT provider. By agreeing to this engagement and accepting our Services you acknowledge and agree that your personal information and data may be stored electronically using third party cloud computing services, which in some instances may be located overseas. Our commonly used platforms include but are not limited to: Xero (Financial Reporting Software), Xero Practice Manager (CRM and Tax Software), Syft (Analytics & Financial Reporting from Xero), Suitefiles (Document Storage & Digital Signing Software), FYI (Document Storage & Practice-Management), Annature (Electronic Signing & Identity-Verification), Microsoft Office 365 (Communication and Workpapers), Connectworks (Companies Office Records Software), Spotlight (Consolidation and Reporting Software), Loom (Video Recording Software), GoCardless (Direct Debit Mandates), The GAP Portal (Business Development and Planning Software), Boma Marketing (Bulk Email Platform for Accountants), Link Reporting (Internal Reporting Software) and Audit Shield.

35. Client Bank Account Authority

Winstone France will not access or facilitate payments via your bank account. However, if you have a requirement for WFL to make payments on your behalf via your bank account, this will be expressly agreed with you in writing via separate authority documentation.

36. Company Registered Office

Where you engage us to act as registered office for your company or companies, you acknowledge that you are required to provide us with copies of minutes of all formal directors meetings, details of any major transactions to be undertaken over 50% of the value of total assets (prior to being undertaken so that this can be passed as a special resolution), and advise us of any Director's conflicts of interests that arise or details of transactions where a Director is an interested party to enable company records and registers to be maintained effectively.

37. Go Cardless

GoCardless process Direct Debit payments on behalf of other businesses and organisations, such as the merchant that you wish to make payments to. We typically request the use of GoCardless for managing Xero subscription payments and is at the discretion of the client if it is used for other invoices. These businesses and organisations create payments for their customers using our system and we then process these according to the parameters and instructions they have set. These terms and conditions explain how GoCardless will operate when it collects payments from your bank account and can be found at: <https://gocardless.com/legal/>