

# Terms of Engagement

## Application

This document is to help you understand what you can expect from Tandem Group and the nature and extent of the services we will provide. The terms set out in this document together with our Letter of Engagement, forms the entire agreement between us and you. Previous discussions, proposals, correspondence, understandings or other communications, whether written or oral, will have contractual effect subsequent to our Letter of Engagement.

Our Terms of Engagement applies to any/all services we are undertaking for you and to any future services that we provide for you, unless we agree in writing to change these terms. If these terms are to change at any time, we will send you the updated version of this document.

## Our Service Commitment

We will always stand behind the quality and professional nature of the services that we offer.

Our service output will be in both written and verbal form, which will be dependent on what service is being provided.

## Outsourcing

We reserve the right to engage with third-party specialists, where appropriate, in order to complete the work required under this engagement in a timely and efficient manner.

## Referral Fees and Subscription Discounts

Where we are the owner of third-party services/subscriptions, there may be occasions where we receive a discounted service/subscription rate or commission. These discounted rates may or may not be passed on to you directly or in full.

## Limitation of Our Liability

We will not complete an audit or review engagement and accordingly, no assurances will be expressed.

You are responsible for the accuracy and completeness of the accounting records and other information supplied to us, and for the reliability, accuracy and completeness of the financial information compiled based on those records and information.

The engagement cannot be relied upon to disclose internal control weaknesses, errors, illegal acts or other irregularities such as fraud or non-compliance with laws or regulations applicable to the entity.

To the extent permitted by law, we shall have no liability whatsoever to you for any direct or indirect expense or loss of profit suffered by you arising out of a breach by us of this agreement (including any unintentional misrepresentation made to you by us regarding any of the services).

Our liability shall be limited to damages, which under no circumstances shall exceed our professional indemnity insurance and you agree to indemnify us, our partners, associates, employees, contractors and any other person from any liability over our professional indemnity insurance.

To the extent permitted by law, our total liability under or in connection with this agreement and the services is limited to, at our option:

- a) supplying the services again; or
- b) the payment of the expense of having the services supplied again.

We are not responsible or liable for any loss of profits, revenue, data, goodwill, customers, opportunities or loss of or damage to reputation.

## **Laws and Regulations**

### **New Zealand Law Applies**

Our relationship is governed by, and to be construed in accordance with, New Zealand law and each party submits to the exclusive jurisdiction of the Courts of New Zealand.

Where services are not governed by Chartered Accountants Australia and New Zealand (CAANZ) standards and regulations, they will be covered by the relevant New Zealand laws and regulations.

### **Privacy and Data Protection**

Whenever we carry out services for you, we will follow and abide by our legislative obligations such as the Privacy Act 2020 and the General Data Protection Regulations.

### **Consumer Guarantees Act 1993 and Fair Trading Act 1986**

Nothing in this agreement will affect any rights you may have as a 'consumer' (as defined under the Consumer Guarantees Act 1993 (CGA)) under the CGA.

You indemnify us against any expenses or losses incurred by us as a result of your breach of the Consumer Guarantees Act 1993 and Fair Trading Act 1986 clause.

### **Health and Safety at Work Act 2015**

Each party will comply with the other party's pre-notified and reasonable health and safety policies when on the party's premises.

You must notify us of any known hazards arising from your premises to which any person may be exposed, as well as notify us of any notifiable injury, illness, incident or event to ensure that your workplace is without risks to the health and safety of our team.

## **Knowing Our Client**

### **Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT)**

We are required to comply with anti-money laundering and countering financing of terrorism law as well as laws relating to tax, withholdings and client reporting.

Where we conduct services for you, a Company or a Trust, we are required to obtain and verify information about you, the Company or Trust. This will include the people associated with the Company or Trust (such as Directors and Shareholders, Trustees and Beneficiaries) or other people such as beneficial owners or controlling persons (Associated Persons).

In some instances, our legal obligations also require us to ask for further information and we may need to ask you about the nature and purpose of the proposed services, as well as your source of wealth and/or source of funds for a transaction, or as otherwise related to the services.

Our legal obligations may require us to provide information about you or Associated Persons to relevant government agencies and there may be circumstances where we are unable to inform you that we have provided such information. Please ensure that you and all Associated Persons are aware that you are consenting to this provision.

We are unable to start providing any services for you until we have satisfied our legal obligations.

Even if you are a long-standing client of Tandem Group, our legal obligations require us to first ascertain such information from you for our records.

We may also need to carry out reasonable credit checks on you, therefore, you agree and authorise anyone we contact to provide us with information we request as part of our credit enquiries and allow us to provide information to credit agencies about any invoice you have failed to pay by the due date.

## Our Relationship

### Who May Instruct Us

We will only act for the entity and/or individual named in this agreement. We will not take any instructions from anyone else, unless you authorise for us to do so, and no one else is permitted to rely on our advice provided for the benefit of you as the client without our written consent. We will, however, accept instructions on the following basis:

- **Company:** Directors, employees or any other person you have authorised.
- **Trust:** Any Trustees or officers of a Trust.
- **Partnership:** Any partners or officers or a partnership.

Where our engagement covers a couple in a marriage, civil union or de facto relationship, 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 and may discuss with either of you the affairs of the other. If you wish to change these arrangements, please notify us.

### Your Responsibilities

You can help us carry out work in a fast and efficient manner by doing the following, where necessary:

- Supply clear and specific information.
- Provide access to specific or generally described records or to your personnel.
- Provide information for compliance with laws and regulations.
- Sign an IR Authority to Act.
- Advise who is responsible for determining the information or access needed.
- Advise when the records or personnel should be available, including whether there is a deadline for gaining access.

You are responsible for the accuracy and completeness of the accounting records and other information supplied to us, and for the reliability, accuracy and completeness of the financial information compiled on the basis of those records and information.

### Our Independence

If, at any time, during our engagement it becomes evident or we believe that we are not independent, we will disclose this to you as soon as possible and prior to us providing any service or advice.

Whether a conflict of interest is identified either by you or by us during our engagement, we will work together to minimise the effects of the conflict and/or isolate the conflict to the best of our abilities. If we cannot do this to the point where we are unable to isolate or minimise the conflict, we will need to discuss this further with you.

Our staff are bound by confidentiality agreements, however, should you prefer a specific member of our team not have access to any/all of your records, please advise us as soon as possible.

### Acting As Your Agent

By signing this document, you authorise us to act as your tax agent with Inland Revenue, agent with Accident Compensation Corporation, banks, solicitors, finance companies any other organisations, and all government agencies for all the tax types and associated entities. As your agent, we will have access to all relevant records at Inland Revenue, Accident Compensation Corporation, Bank, Solicitors, finance companies and any other organisation.

Under Tandem Group Limited's tax agency, you will have an extension of time for filing tax returns, provided that the tax returns have been filed on time in prior years.

Please review and sign this document to indicate that it is in accordance with your understanding of the arrangements. This letter will be effective for future years unless we advise you of any change.

### **Managing Your Monies**

We maintain a Trust Account (under Devon Staffing Solutions Limited) for dealing with client tax, payroll and PAYE related 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.

As part of our services, we occasionally operate and/or authorise payments within client bank accounts.

Where we provide either of these services, 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.

### **Record and Information Keeping**

#### **Our Intellectual Property**

Unless we agree otherwise, we retain ownership of the copyright in all documents and other intellectual property created by us. You must not provide our advice to others (such as using our opinions in any public document or statement).

You indemnify us against any third-party claims arising from a release of our advice to third parties.

#### **Your Confidentiality**

We will not disclose any information to anyone or any third party without your prior consent.

Exceptions to this rule may be as follows:

- In circumstances expressly provided for in this agreement.
- If the disclosure is required by law or regulatory authority (only the extent required).
- If the disclosure is reasonably required to enable a party to perform its obligations or enforce its rights under this agreement.

We may disclose confidential information to a related company and their personnel on a 'need-to-know' basis, provided that person is under a duty to keep the confidential information confidential in accordance with this agreement.

#### **Use and Distribution of Your Financial Information**

We understand that the intended use and distribution of the information once compiled, including use of the information by third parties, is for internal reporting purposes and for the purposes of the financiers. If this should change in any material respect, please inform us immediately. We will not accept any responsibility to any person, other than you, for the contents of the financial information we compile. This information may be made available to your banker with your permission.

Access to records and information that is in Tandem Group's possession, which support Tandem Group's working papers relating to your affairs, may be required by New Zealand Institute of Chartered Accountants and/or Chartered Accountants Australia and New Zealand (NZICA/CAANZ) for the purposes of NZICA's quality assurance function.

#### **Documents, Records and Information**

We will keep a record of all important documents which we receive or create on your behalf.

We may keep a record electronically and destroy originals. At any time, we may dispose of documents which are duplicates or which are trivial (such as emails which do not contain substantive information),

or documents which belong to us. We are not obliged to retain documents or copies where you have requested that we provide them to you or to another person and we have done so, although we are entitled to retain copies for our own records if we wish to do so.

We will provide to you, on request, copies or originals (at our option) of all documents to which you are entitled under the Privacy Act 2020 or any other law. We may charge you our reasonable costs for doing this.

You authorise us to destroy all files and documents concerning the services we have provided to you seven years after the services have been completed. We will destroy paper files or documents earlier if we have an electronic copy of them.

Working papers prepared by us in relation to our services are owned by us. We own copyright in all documents or work we create in the course of performing the services, but grant you a non-exclusive licence to use and copy the documents as you see fit for your own personal or commercial use.

However, you may not permit any third party to copy, adapt or use the documents without our written permission.

### **Risk**

Irrespective of whether we retain ownership of any documentation, all risks for such items shall pass to you as soon as such items are delivered to you and shall remain with you until we repossess the documentation.

We shall not be held liable for any loss, corruption or deletion of files or data (including the unintended introduction of viruses) resulting from the services provided by us. It is your sole responsibility to back up any data you believe to be important, valuable or irreplaceable prior to us providing the services.

## **Financial Arrangements**

### **Our Credit Terms**

If the work we do is carried out for a limited liability company or other incorporated body, it is acknowledged that the work is being carried out at the request of those persons who sign this agreement, and such persons accept responsibility jointly and severally with you and each other, for the payment of the account.

If the account payment is not received by the due date, we shall be entitled to look at any or all the undersigned for payment, without being obliged first to seek or enforce payment from you yourself.

If payment of any account is not received by the due date, unless previously agreed by us:

- We may decline to continue further work until the account is paid or arrangements made for payment.
- In accordance with normal commercial practice, we may charge a late payment penalty on any balance outstanding after due date at the current BNZ floating interest rate per calendar month or part thereof, compounded from the due date to the date of actual payment.
- We reserve the right to place any outstanding account in the hands of our solicitors or a debt collection agency for collection by legal action, if necessary. In those circumstances, you and each of the undersigned consent to us providing its solicitors or debt collection agency with such details relating to you and the undersigned, as may be necessary to collect such outstanding account.

### **Non-Payment**

If non-payment occurs (which means a failure to comply with this agreement), you agree to reimburse us for any fees or expenses we incur in recovering any amounts owing.

In the event that the account is placed with our solicitors or debt collection agency, all fees and/or Court costs incurred in recovery action will be added to the amount owing and will be recoverable from you and/or the undersigned.

Unless waived by us in writing, we may charge interest at the current BNZ floating interest rate per calendar month on the outstanding amount from the due date of payment until the date the outstanding amount is paid (and any interest shall compound monthly at such a rate).

Where we hold electronic subscriptions or licences on your behalf, these may be terminated should non-payment occur. We will contact you prior to termination, providing an opportunity to undertake the subscriptions and/or licences yourself or remit payment.

## **Our Security and Lien**

Where we have not received payment for our services, we reserve the right to hold documentation and/or subscriptions in our possession until fulfilment of our entire fee. At any time should we have doubts about your ability to pay our fee, we may register a PPSA interest over your tangible assets, per the Personal Property Securities Act 1999.

Subject to us providing any services, you charge all of your right, title and interest (whether joint or several) in any land, real estate or other assets capable of being legally charged with a lien, owned by you either now or in the future, to secure the performance of all obligations (including full payment of all amounts owing) under this agreement.

You are liable for all our disbursements and expenses incurred in exercising our rights under the 'Security and Lien' clause to secure the performance of your obligations under this agreement.

It is fair and reasonable for the parties to be bound by this clause.

You agree that you will sign any further documents and provide any information which we may reasonably require to ensure we are paid all amounts owing due to us and otherwise to protect our interests under this agreement, including by registration of a financing statement and ensuring that we have a first ranking perfected security interest in the services or a security interest in the proceeds of any services (a security interest taken in all collateral and any proceeds of any collateral).

Each security interest is a continuing security, notwithstanding any intermediate payments, settlement of accounts or anything else.

You must provide us with information and any associated documents reasonably requested by us from time to time relating to your financial status.

## **Personal Property Securities Act 1999**

If at any time we consider that your financial status is unsatisfactory, we may require you to grant additional security interest(s) as security for the amounts owing and we may suspend or cancel further supply of services until you have provided such security interest(s).

Any actions taken by us under this clause shall be unconditionally ratified by you.

## **Resolving Differences**

### **Dispute Resolution**

We will always stand behind the quality and professional nature of the services that we offer.

If, at any point, you are not completely satisfied with the services we have performed, we encourage you to bring this to our attention immediately through either of the following channels:

- the Director responsible for our services
- by emailing [customerservice@tandemgroup.co.nz](mailto:customerservice@tandemgroup.co.nz)

We will do our best to address your concerns, remedy any problems and prevent similar problems from happening in the future. If you are not satisfied with the outcome, we will work towards a mutual agreement through the arbitration process.

### **Varying or Ending Our Engagement**

We may terminate or vary the terms of this agreement by notice in writing to you and you may end our engagement at any time by giving us reasonable notice in writing.

If there is any outstanding debt following termination of our engagement, then property, documentation and subscriptions will be held until the debt has been paid in full.

If you are switching service providers, where possible, documents and records will be transferred electronically. Where documents and records are unable to be transferred electronically due to size or other factors, they will instead be sent by post.

By signing this agreement you also agree to adhere to the services and fees agreements included within our business relationship agreement pack.