

## STANDARD TERMS OF ENGAGEMENT

These terms of engagement is between Equibrato Pty Limited trading as Aitken Signor (“We” or “Us” or “Our”) and you, a client of Aitken Signor.

This terms set out the obligations and duties of each party in respect to our services engagement with you. Our agreement consists of three sections referred to as the Scope, Terms of Engagement, and Engagement Authorisation and are to be considered in the singular as our whole agreement with you.

### TERMS OF ENGAGEMENT

- 1 The following terms of engagement form part of our agreement with you. This terms of engagement is to be read in conjunction with our scope and engagement authorisation and collectively is referred to as our agreement with you.
  - 2 Our engagement commences as soon as you return this completed and signed agreement as per the completed and signed engagement authorisation.
  - 3 In addition to any other rights you might have, you can terminate this agreement at any time by telling us in writing. We also reserve the right to do so by providing you with 14 days' written notice.
  - 4 If either you or we terminate this agreement, the provisions of clause 11 and 13 will apply
- 5 Your disclosure and record keeping obligations**
- 5.1 You are required by law to keep full and accurate records relating to your tax and accounting affairs.
  - 5.2 It also expected that, in respect of individual income tax returns, each person will have the necessary documents so as to comply with the substantiation provisions of the Income Tax Assessment Act.
  - 5.3 For entities engaged in business operations and in compliance with 5.1 above we generally require the following to ensure we are able to provide the agreed upon services, unless otherwise agreed:
    - 5.3.1 In-house bookkeeping for all entities is maintained on a regular basis. We would recommend this function be performed weekly or some other mutually agreed upon time.
    - 5.3.2 Reconciliations of bank accounts, debtors, and creditors are performed at the end of each calendar month.
    - 5.3.3 A stocktake, if applicable, will be performed, on or around 30 June each year.
  - 5.4 By engaging us to compile financial reports, you acknowledge that the reliability, accuracy and completeness of the accounting records are your responsibility and that you have disclosed to us all material and relevant information.
  - 5.5 We will endeavour to ensure that authorised forms, returns, or other documents are lodged by the due dates and will advise you when documentation should be provided to us. If you are late in providing information, we will do our best to meet the due dates, but we will not be responsible for any late lodgement penalties or interest charges you may incur.
  - 5.6 It is your obligation to provide us with all information that you reasonably expect will be necessary to allow us to perform work contemplated under this agreement within a timely manner or as requested. This includes providing accurate and complete responses to questions asked of you by us within 14 days or any other mutually agreed time. Inaccurate, incomplete or late information could have a material effect on our services and/or our conclusions and may result in additional fees. We will not verify the underlying accuracy or completeness of information you provide to us.
  - 5.7 You are also required to advise us on a timely basis if there are any changes to your circumstances that may be relevant to the performance of our services. Specifically, if any subsequent events results in the information you provided to us being inaccurate, incomplete or misleading, then you are obliged to advise us as soon as possible. We take no responsibility to the extent that our advice is inaccurate, incomplete or misleading because it is based on inaccurate, incomplete or misleading information being provided to us.
  - 5.8 By accepting this agreement, you will be taken to have agreed that the performance of our services is dependent on the performance of your obligations relating to disclosure and record keeping.

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Equibrato Pty Limited is a Corporate Authorised Representative (No.1244230) of SMSF Advisers Network Pty Ltd.  
AFSL No. 430062 | ABN: 64 155 907 681 | www.smsfadvisersnetwork.com.au

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- 5.9 The *Taxation Administration Act 1953* contains specific provisions that may provide you with “safe harbours” from administrative penalties for incorrect or late lodgement of returns if, amongst other things, you give us “all relevant taxation information” in a timely manner (the safe harbour provisions apply from 1 March 2010). Accordingly, it is to your advantage that all relevant information is disclosed to us as any failure by you to provide this information may affect your ability to rely on the “safe harbour” provisions and will be taken into account in determining the extent to which we have discharged our obligations to you.
- 5.10 You are also required to advise us if you become aware of any conflict of interest or potential conflict of interest. Generally, a conflict of interest is any event which may result in us becoming unable to remain objective in the performance of our services to you. Some examples of events which could give rise to a conflict of interest or potential conflict of interest during this agreement are changes to your business circumstances, events affecting your family (eg. death and/or marriage breakdown) or a legal action commencing against you.

## **6 Your rights and obligations under the taxation laws**

- 6.1 You have certain rights under the taxation laws, including the right to seek a private ruling from the ATO or to appeal or object against a decision made by the Commissioner. As relevant, we will provide further information to you concerning your rights under the Australian taxation laws during the conduct of our engagement contemplated by these terms.
- 6.2 You also have certain obligations under the Australian taxation laws, such as the obligation to keep proper records and the obligation to lodge returns by the due date.
- 6.3 When engaging us to provide taxation services, you agree as follows:
- 6.3.1 You are responsible for the accuracy and completeness of the particulars and information provided to us.
- 6.3.2 Any advice we provide is only an opinion based on our knowledge of your particular circumstances.
- 6.3.3 You have obligations under the self-assessment regime to keep full and proper records in order to facilitate the preparation of accurate taxation returns.
- 6.3.4 We cannot provide taxation services if we find that information on which those services are to be based contain false or misleading information, or omit material information, and you are not prepared to appropriately amend that information.

## **7 Our obligation to comply with the law**

- 7.1 We have a duty to act in your best interests. However, the duty to act in your best interests is subject to an overriding obligation to comply with the law even if that may require us to act in a manner that may be contrary to your interests. For example, we could not lodge an income tax return for you that we knew to be false in a material aspect.
- 7.2 We also have an obligation to ensure that we manage conflicts of interest as they arise. In this regard, we have arrangements in place to ensure that we manage potential or actual conflict of interest. The effective operation of these arrangements depends, in part, on you complying with your obligation to disclose any potential conflicts of interest to us (see section 5 above).
- 7.3 Unless otherwise stated, this opinion is based on the Australian tax law in force and the practice of the ATO applicable as at the date of these terms.
- 7.4 Our advice and/or services will be based on Australian taxation law in force at the date of the provision of the advice and/or services. It is your responsibility to seek updated advice if you intend to rely on our advice at a later stage. We note that Australian taxation laws are often subject to frequent change and our advice will not be updated unless specifically requested by you at the time of the change in law or announced change in law.
- 7.5 During the performance of our work under this agreement, we may detect conduct or a transaction that is considered to constitute non-compliance with laws or regulations (NOCLAR), which has a material effect on any documents or information that might be required to be provided to a regulatory authority (RA), such as the ATO or ASIC. If we detect any NOCLAR, we may have an ethical requirement to make a disclosure to a RA. We will follow a formal process which will include advising you of our concerns, and if necessary, seeking legal advice. If we do seek legal advice we reserve the right to ask you to pay or reimburse us for our reasonable costs. If we are required to make a disclosure to a RA, you agree to forever release us from any claim for costs or losses you incur in responding to or dealing with anything that arises from our disclosure.
- 7.6 We are required to hold an Australian Financial Services Licence (AFSL), or be an authorised representative of the holder of an AFSL, in order to provide you with certain types of advice in relation to superannuation. This includes any advice, recommendation or opinion that is intended to influence you in making any decision in relation to superannuation (including whether to establish, contribute to or draw benefits from a superannuation fund, or any investment decision by an superannuation trustee), or that could reasonably be regarded as being intended to have such an influence (Financial Advice).

- 7.7 We are authorised under an AFSL to provide Financial Advice. Our authorisation particulars are as follows:
- 7.7.1 SMSF Advisers Network Pty Ltd – Licence Number 430062
  - 7.7.2 Corporate authorised representative – Equibrato Pty Limited – ASIC registration number 1244230
  - 7.7.3 Associate authorised representative – Trent Justin Signor – ASIC registration number 1244229
- 7.8 Where we provide Financial Advice to you, we will be required to follow additional procedures. This will include:
- 7.8.1 providing you with a Financial Services Guide (FSG) as soon as practicable after it becomes apparent that we may be required to provide Financial Advice to you, and in any event before that advice is provided;
  - 7.8.2 fully-documenting your personal circumstances upon which our advice is based;
  - 7.8.3 providing you with a written Statement of Advice; and
  - 7.8.4 depending on the circumstances, we may be required to provide you with a separate Fee Disclosure Statement in relation to the Financial Advice.

## **8 Limitation of liability**

- 8.1 Our liability may be limited by a scheme approved under Professional Standards Legislation. Further information on schemes is available from the Professional Standards Councils' website: <http://www.professionalstandardscouncil.gov.au>.

## **9 Confidentiality**

- 9.1 We will not disclose any information relating to your affairs to any third party without your consent, unless required by law. You may provide us with permission to disclose your confidential information in certain circumstances, or place conditions on the disclosure of certain confidential information. If you do so, we will have permission to disclose the relevant information accordingly, in the performance of our services, unless you instruct us otherwise in writing.
- 9.2 We wish to draw your attention to our firm's system of quality control which has been established and maintained in accordance with the relevant APESB standard. As a result, our files may be subject to review as part of the quality control review program of the Institute of Chartered Accountants which monitors compliance with professional standards by its members. We advise you that by accepting our agreement you acknowledge that, if requested, our files relating to this agreement will be made available under this program. Should this occur, we will promptly advise you.
- 9.3 We will take all reasonable precautions to ensure that any electronic data that contains your private information is securely stored and that any email transmissions are protected and are not able to be intercepted by third parties. However, we cannot be held liable for any loss that you might incur as a consequence of any third party intervention that accesses, procures or copies any data that contains your private information from any medium or device we use to store or transmit such information. In the event that, despite our firm having taken reasonable precautions to securely store your private information, you suffer any losses arising from unauthorised cyber-activity, you agree to forever release us from any claim for your losses.

## **10 Outsourced professional services**

- 10.1 We may from time to time, use the services of third party contractors to assist in performance of the service we are engaged to perform, or we are unable to provide the required service.
- 10.2 Where SMSF Administration services are included within our scope, we confirm that an audit of your SMSF is required and that our firm is unable to provide this service.
- 10.3 We have engaged Evolv Auditors (SMSF auditors) to perform the necessary auditing service to you and confirm that the Evolv audit costs will be in addition to our fee quoted and have not been included within this agreement.
- 10.4 Where SMSF Administration services are included within our scope, we will provide the accounting records and source documents in a suitable format together with draft financial reports to enable the SMSF auditor to form an opinion on:
- 10.4.1 The underlying accounting records are reliable and adequate as a basis for the preparation of the financial statements; and
  - 10.4.2 The financial position of the SMSF at balance date and the results for the year then ended are properly disclosed in the financial statements; and
  - 10.4.3 Compliance with certain aspects of SIS Act & Regs.
- 10.5 Where bookkeeping and/or income taxation preparation services are included within our scope, and to assist with the output of our agreed upon services, we may engage the services of Odyssey Resources Limited (ORL).
- 10.6 Our firm has entered into an agreement for services with ORL after assessing the requirements outlined within *GN 30 Outsourced Services* issued by the APESB and the relevant Tax Practitioners Board guidance.

- 10.7 Our agreement with ORL and our firm's policies and procedures comply with all Australian requirements as outlined within these terms, in particular with respect to confidentiality, privacy, and data security and protection.
- 10.8 We confirm that the services of ORL are provided from their operations centre in HCM City, Vietnam and that all correspondence between our firm and ORL is via a secure members login facility provided by ORL and password encrypted email messaging.
- 10.9 By accepting this agreement, you will also provide your consent to disclose any of your necessary confidential information or otherwise to both our firm and ORL in accordance with this agreement to fulfil our scope and output listed above.
- 10.10 We confirm and acknowledge that all services provided by ORL will form part of our services to you and therefore the responsibility of all output under this agreement will remain with our firm only.
- 10.11 From time to time, our firm and our third party contractors may engage external IT service providers (including in relation to "cloud computing" services) in the performance of services under this engagement.
- 10.12 The list of external IT service provider(s) currently used by our firm or our third party contractors, to whom client information will or may be disclosed, is as follows:
  - 10.12.1 not applicable
- 10.13 We will notify you of any change to this list from time to time.
- 10.14 Each entity listed in the scope hereby authorises us and our third party contractors to disclose information relating to those clients' affairs to such external IT service providers as we or our third party contractors may choose to engage.

<b>11</b>	<b>Ownership of documents</b>
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- 11.1 All original documents obtained from you arising from this agreement will remain your property. However, we reserve the right to make a reasonable number of copies of the original documents for our records.
- 11.2 Our engagement will result in the output as outlined within the scope section above. Ownership of these documents will vest in you. All other documents produced by us in respect of this agreement will remain our property.
- 11.3 We have a policy of exploring a legal right of lien over any of your documents in our possession in the event of a dispute between us. We have also established dispute resolution processes, details of which are available on request.

<b>12</b>	<b>Computer hardware and software requirements</b>
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- 12.1 Should you engage our services, you agree to provide us with access to any necessary computer hardware or suitable networking environment to perform our services, or any other access and work environment as mutually agreed.
- 12.2 You will be required to licence an appropriate accounting software product as consulted with us and will maintain all licences and ensure that the most relevant version of the applicable accounting software is available as required and determined by us.
- 12.3 You will provide appropriate backup and security of all your accounting data as required and is per the industry best practice.
- 12.4 Our services cannot be relied upon to minimise the risk of information loss due to faulty computer hardware or software.

<b>13</b>	<b>Staff and contractors</b>
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- 13.1 We may from time to time utilise different employees and/or contractors to carry out our agreement with you.
- 13.2 You must not during the term of our agreement or for a period 12 months after the expiration or termination of our ongoing agreement, without the prior written consent of us, employ or engage the services of or offer to employ or engage the services of any entity involved in the performance of our services as outlined above.

<b>14</b>	<b>Timetable</b>
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- 14.1 Our services will be performed in accordance with a timetable agreed with you.
- 14.2 Our timetable of services has been developed to facilitate a large number of engagements to be completed within a fixed period of time.

- 14.3 We always work to ensure that your income tax return and, if applicable, activity statement is completed and lodged within the due dates issued by the ATO but are unable to guarantee this if any information or request for further information is returned to our office outside of our agreed upon timetable.

<b>15 Your acceptance of the scope and terms of engagement</b>
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- 15.1 This agreement sets out the basis on which we will act for you.
- 15.2 We thank you for the opportunity to assist you in your taxation and accounting affairs and ask that you have all entities please sign the engagement authorisation where indicated and return to us to indicate your acceptance of this agreement.
- 15.3 We note again that we are unable to perform any work for you until we receive the signed engagement authorisation or where we are engaged to assist you in a prior period, you provide us with your personal information or we have agreed to provide our services in any other manner and you have accepted our agreement.
- 15.4 This agreement will be effective for future years and roll forward on an ongoing basis unless we advise of any change or we are advised that our services are no longer required. Generally, however, the terms and fees stated above are reviewed annually to ensure that our agreement is in line with accepted business practice.